

TUESDAY, 11 JULY 2006

ESTIMATES COMMITTEE A—LEGISLATIVE ASSEMBLY

Estimates Committee A Members

Ms RG Nolan (Chair)
Mr DJ Briskey
Mr JP Langbroek
Mr BJ Quinn
Mr PG Reeves
Mr LJ Springborg
Mr CA Wallace

In Attendance

Hon. T McGrady, Speaker
Mr N Laurie, The Clerk of Parliament
Mr M Hickey, Director, Corporate and House Services
Ms S Davies, Deputy Clerk
Mr C Atkinson, Manager, Financial and Administrative Services

Committee met at 8.30 am.

CHAIR: I declare the meeting of Estimates Committee A open. I am Rachel Nolan, chair of the committee and member for Ipswich. Joining me on the committee are Lawrence Springborg, deputy chair and member for Southern Downs; Craig Wallace, member for Thuringowa; Phil Reeves, member for Mansfield; Darryl Briskey, member for Cleveland; John-Paul Langbroek, member for Surfers Paradise; and Bob Quinn, member for Robina.

The committee will examine the proposed expenditure contained in the Appropriation (Parliament) Bill 2006 and the Appropriation Bill 2006 for the portfolios assigned to it by the order of appointment made on 21 April 2006 and amended on 10 May 2006. Proceedings for today will commence with the Speaker of the Legislative Assembly. From 9.30 am to 1 pm the committee will examine the portfolio of the Premier. There will be a 20-minute break at 10.30 am and a lunch adjournment from 12.50 pm to 2 pm. The portfolio of the Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation will be examined from 2 pm to 4.30 pm and the portfolio of the Minister for Public Works, Housing and Racing will be examined from 4.45 pm to 7.15 pm.

The proceedings today are similar to parliament to the extent that members of the public cannot ask questions. In that regard I remind visitors that in accordance with standing order 206 any person admitted to a public hearing of a committee may be excluded by order of the committee. In relation to media coverage of the hearing, the committee has resolved that television and film coverage and photography will be allowed during the chair's introductory comments and the opening statements of the Speaker and each minister, as well as for short periods during each changeover of ministerial advisers. I also ask that all mobile phones be switched off.

The first item for consideration is the estimates of expenditure for the Legislative Assembly. I welcome Mr Speaker and parliamentary officers. The time limit for questions is one minute and answers are to be no longer than three minutes. A 15-second warning will be given prior to the expiration of these time limits. An extension of time may be given with the consent of the questioner. I remind members, as I indicated earlier, that if there are interjections on the Speaker or ministers I will determine those to be new questions and restart the clock. In accordance with the standing orders, at least half the time available for questions and answers will be allocated to non-government members.

I declare the proposed expenditure for the Legislative Assembly open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Mr Speaker, would you like to make an opening statement or do you wish to proceed straight to questioning?

Mr SPEAKER: I will make an opening statement. First of all, I thank you for the professional way in which you have made the introduction this morning. The 2006-07 budget estimates for the parliament are the first for which I am directly responsible. I am here today in my role as the person charged with responsibility for preparing the budget for the parliament and supervising the management of the Parliamentary Service.

As committee members would be aware, the Appropriation (Parliament) Bill seeks to provide funding for salary and allowances for members of the Legislative Assembly and funding for the Parliamentary Service, which provides administrative and support services to the Legislative Assembly. The total appropriation sought for the parliament in 2006-07 is \$58.177 million, an increase of 3.83 per cent over last year's appropriation. This increase is required primarily to meet enterprise bargaining salary increases for staff and salary increases for members.

Assuming responsibility for the management of the parliament and the Parliamentary Service is an honour and, indeed, a challenge. While I have been a member of parliament for over 16 years, it is only now that I appreciate the competing demands associated with the Speaker's position. One of the challenges in framing a budget for the parliament is achieving a balance between the needs of members as individual representatives and the collective needs of the parliament and the wider community.

In this my first budget I would like to pursue a number of key initiatives that will deliver benefits to members individually and collectively and also the wider community. I am pleased to announce that funding has been set aside in this budget for the video broadcast of parliamentary proceedings. This initiative builds on previous initiatives designed to make the parliament more accessible to Queenslanders, including the audio broadcast of parliamentary proceedings, regional sittings of the parliament in Townsville and Rockhampton and the introduction of electronic petitioning.

I have also set aside funding for a number of ongoing building preservation and infrastructure improvements in the area of stonework restoration, air conditioning, information technology and water usage. The committee has already been provided with additional information in relation to some of these initiatives. The importance of maintaining the precinct is not only important from a heritage perspective but also important from a business and safety perspective, with the precinct now hosting more visitors than ever before. I am committed to ensuring that the precinct remains open and accessible to Queenslanders and also to interstate and international guests and visitors. In fact, parliamentary catering has advised that functions held in Parliament House just last week have amounted to \$105,000, with one function totalling \$65,000 during that period.

As a member representing a large regional electorate, I appreciate the importance all members place upon their electorate office and their electorate office staff. While there have been many welcome improvements in equipment, information technology and communication in recent years, electorate offices remain very busy workplaces with unique challenges. I am pleased to announce that the electorate officer training initiative that commenced in the last financial year will continue in the current one. A further 89 electorate office staff from across the state will be invited to attend the tailored training course. I hope that this training will provide electorate office staff with additional tools to help manage in the electorate office environment.

Since becoming Speaker I have personally visited some 48 electorate offices to listen to the views of members and electorate office staff. I have been particularly pleased to receive positive feedback from electorate staff about the support provided by the Parliamentary Service staff here at Parliament House. Parliamentary Service staff deliver a wide range of services from within the parliamentary precinct, ensuring that value for money is being achieved in the delivery of these services, and that is important.

During the development of this budget I took the opportunity to meet with key managers to discuss the full details of the budget. This also provides a good opportunity to gain a greater understanding of the diverse activities undertaken by the service and management's plans for the coming year. While the service is operating efficiently, there is always room for improvement, and I will work with the Clerk to ensure that the service continues to improve.

In closing, I would like to thank the Premier and Treasurer throughout the 2006-07 budget development process. Discussions concerning funding for the parliament have been conducted in a positive and cooperative manner with appropriate recognition of the principles underpinning the Appropriation (Parliament) Bill currently before the parliament. Madam Chair, I wish the committee well in its deliberations.

CHAIR: I now call on the Leader of the Opposition to commence questions.

Mr SPRINGBORG: Mr Speaker, as a lot of Queenslanders know, in the last couple of weeks a police investigation has been instigated into the allegations of missing or stolen furniture around this precinct dating back to the early 1990s or even further back than that. In 2004 during parliamentary estimates the Speaker identified \$12,649 worth of missing silverware picked up during a stocktake here in the parliamentary precinct. Mr Speaker, have police ever been called to investigate this? If not, why not?

Mr SPEAKER: I thank the Leader of the Opposition for the question. As you know, I have only been the Speaker since August last year and therefore I do not believe it is my responsibility to answer questions regarding a previous administration. But I have to inform the committee that late yesterday afternoon baggage was discovered on one of the beaches north of the city which contained some silverware. I tell the committee this now because obviously the first thing I did when I received this telephone call was to inform the police, as I have done on every single occasion. The police have been conducting inquiries, and I do not think it would help the inquiries if this committee here were to go into the details.

I have to say to the committee that when I first received information from the gentleman, a former employee of Parliament House, I informed that person that I would have to pass on all of the information to the police, which I did. I also warned him that he would probably be interviewed by the police, and he was very comfortable with that. You have seen some reports in the media over the last couple of weeks. Some of it appears to be factual; some of it is not factual. I ask the committee to bear with me because I do not want to say or do anything which could jeopardise this inquiry.

I am sure every member of this committee would agree with me that the perpetrators of what appears to be a crime have actually taken the heritage of this state. As the Speaker of this parliament, I will leave no stone unturned until the people who have been involved with this are brought to justice. You would also be aware that following the first night of television coverage a person who is currently employed by the Queensland Parliament came forward and gave a statement to the parliament and also to the police. I am up-front about this and I am more than happy to answer any questions, but I would ask you to bear in mind that a police inquiry is currently being undertaken and I do not want to say or do anything which could jeopardise it.

The reason I have informed you of the latest developments is that I believe, first of all, you should know and, secondly, I think it would be very wrong of me to be privy to information which we gave to the police late last night and then be accused by this committee of either not telling you or misleading you. I am being as honest as I can, but I am sure every one of you on the committee would appreciate the fact that to some extent my hands are tied. It is a pity other people's hands were not tied in the eighties and nineties.

Mr SPRINGBORG: Mr Speaker, I acknowledge the information you have provided here this morning. I was most concerned in 2004 that the seriousness of what had been identified probably was not investigated as much as it should have been, and I acknowledge that that was before your tenure. Maybe some of that silverware relates to what was identified as missing at that time. We do not know. That ultimately may be discovered. Given what has been discovered in the last 24 hours, would you undertake to refer the information which was identified in 2004, regarding this silverware to the value of \$12,649 which was unaccounted for, to the police for investigation as part of this?

Mr SPEAKER: We have informed the police of everything that we are aware of. Can I just say, again without divulging too much, that some of the silverware we found last night still has the original packaging on it which means that it has never been used in this place and I would suspect had been taken in the early days. That is only my suspicion. The other point, too, is that you would be aware of the document which the gentleman who first came to see me talked about. It is a stocktake of the items which were in Parliament House in 1991. We have very little to compare this stocktake with what was here previously.

There are also a number of recommendations contained in this report. I am led to believe from the staff here that most of those recommendations have, in fact, been implemented, such as every item of furniture now has bar coding. I am also informed that every year all of the silverware is counted. You cannot put bar coding on knives, forks and spoons, but it is counted on an annual basis.

The other point is that we get lots of visitors coming to Parliament House, as you know, either as guests of members or attending functions. The chances are that people do souvenir the small spoons. Without being facetious, as a former prisons minister I would hate to suggest that when you bring a guest into Parliament House and they go through security that when they leave we do the same thing. I personally would not approve of that. I think people come here to witness the joys and the beauty of this building and the fine food and drink which is sold, and I do not think they should be intimidated as they leave the building.

Mr SPRINGBORG: I said in 2004 that we probably all acknowledge that there is an element of souveniring and it may not necessarily be a racket, but short of a police investigation or further investigation of the matter then we will never know; it becomes extremely hypothetical. An amount of \$12,649 in missing silverware had been identified over the previous 12-month or two-year period since the other stocktake. I assume that stocktakes are done every 12 months here. Obviously that had disappeared in that period of time. Can you give an indication of the value of silverware or other items that have disappeared from the parliamentary precinct or are unaccounted for since that stocktake in 2004?

Mr SPEAKER: No, I cannot. All I would say to you, though, is that the type of silverware which was purchased when the Annexe opened—a small teaspoon was purchased at around \$60. Knives and forks are a lot more expensive. You are talking on average \$100 a piece. You have to bear in mind that there are also genuine losses and damage being done to silverware in the industrial washing machines which are used in the parliament. However, there is a place in the basement of Parliament House where that stuff is kept, and if any member of the committee wanted to come down and have a look at that we would be more than happy to show it to you.

You have to bear in mind that it is a business we are running and, like in any business, there are losses, there is pilfering and also there is damage through fair wear and tear. Today we are able to monitor that. Back in the nineties I was quite flabbergasted by what I had seen. As an example, allegations have been made about Waterford crystal going missing. In those days they had a piece of cardboard where the storeman simply marked off 'one piece of Waterford crystal'. Some of the suggestions are that people were actually walking out with a dozen Waterford crystal glasses, which is a great cost. Today, of course, it is different; there is a different culture in this place. Of course, we also have modern technology which means we have a far better way, a far more efficient way, of stocktaking. I can assure the whole of the committee that the culture has changed but so, too, has the way in which we conduct business.

Mr SPRINGBORG: Everyone accepts damage and losses—no-one argues against that—but it must be possible to actually separate what has been damaged and lost from what is genuinely unaccounted for. You just indicated that we have more efficient ways of actually stocktaking and accounting for the items around this place. I ask you again: is it possible to provide the updated stocktakes for the last two financial years so that we are able to basically see what is going on? I imagine that you have that information, given you have mentioned that you have a more efficient process now.

Mr SPEAKER: In relation to the silverware, in 2003-04 there were 296 items at a value of \$7,904. In crockery we had 89 items at a value of \$4,745. That gave a total value for that year of \$12,000. The following year, 2004-05, there were 142 items of silverware at a cost of \$1,147. You can see the dramatic drop. In relation to crockery, there were 158 items at a value of \$5,940. That gives a total value of \$7,087.

So, in 2003-04 you had \$12,600 and in 2004-05 there was a drop down to \$7,000. In 2005-06 we had 1,127, but that would be due to a major stocktake that was taken following a comprehensive review of all silverware and crockery assets after relocation of these items to the new loading dock storage facility, which I referred to before. As part of the stocktake a large number of items were written off due to damage in relocation, being out of date, general breakages during operational use, damage due to long periods of storage and incomplete sets.

Mr SPRINGBORG: You say there were 1,127 items of silverware during the 2005-06 period?

Mr SPEAKER: Of the total quantity of items written off, which is 2,278, over 75 per cent of the items were physically sighted and verified during the stocktake. As an example, last Christmas every one of you would have received a letter or email from me offering to sell some items of glassware. As an example, the port and whiskey glasses I am now showing you have been sitting down in the cellar for quite some time. I just wanted to get some cash, get rid of them. We sold those for \$1 each, and many members and staff took advantage of the offer. There is a slight difference between them and the Waterford crystal. Of course, you can always tell the good ones. The ones that we were selling off for \$1 at Christmas time are not crystal; they are basic glass. These ones here, of course, are the Waterford crystal ones and we have no intention at all of selling them.

Mr SPRINGBORG: So, 25 per cent of the 2,278 items that were identified during that stocktake were not sighted; is that right?

Mr SPEAKER: Seventy-five per cent of the items missing were ones where we could verify that it was breakages or for some other reason.

Mr SPRINGBORG: What was the value of things that were identified as unaccounted for or missing in 2005-06?

Mr SPEAKER: I can get that information to you.

Mr SPRINGBORG: I appreciate that. We have dealt with silverware and crockery. Have the stocktakes identified unaccounted for items missing in other areas around here, whether it be furniture or other goods, chattels or detached ornaments?

Mr SPEAKER: As I informed the committee, since 1991-92, or around that time, based on the recommendations from that stocktake and the people who did the stocktake, we have bar coded all of the items in the building and now on an annual basis they are checked. You will note yourself that from time to time people will come into your office and they will check your furniture. That happens right around the building. It also happens in the electorate offices, where you have to sign papers. They are doing the best that they can to ensure that what happened in the late eighties does not happen again today.

In a building this size, where people come and go all of the time, it is not an easy task. That is one of the reasons since becoming Speaker I have made it more difficult for people to gain passes. I know that there has been some angst about this and that people have been upset, but we had, from memory, 1,500 passes out there and people just walking into this place willy-nilly. With the problems that we have now with security, nobody can justify that sort of set-up. If people are walking in and out of here willy-nilly, we cannot control the fact that they may be walking out with glasses, they may be walking out with silver, they may be walking out with other things. As I said earlier on, we do not search people as they leave the premises.

Mr SPRINGBORG: Before I move on to another topic, can I confirm that you indicated that you would take on notice my request to provide a breakdown?

Mr SPEAKER: Yes.

Mr SPRINGBORG: I ask about certain drums which are stored under the freeway in car park A. Do you know what is actually stored in those drums over there? I understand that they have been there for some time.

Mr SPEAKER: I am told that they are pieces of stone which were going to be thrown in the river and we saved them. They are cobblestones.

Mr SPRINGBORG: In relation to the provision of first-aid kits, I note that every floor in the Annexe—I am not quite sure what has happened here—used to have a first-aid kit but they have been taken down in the past couple of months. Now we are told to contact a central number. I, for one, have found that when I just need a bandaid or a panadol I do not even bother anymore because I do not want to interrupt somebody. I would imagine those kits have been taken away for a cost reason. What was the cost of actually maintaining those first-aid kits? The maintenance of first-aid kits on individual floors I would have thought would be a fundamental workplace health and safety requirement.

Mr SPEAKER: I am informed that it was not a cost reason. Some of the items contained in the first-aid boxes were in fact out of date and could be dangerous to people using them. That is the reason the decision was made to take them away. We are more than happy to revisit that if it is an issue. You would know that sometimes in your own office when you have a first-aid box sometimes the equipment in there is out of date and can become dangerous. I am more than happy to visit that to see if we can resolve it.

Mr SPRINGBORG: I understand what you are saying about out-of-date things. Bandages and probably bandaids do not necessarily date, but there may be other things. I would have thought that there is an obligation on employers to actually ensure that stuff is kept up-to-date. I acknowledge and thank you for taking it on board and looking at it, because I think it is a convenience. People have actually mentioned it to me. It is something that workplaces do now and it should be a fundamental part of operating a workplace that items are kept up-to-date. If cost is not an impediment then that should not be an impossibility.

Mr SPEAKER: It is certainly not a cost, but I will take that on board and see if we can work out some system.

Mr SPRINGBORG: One thing that concerns me—and some of my colleagues have passed comment on the same thing—is that when there is an evacuation in this place, whether it be from the Annexe or from the parliament itself, we seem to gather at a collection point which is most insecure. All of the members, and particularly the ministers, gather in a collective in an environment where there does not seem to be any security around or very, very minimal security. I am concerned about what could happen in a situation where somebody has an elaborate plan to basically flush people out of here to put them somewhere where they could be more vulnerable. Has there been any review of that security issue to make sure that there is a central collection point that considers that we need to keep the members of parliament safe and secure if they are evacuated?

Mr SPEAKER: I thank the member for the question. It is a sensible one. I used to have concerns about that myself. We have invited the Queensland Fire and Rescue Service to come in to review the situation. They have made suggestions that the evacuation take place on the Speaker's Green, and the next evacuation—and if people do not make toast it will be a long way off—will be to the Speaker's Green.

Mr SPRINGBORG: That is very, very sensible. I think it is something that is very much overdue. Can I bring you to the point of the media room. The media room is something which is now dual purpose—booked and used by other groups for up to four or five days at times when parliament is not sitting. This has created some inconvenience for the opposition. We have sought to, in the first instance, with the provision of supported lighting from your predecessor, address the issue, but then we have had to have that lighting reviewed because it was not right. It is a pokey little hole, quite frankly. Most parliaments around Australia, as I understand it, have a designated media room. We might be able to make contingencies as the opposition, but there are other members of parliament, including Independents and backbenchers, who do not have the opportunity that we have, even though ours is suboptimal. Do you see a role for a designated media room, given the way that parliament is operated? Are there other parliaments around Australia which do not have a designated media room?

Mr SPEAKER: I do see the need, and in recent times—and your staff would be aware of this—I have given a direction that from 7.30 to 2.30, I think, each day that room is going to be used exclusively for media. The problem I have is that some organisations and individuals have prebooked, and we had okayed it. Your staff will find out now that, as the days go by, it is becoming less and less used by outsiders, and in the next few weeks that should be all over. That room will now be exclusively for media. The point you make is true: the government does have the Executive Building, but members of parliament, or the opposition, should have a place and that has now been gazetted as the media room.

The other point I stress is that you are not going to come along and book it for the whole day. It will be for half-hour intervals, and you will book that on the day that it is required. But it will be exclusively for the media, and that means any member of parliament.

Mr SPRINGBORG: That is good. I commend you for doing that. One of the difficulties in the past is that we never knew what was going on, when we tried to make a block booking. But if it is available then members of parliament, particularly the non-executive members of parliament, will be able to book around a block.

Mr SPEAKER: I am sure your staff will now tell you that there is a vast improvement but there are still one or two previous bookings which are in the pipeline.

Mr SPRINGBORG: Sure. Mr Speaker, I take you to the issue of water conservation measures. You answered a question on notice from both non-government and government members regarding this. I understand that there is an allocation of \$200,000 in the budget to start retrofitting. I note that you have a rainwater tank in there, the possibility of dual-flush toilets, the recycling of air-conditioning water and all those sorts of things. I also note that last year there was nil movement in this area of water conservation in the parliamentary precinct. Have you set any targets in your budget for how many dual-flush toilets may be retrofitted this year? I know that there is an aspirational statement, but are there any targets in there to ensure that these sorts of things happen?

Mr SPEAKER: Just to give committee members an idea of the way in which water consumption in Parliament House has been dropping, I will hold up this chart. The red line is what they call a trend line. That is the way that consumption has been trending. You can see that, basically, it has come right down from what it was just a few short years ago.

Mr SPEAKER: So they are in yearly increments, are they?

Mr SPEAKER: Yes.

Mr SPRINGBORG: What was the starting point, Mr Speaker?

Mr SPEAKER: They are six-month intervals. I would be more than happy to give you that information.

Mr SPRINGBORG: If you could table it, that would be good.

Mr SPEAKER: That is no problem. Since 1994, the Parliamentary Service has actively implemented water-saving strategies through a number of programs, both utilising in-house expertise and bringing in subcontract personnel. In 1994, electronic flush units were fitted to the urinal systems in Parliament House and the Annexe. Prior to these devices being fitted, the urinals flushed automatically every 20 minutes. The electronic units installed in 1994 operate by a sensor, which results in flushing only when the urinal is used. If the urinal is not used, an automatic single small flush occurs every six hours. We have some 37 urinals within the precinct and all but one have these electronic flush units fitted. In 1998 Jemflo flow valves were installed in all sinks in Parliament House and in sinks and showers in the Parliamentary Annexe. As the name suggests, the flow valve controls water flow, effectively reducing the amount of water released from the tap fittings. The flow valve is installed within the tap and it is not visible to the user.

Madam Chair, this is really a lengthy reply, and I would be more than happy to give a copy of my reply to each one of the committee members because some of the newspaper reports were not factual, and I want you to understand what we have been doing and what we propose to do. So I am more than happy to give you all a copy.

CHAIR: Mr Speaker, with the permission of the questioner, you are welcome to go for another couple of minutes. Are you comfortable with that, Leader of the Opposition?

Mr SPRINGBORG: That is fine. Well, my time is over anyway, but I imagine government members have an interest in this because—

CHAIR: Do you want to speak for an extra couple of minutes and provide us with that information?

Mr SPEAKER: Yes, sure. I never refuse an opportunity to speak. As I was saying, the flow of water is measured in litres per minute. Before the installation, the flow was in the order of 20 litres per minute. However, the flow valve reduced this to nine litres per minute. So you are going from 20 litres to nine litres. The installation of the flow valve provides a similar outcome as some water-saving shower heads. However, it works on all taps and not just showers. Notably, if the tap or the shower has a flow valve installed, water-saving shower heads should not be used.

In 1998 the number of kitchen garbage disposal units installed was reduced from five to three. Commercial kitchen garbage disposal units require large quantities of water to operate efficiently. The disposal units were located in the two main kitchens and were not fully utilised. In 1998 a pool cover was installed on the level 7 swimming pool to limit evaporation of water to the atmosphere. The measures I have just outlined have realised conservatively on average a 25 per cent to 30 per cent saving against the base year of 1992.

The question from the Leader of the Opposition was: what are we going to do in the future? First of all, obviously we are complying with current water restrictions: watering garden lawns and landscaping with hand-held buckets filled directly from a tap, which is permitted. It is not proposed to water lawns at all. There will be only limited watering of indoor and outdoor plants. We have been discussing these items—that is, the installation of low-flush toilets—with our energy management partners, Honeywell, over the past 10 months. Honeywell has been developing a number of design options. One option has been to design modifications to existing cisterns. Another option is the design and installation of all new systems.

Madam Chair, I will give the committee copies of this. A lot of work has been done, a lot of work is going to be done, and I am sure it will satisfy the requirements of the committee.

CHAIR: Thank you very much, Mr Speaker. The time for non-government members' questions has expired. I therefore call the member for Mansfield.

Mr REEVES: Mr Speaker, when attending the Rockhampton sitting of parliament, I noticed there was an excellent display for visitors. Can you advise what other parliamentary displays have been developed over the last year?

Mr SPEAKER: I thank you for the question. One of the goals of the Parliamentary Service is to play a positive role in the community. Following on from the extremely popular display commemorating the centenary of women's suffrage, which was launched in May 2005, the regional sitting of the parliament in Rockhampton in October 2005 provided an ideal opportunity for the parliament not only to take some of its heritage artefacts and selections from the heritage O'Donovan collection to Rockhampton but also to prepare a significant exhibition on the history of parliamentary representation in the central Queensland region since 1860, which is called *Then and Now*.

For some time now there has been an increasing interest shown by members of the public and also schoolchildren in the history of their parliament and its members. Rockhampton schoolchildren who were studying local history as part of the studies of society and the environment syllabus were most interested in the display about local members' role in the Queensland parliament and, of course, government. One copy of the display was donated by me on behalf of the Queensland parliament to the Mayor of Rockhampton, Councillor Margaret Strelow, as a lasting memento to the people of Rockhampton of the historic regional sitting.

On 1 May this year, I was pleased to launch a permanent educational display to commemorate the 40th anniversary of Indigenous suffrage in Queensland. The date of the launch was the 40th anniversary of Aboriginal and Torres Strait Islander peoples being granted the vote in Queensland through the enactment of the elections act amendment act of 1 February 1966. The aim of this display was to acknowledge the past, to celebrate achievements made by Queensland's Indigenous people since the granting of suffrage and, most importantly, to encourage Indigenous people to become part of Queensland's political process.

This exhibition was produced by Parliamentary Library staff through a grant provided by the Queensland Office for Women. The Queensland Governor expressed her interest by asking for a special viewing of the panel. Both of these exhibitions now hang on level 5 outside the various rooms on the corridor. This corridor is frequently used by the many hundreds of visitors to functions at the Queensland parliament, and it is clear that both of these exhibitions are continuing to be enjoyed by these visitors and contribute to the outreach program of this parliament.

Mr WALLACE: Mr Speaker, I am aware that over recent years the parliament has been opened up annually to the public and we have many visitors come to look through the building including the O'Donovan Library collection. Can you advise the committee what action is being taken to display and preserve this collection?

Mr SPEAKER: As you rightfully say, there is a tremendous deal of interest in this collection. The Parliamentary Library itself was established in 1860. When the new parliamentary building was opened in 1868, the library was also relocated to the traditional location in Westminster parliaments—that is, between the two chambers. In 1874 the parliament employed a Mr Denis O'Donovan as the Parliamentary Librarian. Denis O'Donovan was a man of letters, highly educated, and increased the library's collection from 8,000 volumes to 34,000 volumes by the time he retired in 1902. This collection was closed in 1908.

The collection is now used by research staff from the Parliamentary Library and others in the parliament and is also open on request to scholars and academics who are researching Queensland's history. The later 19th century for Queensland was a period of immense innovation, dynamic policy

formulation and infrastructure development, particularly railways and ports. The collecting policy of O'Donovan reflected this, bringing in ideas from countries such as the United States, Britain and other British colonies which were also establishing new nations.

There are many examples of research scholars looking into Queensland's political history finding books in the O'Donovan collection with passages marked by pencil—no doubt pencilled by the Queensland legislators of the 19th century in preparation of policy development and for speeches in the House.

This collection, and the beautiful room in which it is housed, is a priceless asset of the Queensland parliament and the people of Queensland. Its value lies in its uniqueness. The entire book collection is still housed in the original shelving. Whilst each volume in itself is valuable, the value of the collection lies in the fact that it is still a complete collection.

O'Donovan's crowning achievement was the dictionary catalogue he created of the contents of this library which is still used as a major access tool by researchers for the collection. O'Donovan was knighted because of the significance of this catalogue internationally. The O'Donovan Library is open to the public at least once a year and also to community groups on appointment. Special exhibitions are prepared during significant events in the parliament such as Science in Parliament week. It is also available to academics and researchers in the Queensland community.

Since 2003, the O'Donovan collection and library have been open to the public on an open day, usually in May. On average, about 400 people have visited the library each open day and all have had a chance to look through the famous catalogue. The Parliamentary Librarian has also encouraged community groups and clubs to visit the O'Donovan Library, and she personally leads these tours.

Mr REEVES: Mr Speaker, I am aware that you have taken action to relocate a number of paintings or portraits around the building. Could you please advise the committee what you have done and why?

Mr SPEAKER: I thank the member for the question. There are two issues here—namely, the Premier's portraits program and where important works such as these are held. For some time now, the parliament has been supporting its parliamentary heritage through the commissioning of portraits of its premiers. Whilst this project was started under Speaker Hollis, I have been pleased to continue the project. This project has been open to the community to allow sponsorship of paintings from outside the parliament so that interested Queenslanders and Queensland businesses could participate and be part of Queensland's living heritage.

The portraits have all be painted by the well-known artist Michael Nicholas, who has produced images full of character and life—in some cases with only poor-quality photos to assist. Each portrait has a plaque produced by Parliamentary Library researchers which outlines the life history and contribution to Queensland of each of the premiers.

I would like to place on record the very generous support of the following sponsors of portraits of our 19th century premiers—the Rowland Communication Group; Interfinancial; Clayton Utz Lawyers; Parsons Brinkerhoff International; Sir Llew Edwards; Mr Tom Edwards; Ipswich Grammar School; Consular Corps of Queensland; Brian Kilmartin, the Dean of Consular Corps; Mrs Sylvia Bassingthwaite; RT Edwards and Sons; Jeff Cooper and the Cooper family; the Douglas family; Mr Leo Williams; Mr Frank Carroll, the former member for Mansfield; Mr Paul Hoolihan, the member for Keppel; Chancellor Leneen Forde and vice-chancellor and president, Professor Ian O'Connor, from Griffith University; Linda Collins; Garrards; Dr Paul Reynolds; and the Forgan Smith family.

The second issue I would like to talk about is where these paintings are located. Shortly after becoming Speaker, I noted that many important paintings of former premiers and Speakers were scattered around the precinct. I arranged to have these works brought together on level 4 of the Parliamentary Annexe in what were called function rooms. I have renamed these rooms the Premier's Hall and the Speaker's Hall. I have arranged for information plaques to be placed on the walls so that visitors and function patrons have the opportunity to learn a little about our history and the history of our former premiers.

Mr REEVES: I notice in answer to a question on notice that you refer to the promotion of catering services. Could you please advise the committee what you are attempting to achieve with the promotion of catering services?

Mr SPEAKER: Thanks for the question. I am attempting to achieve three things: to provide more opportunities for Queenslanders to access and enjoy the parliamentary precinct; secondly, to promote the services provided here; and, thirdly, to generate some additional income for the service. In the past there have been certain restrictions placed upon who could hold functions within the parliamentary precinct. These restrictions limited the number of Queenslanders who have access to facilities within the precinct and also the revenue generated from catering activities. I have lifted those restrictions. I should note here that, as Speaker, I remain in control of who will be allowed into the precinct. I can assure all members that safeguards still remain in place in terms of the security of a function held.

In terms of promotions, I have already provided the committee with some information on this. In May of this year I launched a new high tea service available to the public. To date, there have been two events, held in May and June. The initiative provides an opportunity for the public to experience a traditional high tea served in the heritage style Strangers Dining Room. Both functions have been not just well supported but indeed sold out, with plans to schedule these events regularly throughout the year and on the first Friday of each month. These new services have been actively promoted through radio, print and TV at no cost.

I have developed a promotional package outlining the range of catering activities available. This has been produced to inform potential function clients of relevant pricing, venue and service details. These packages have been distributed to potential clients making inquiries via the Speaker's office and members' electorate offices for distribution to interested constituency groups.

Members representing metropolitan Brisbane electorates have also been, or are soon to be, contacted requesting details of various community groups for direct mail promotion. Recent enhancements to the parliament's internet site have included the publication of more prominent information regarding featured catering services. I will soon be introducing a wine of the month promotion and other special events in the recently refurbished Strangers Wine Bar and Cafe.

Finally, I have been attempting to generate additional revenue for the service by placing it on a more commercial footing. Obviously moves to open up the parliament and promote services are designed to generate additional revenue. I have also reviewed pricing structures charged to members and other customers to ensure that they are more consistent with commercial rates. These steps will hopefully make catering services more financially efficient and reduce the overall cost of providing services to the parliament and therefore, of course, to the taxpayer.

Mr WALLACE: I am aware that since becoming Speaker you have visited a number of electorate offices. I thank you for coming to visit us up in Thuringowa. What has been the purpose of these visits?

Mr SPEAKER: Since becoming Speaker—and I mentioned this in my opening remarks—I have visited some 48 electorate offices throughout the state. There are three reasons why I have been doing this. The first one is to speak to members and their staff about their needs. Since becoming the Speaker, I have had numerous discussions with members about the resources provided to them to help them undertake their roles and responsibilities. As one would expect, individual members have individual requirements, and this is particularly the case in relation to electorate office accommodation. I have found that speaking with members in their offices in their own environment provides a good opportunity for them and their staff to discuss with me the everyday issues that face them and the resources they have available. These discussions usually cover matters such as accommodation, access, security, equipment et cetera. Members and staff can then show me firsthand the types of issues affecting them in the delivery of service to their constituents.

The second reason is to assess the standard of existing electorate offices. There is a significant cost associated with maintaining electorate offices, including leasing and maintenance. As Speaker, I am regularly called upon to allocate funds towards significant expenditure associated with the offices. I believe I will be in a far better position to make sound decisions in relation to these matters if I have been to the individual offices. It also allows me to have a far better understanding of the general accommodation standard across all offices.

The third reason is to discuss the standard of service provided by staff at Parliament House. I am very eager to ensure that the Parliamentary Service operates effectively as a whole. Electorate office staff and Parliament House staff must work together well and support each other in the delivery of services to members and constituents. When visiting electorate offices, I take the opportunity to ask staff and members about the standard of service provided by Parliament House staff in supporting electorate offices. I am pleased to say that to date I have received nothing but very positive feedback from electorate office staff about the service they receive from Parliamentary Service staff at Parliament House.

Mr REEVES: I am aware that the electorate office staff have been invited to participate in specialised training courses over the past several months. Why was this training provided, and do you believe the training has been successful?

Mr SPEAKER: The current Parliamentary Service enterprise bargaining agreement makes provision for training for electorate office staff to be provided and it identifies several areas in which training should be made available. To meet these obligations a subcommittee of the Agency Consultative Committee, the committee responsible for implementing provisions of the enterprise bargaining agreement, was established. The committee, in conjunction with a company called Assure Corporate, developed a one-day training program for electorate office staff. This course was successfully run as a pilot course in June of last year.

The topics covered in the one-day pilot course included dealing with strong negative emotion during client contact, strategies to manage personal emotions and reactions, communication strategies and tools, assertiveness strategies and tools, dealing with specific difficult situations and learning how to

switch off. The course was further developed into a two-day course by adding a range of activities related to the Parliamentary Service. These activities included sessions for electorate office staff about the Parliamentary Service Code of Conduct, the service of the Parliamentary Library, workplace health and safety, a tour of the parliamentary complex, an overview of the parliamentary process and a group panel discussion primarily focused on information technology issues.

A formula was established for inviting electorate office staff to the courses. The formula was based on dividing the electorates into seven regional areas throughout the state with a number of staff being invited to each course from each regional area. Within each regional area staff were invited from an alphabetical list of electorates in the region. This approach ensured that each course was attended by staff from both urban and regional areas. Sixty-three electorate office staff attended the four courses that were conducted in 2005-06. I believe the courses have been very successful. I personally have received very positive feedback from members and electorate office staff. I am very pleased that I will be able to set aside funds in 2006-07 to continue these courses.

Mr WALLACE: I understand the Parliamentary Service is about to enter into negotiations for a new enterprise bargaining agreement. Can you provide detail on progress in relation to these negotiations?

Mr SPEAKER: The Parliamentary Service has commenced the process of developing a new enterprise bargaining agreement to cover Parliamentary Service staff including electorate office staff. The current enterprise bargaining agreement expires on 31 July and a replacement agreement is required. Preliminary discussions have been held with the four unions that provide coverage to Parliamentary Service employees. Those unions are the Queensland Public Sector Union, the Australian Services Union, the Liquor, Hospitality and Miscellaneous Union and the Federated Clerks Union of Australia—north Queensland branch. These unions have recently submitted their log of claims to me for consideration. A draft agreement will be prepared followed by formal consultation with staff. A ballot of all staff will then determine whether or not a valid majority of staff support the proposed agreement. The Queensland Industrial Relations Commission will then be asked to certify the agreement. I expect that the agreement will contain a number of key features.

The Queensland government and the Queensland Council of Unions signed a memorandum of agreement in October 2005. The MOA sets out the key features of the public sector agreements for this round of bargaining, and that includes a wage increase of four per cent per annum, or \$30 per week—whichever is the greater—agreed provisions in relation to employment security, permanent employment, closed agreements, industrial relations education leave, and prevention and settlement of disputes. A number of other whole-of-government issues have already been agreed to and introduced, and that includes 12 weeks paid maternity or adoption leave, extension of purchased leave arrangements to up to six weeks, introduction of half-pay recreation leave, pro rata long service leave after seven years, removal of the 50 per cent cap on salary sacrifice and the requirement for employer superannuation contributions to equal at least nine per cent of ordinary time earnings effective from 1 July this year.

Mr REEVES: I am aware that the Parliamentary Service recently entered into an agreement to commercialise the Queensland parliament's e-petitions system. Could you please advise the committee what benefits will arise as a result of this agreement?

Mr SPEAKER: E-petitions is a web based software application developed by the Parliamentary Service. This system enables citizens and residents of Queensland to petition the parliament online via the parliament's web site. The Parliamentary Service has previously invited other Australian parliaments to make use of the e-petitions software. Currently, the Tasmanian parliament uses the e-petitions software under licence as a fully hosted application on Queensland Parliamentary Service infrastructure. As part of a whole-of-government initiative to commercialise intellectual property, the e-petitions system was identified as an opportunity for early commercialisation. Commercialisation would enable another entity to market and promote the e-petitions software and profit from the exploitation of the product. The Parliamentary Service will receive royalties from the licensee.

The Parliamentary Service and the Queensland government's Office of ICT Commercialisation investigated the commercialisation of the e-petitions software. E-petitions comprise two main components of intellectual property: software code and the business processes governing the way in which parliaments undertake the petition process. It was recognised that the value to an industry partner of commercialisation is to be found in the business processes rather than the software code itself. Expressions of interest were sought and a preferred licensee has been identified. The Parliamentary Service recently signed an agreement with Creatop Pty Ltd, a local software developer, to commercialise the parliament's e-petitions software. Creatop is a Queensland based software development company with offices in Europe and Taiwan. Creatop's clients include Volvo and the Royal Flying Doctor Service.

The benefits to the parliament making its intellectual property available to industry for commercialisation are that the parliament will earn a royalty on end-user licence fees and the parliament has access to the modifications and enhancements undertaken by the selected industry partner. The licensee must use its reasonable endeavours to commercialise e-petitions and will be required to produce a commercialisation plan and report quarterly on progress against the plan.

CHAIR: Thanks very much, Mr Speaker. The time for questioning of the Speaker has now expired. Before letting you go, Mr Speaker, I remind you that you took one question on notice and that you have until 10 o'clock on Friday to provide the answer to that question to the committee. I thank you very much for your time.

Mr SPEAKER: Before I conclude, I thank you and all the other members of your committee for the very professional way in which you asked the questions and conducted yourselves. I wish you well for the rest of your sessions.

CHAIR: Thanks very much. We will now stretch our legs and invite the Premier to join us.

ESTIMATES COMMITTEE A—PREMIER AND CABINET, AND AGENCIES**In Attendance**

Hon. PD Beattie, Premier

Queensland Audit Office

Mr G Poole, Auditor-General of Queensland

Commissioner for Children and Young People and Child Guardian

Ms E Fraser, Commissioner

Office of the Public Service Commissioner

Mr G O'Farrell, Commissioner

Department of the Premier and Cabinet

Mr R Rolfe, Coordinator-General, Director-General

Mr N Elliott, Director, Financial Management

Ms F Parker, Principal Project Officer, Planning and Performance

Service Delivery and Performance Commission

Dr L Keliher, Chairman

CHAIR: The committee will now resume to examine the portfolio of the Premier. In this first session we will examine the Office of Governor, the Queensland Audit Office and the offices of the Commissioner for Children and Young People and Child Guardian and the Public Service Commissioner. I welcome the Premier and his many advisers.

The time limit for questions is one minute. As was previously the case, answers are to be no longer than three minutes. A 15-second warning will be given prior to the expiration of these time limits. An extension of time may be given, first with the consent of the questioner and then if there is a request for a further extension of time that can be given with the consent of the chair.

In accordance with the standing orders, at least half the time available for questions and answers will be allocated to non-government members. For the benefit of Hansard, if the Premier refers a question to officials can they identify themselves so that Hansard knows who they are and what their position is. I declare the proposed expenditure for the portfolio of the Premier open for examination. The question before the chair is—

That the proposed expenditure be agreed to.

Mr Premier, would you like to make an opening statement before we go into questions?

Mr BEATTIE: I would. I think the sensible thing would be to do that now.

CHAIR: Go ahead.

Mr BEATTIE: The last 12 months have highlighted this government's resolve to deliver for the people of Queensland. We have been tested on some occasions, but we have met those challenges head-on and we have produced some results which we think are in the interests of the community. I would like to table for the information of the committee the South East Queensland Infrastructure Plan, the Blueprint for the Bush, the South East Queensland Regional Plan draft amendments, *Water for South East Queensland: A long-term solution* and key government advertising produced around health and water issues, including recruitment, the Keeping Our Promises mail-out and the water-saving campaign. There are multiple copies of those. I would also like to table a brief statement for the information of the committee.

As part of our ongoing delivering for Queensland, there are two things I would like to highlight for the committee, if I could. Cabinet yesterday approved that new penalties will be introduced for excessive speeding, racing, speed trialling and hit and runs. We are acting against hooners who think our roads are their private raceways and the hit-and-run cowards who leave their victims to suffer, and often die, by the roadside.

Under section 328A of the Criminal Code dangerous driving currently carries a maximum penalty of three or five years if the offender is affected by an intoxicating substance or has been previously convicted of an offence against that section. Dangerous driving causing death or grievous bodily harm carries seven years. The offence carries imprisonment of 10 years if the offender is adversely affected by an intoxicating substance and a maximum of 14 years applies if the offender's blood alcohol concentration is over 0.15.

Under the proposed amendments approved by cabinet yesterday, the five-year penalty will now apply in cases of excessive speeding, racing or speed trialling. In addition, dangerous driving causing death or grievance bodily harm will be increased to 10 years imprisonment or 14 years if the offender is adversely affected by an intoxicating substance, is excessively speeding, speed trialling or leaves the scene of an accident. Excessive speed will be defined as 40 kilometres over the designated speed limit and if the offender is guilty of using an intoxicating substance it will not matter what level. I table for the information of the committee a news release that I will be issuing which sets out three examples of why we need to do this.

Secondly, I want to advise the committee that a new state government jet to aid in organ retrievals and other medical emergencies will touch down in Brisbane next week. The new Hawker 850 XP jet will replace the existing Hawker 800 XP jet currently in use. It will be used for organ transplant retrievals, search and rescue operations, counterdisaster operations and official transport for the Governor, Premier and ministers.

The decision to purchase the replacement aircraft was announced in parliamentary estimates last year. We currently operate two turbine aircraft, a Hawker 800 XP jet and a Beechcraft King Air 350 turbo prop. Both aircraft were purchased in 1996 and 1997 at a combined cost of approximately \$22.4 million. Both need to be replaced to ensure continued reliable service. They were in fact replaced by former Premier Rob Borbidge, who then lost office. We have been using them on behalf of the people of Queensland. I hope this is not an omen, Madam Chair.

The King Air was replaced in February this year at a cost of \$8.24 million. The replaced King Air was advertised for sale internationally and was sold to a Queensland buyer for approximately \$3.1 million. The purchase of the replacement jet was finalised last month, earlier than previously expected, at a cost of \$17.44 million. The current jet will be advertised for sale internationally once the new aircraft has been commissioned into service. We expect to get around \$10 million for it.

The fuselage and interiors of the new jet are the same as the old one; however, the new model has enhanced communications equipment and greater range, which will aid missions such as organ retrievals to Perth and New Zealand. In other words, it will be safer. When you look at it, it is hard to tell the difference between the old and the new jet except that the new one has winglets which give it longer range.

The first priority for use of the government aircraft is always emergency tasks. For example, in 2005-06 the government aircraft performed the following essential missions: 20 organ retrievals involving 99.7 hours of flight time; 74.7 hours undertaking counterdisaster flights; and 48.9 hours assisting in recovery operations after tropical cyclones Larry and Monica. The new jet is expected to be commissioned into service from 1 August 2006.

I wanted the committee to be aware of that, because it was finalised earlier than expected. Therefore, it is not in the estimates figures. Because of our commitment to openness and accountability I wanted to make certain that the committee was aware of that.

The final thing I wanted to say is in relation to COAG this week. Clearly that will be an important part of the government's commitment. I just hope that the argument between the Prime Minister and Peter Costello does not affect the serious outcomes from COAG this week. COAG is very important for the future of Queensland, particularly in areas like doctor numbers, mental health and a string of other issues including Indigenous wellbeing.

CHAIR: Thanks for the opening statement, Premier. I call on the Leader of the Opposition to ask his first question.

Mr SPRINGBORG: My first question relates to the position of Integrity Commissioner. Premier, did you consult the Integrity Commissioner before you decided to introduce legislation to parliament to legalise lying by your ministers?

CHAIR: Premier, before you answer that—

Mr BEATTIE: I am happy to answer it.

CHAIR: I am sure you are. Before you answer the question I point out that standing order 167 means that this questioning is technically about appropriations before the House. I am sure the Premier is comfortable answering the question so I give him the opportunity, but it should be noted that that question is technically out of order.

Mr SPRINGBORG: I can indicate that it relates to the Office of Parliamentary Counsel, the drafter of the legislation, and also the role of the Integrity Commissioner which, in my view, provides advice to the government on integrity and matters of ethics.

Mr BEATTIE: Can I assist here. Quite clearly the question is out of order, but I am very happy to answer it. I will not move away from this. As I said, I am happy to answer any question whether in order or out of order. This is clearly just an attempt to grandstand on the part of the Leader of the Opposition. I am happy to answer it. So if you give me time, I am happy to do it.

The Leader of the Opposition knows that he might have managed to con a number of people in the community and in the media in relation to what he just said, but he also knows it is not true. I spelt this out in the House in the debate because I was sick of this sort of nonsense and dishonesty from the Leader of the Opposition. He has the hide to talk about lies and dishonesty when he knows that what he is doing today is dishonest and untrue.

If you look at the situation in all other states—and I have already spelt this out in the *Hansard* record; I refer him back to that—our position is no different from that in any other state in Australia. Not only that, if we look at Senate estimates we see that it applies exactly the same. What we have is the same system that John Howard has, the same system that his National Party mates have federally and the same system that applies in the other states.

If what the Leader of the Opposition says is true, then why does he not get John Howard and Mark Vaile to change the system of Senate estimates tomorrow? John Howard does not actually appear before estimates, so we have a better system here. If Mr Springborg is really serious about this, instead of trying to create some smokescreen he should today call on John Howard and Mark Vaile to change the system to the one that he accuses us of abolishing. Then he should try to get every one of the oppositions across Australia to change their systems.

He knows that what he says is untrue. He knows because I have spelt it out on the parliamentary record. Our system is similar to those in all other states in Australia and to the federal system. So why does he want a system here that is different? He wants a system here that is different because he wants to grandstand. The reality is that if there was any merit in his case at all, if there was one skerrick of truth in what he says, then there would be a similar system that applies federally and a similar system that would apply in all other Australian states. It does not. He knows that.

He knows that his interpretation in relation to this clause is wrong. He knows that if we use that antiquated system then half the opposition would be in jail for disrupting the House. He knows that because we amended two sections. Lawrence, you know this. If we had applied the literal interpretation that you are applying in relation to the code then you and Jeff Seeney would now be in jail because you would be guilty of disrupting the House. They were never intended in the way that you have interpreted them, and you know it is a nonsense.

If you want to continue this, I am happy to talk about this all day. But your real question should be: why does John Howard not have it? Why does Mark Vaile not have it? There is no answer to that other than the fact that I am right and what you are saying is nothing more than political mischief. Why do the other states not have it? They were conservative for a while. Why did they not bring it in? They have had long enough since Federation. You know it is a nonsense.

Mr SPRINGBORG: We are talking about Queensland, and our commitment is to overturn your legalised lying laws. Premier, can you give an absolute commitment—

Mr BEATTIE: Madam Chair, can I make a suggestion. Let me take a point of order. Madam Chair, I am happy to answer any questions, even that one that was out of order. I do not think we need to get to abuse. If Mr Springborg wants to sit here and abuse me, then so be it. But I would have thought that the people of Queensland would want him to ask questions with some degree of courtesy to which I will then reply with some degree of courtesy. I have already demonstrated my goodwill by answering a question that was clearly outside the standing orders. I am happy to answer any question, because I think that is what I should do, but I do not think abuse is appropriate of this committee.

CHAIR: I call on the Leader of the Opposition to ask his next question.

Mr SPRINGBORG: We look forward to your answering of questions—

CHAIR: I call on the Leader of the Opposition to actually ask the next question.

Mr SPRINGBORG: I refer to the office of the Integrity Commissioner, and I ask the Premier: how many times have you consulted with the Integrity Commissioner and how many times have your ministers consulted with the Integrity Commissioner in the last 12 months?

Mr BEATTIE: In terms of the Integrity Commissioner—and I am happy to answer this in relation to myself; I did not think I had all of the information, but I do so I will go through that—Mr Crooke is a very good Integrity Commissioner. He was appointed because of his reputation, supported by all sides of politics. He was one of those pioneers who had the courage to clean up Queensland when we had a corrupt National Party government. I think his reputation is one that simply is impeccable. The Integrity Commissioner is required to give advice. In the period from 1 July 2005 to 30 June 2006, the Integrity Commissioner received eight requests from ministers and parliamentary secretaries, one request from a government member, six requests from departmental CEOs and two requests from other designated persons, and one of these requests has not yet been accompanied by a signed authority to seek advice from the chief executive officer of the department in which the persons were employed. He also received two requests from non-designated persons and thus there was no jurisdiction—some people often make requests where there is not jurisdiction—five phone calls requesting preliminary discussions on requests for advice, three preliminary discussions in respect of which no written requests were necessary and I made three requests for advice, making a total of 23 requests for advice for the 2005-06 year.

The length of time taken to deal with requests for advice varies considerably. Some can be answered in an hour whereas others take considerably longer. Requests are always dealt with promptly. In the first financial year of the former Integrity Commissioner's appointment he received 14 requests for advice. In 2001-02 the Integrity Commissioner received 25 requests for advice. I want to make it clear that the role of the commissioner is a very vital one. It is important that MPs and senior public officials have access to strong and independent advice in relation to such matters. Since his appointment, the Integrity Commissioner has contacted all ministers, parliamentary secretaries and chief executive officers to personally meet with them to discuss his role, the Public Sector Ethics Act 1994 and the functions of the office of the Integrity Commissioner.

One of the functions of the Integrity Commissioner is to contribute to public understanding of integrity standards by contributing to public discussions of policy and practice relevant to the Integrity Commissioner's function. In March 2006 the Integrity Commissioner presented a paper at the Queensland Bar Association conference on the Gold Coast. In February 2006 the Integrity Commissioner met with a study tour to discuss the Queensland Integrity Commissioner's role. There is a string of things that he has been doing, but frankly I think he is very impressive. I have enormous faith in him. He is a non-political person. He gives very direct, fair, accurate and sensible advice, and I think he is doing a good job.

Mr SPRINGBORG: Premier, I do not think you indicated the cost of running that office.

Mr BEATTIE: I am happy to do that for you. For the purpose of efficiency and economy, the office of the Integrity Commissioner, although independent, is reported as an output of the Office of the Public Service Commissioner which is a controlled output of the Department of the Premier and Cabinet for the 2005-06 financial year. The total budget for the operation of the Integrity Commissioner's office for 2005-06 was \$144,100. As at 30 June 2006, the estimated actual expenditure was \$131,325. As I said before, on 1 July 2004 Gary Crooke was appointed by Governor in Council as our second Integrity Commissioner. Aside from being a Queen's Counsel, Mr Crooke was senior counsel assisting in the Fitzgerald inquiry in the late eighties, senior counsel assisting in the New South Wales royal commission into police corruption and chairman of the National Crime Authority.

The Integrity Commissioner's role—and I will restate this so that there is an understanding of it—is to provide advice on conflict of interest issues to me, ministers, parliamentary secretaries, statutory office holders, heads of departments and other entities, senior officers and ministerial staff. The advice provided by the Integrity Commissioner is confidential, though the requesting officer may make the information available should he or she choose to do so. The Integrity Commissioner also provides me with advice and contributes to public discussion about policy and practice relevant to his function.

In terms of staffing, the estimated actual FTEs at 30 June 2006 was 1.4. The estimated FTEs for 2006-07 was also 1.4. He, as we all know, is part-time. He works two days a week which is why his cost, frankly, is as low as it is. I think anyone looking at this would say that for an office that is an extraordinarily cheap cost. But as at 30 June I have set out what the staffing levels were. The current Integrity Commissioner was appointed for a three-year term from 1 July 2004 and that is due to end on 30 June 2007. The number of requests that have been received reinforces that the Integrity Commissioner plays a significant role in maintaining a positive ethical ethos in the Queensland public sector.

I think that basically gives you not only the number of people, Leader of the Opposition, that have sought advice but the total cost. I have to say that the system which my government established as part of our accountability mechanism is working. I can tell you as someone who has sought his advice that his advice is considered, thoughtful and we have followed his advice. He is very, very good. I think that people in the community—those objective ones—would be of my view, and that is that we are actually lucky to have him. He is actually world class. We are very lucky to have someone of such integrity—such experience—giving that level of advice. I state what I said before: we are very lucky to have him, and I want to publicly thank him today for the job that he is doing.

Mr SPRINGBORG: He would certainly have a lot of work to do. Premier, did he—

CHAIR: Leader of the Opposition, I would ask you to move simply to asking the questions. There have been a number of occasions now when you have slipped in a remark as well. I would prefer it—and it would be more appropriate—if you were simply to ask your questions.

Mr SPRINGBORG: Madam Chair, we have somebody playing on the sidelines. I think the chair can work out what is going on on her own.

CHAIR: And I have worked it out and I would ask you to ask the question.

Mr SPRINGBORG: Premier, was one of the ministers who contacted the Integrity Commissioner former minister Gordon Nuttall and did he contact the Integrity Commissioner about the slippery little Sippy Downs deal on the Sunshine Coast and seek advice there about doing deals with Labor mates?

Mr BEATTIE: I do not know the answer to that. As I have said to you before, this system operates on the basis that ministers seek advice. The response is confidential. It is to give them advice. They are matters that he can answer for himself. I do not know the answer to that and I think it is appropriate that I give you the performance. We are dealing with money here. I have given you the performance on a number of questions asked by ministers. Whether he sought advice is a matter that you would have to pursue with him. I do not have that information with me.

Mr SPRINGBORG: So you cannot tell us which ministers sought advice. You have indicated that you sought advice, but you cannot tell us—

Mr BEATTIE: But I am the minister here and it is appropriate at these estimates that you ask me as Premier and I am saying, yes, I have on three occasions. I am quite happy to do that. This was set up to ensure that we had that level of advice going to ministers. It was set up under the act. It is not as if this is a surprise. This act was debated while you were in the parliament. Everyone knew the circumstances of how it was to operate. I do not know whether Gordon Nuttall has sought advice. I encourage all ministers if they are concerned about potential conflicts to seek advice. That applies to everyone, and that would have applied to Gordon Nuttall as it would have applied to anybody else.

In terms of any issues dealing with the matters involving Sippy Downs which you referred to—which again are outside my estimates but I am very happy to answer those—you would be aware that I referred these matters to the CMC. There were a number of articles that appeared in the *Sunshine Coast Daily* written by a journalist for whom I have some respect and I took them seriously. As a result of that, I referred those issues to the CMC. You did not refer them there; I did. I did because matters of honesty and integrity are important to my government and I take them seriously, which is why I referred them there.

Carolyn Tucker was the journalist who wrote those articles. She used to be on ABC Radio. I do not always like the articles she writes, but I have enormous respect for her as an individual. I think she is a journalist with integrity and I know that she would not write articles unless she believed that there was a basis for writing them and asking the questions that she did. Accordingly, when I referred this matter to the CMC at the end of November—22 November, if I recall correctly; it does not matter if it was the 22nd, but I referred it there—I referred her articles. Subsequent to her articles, there were questions asked of me in the parliament. I think Bob Quinn, the Leader of the Liberal Party, if I recall correctly, was one of the people who asked me those questions based on her articles. I may be wrong, but that is my recollection. The parliamentary record can easily be checked to ascertain whether that is correct or not, and Bob is here anyway. He can answer for himself.

But I was then subsequently asked questions. If my memory serves me correctly, I also referred the Hansard record of those questions that were asked of me to the CMC for consideration. You cannot get any more transparent and open than that. The matter was in the public domain in the *Sunshine Coast* paper. I took them seriously. Subsequent to those articles I was asked questions by the opposition, and I do not recall all of them but I certainly recall Bob Quinn if my memory serves me correctly. I then referred his questions and my answers. You cannot get any more transparent than that. In terms of whether Mr Nuttall sought advice, I do not know the answer to it. But if there was a potential concern in relation to any potential conflict, then he should have sought advice.

Mr SPRINGBORG: My next question relates to the position of the Commissioner for Children and Young People, particularly page 7-5. It really concerns me that what we have here is a situation where when the government cannot meet its targets it actually just simply cuts out those targets and reporting. Particularly on the last page—

Mr BEATTIE: This is 7-5?

Mr SPRINGBORG: Yes, page 7-5. Under 'Timeliness' it says—

Employment screening applications processed:

- within 14 days where no criminal history

The target was 75 per cent. It reached four per cent and was discontinued on the basis that it is supposed to be no realistic measure of actually ascertaining the effectiveness of this agency. Premier, is this not just a situation where the government is not meeting its obligations to protect kids and not meeting its obligations to screen people and does not want to report it anymore? How are we going to know if you are meeting your objectives?

Mr BEATTIE: Okay, because I will report on those. While the commission operates as an independent one, it has been performing incredibly well. In fact, in answers to questions on notice for this committee that I put in yesterday, if I recall correctly, I have spelt out exactly the number of approvals they have dealt with in terms of the blue card system, which is in essence what you are asking me about. Let me go through it. Between 1 July 2005 and 30 June 2006, the commission received an average of 4,349 blue card applications each week. The average processing time for issuing a blue card where the applicant submitted a complete application form and had no criminal history was 38 days. Processing time can be long if the applicant has a criminal history or has not completed the application form correctly. The problem we have, Leader of the Opposition, is that not

everybody is perfect. They do not always fill in the forms properly, in which case the commission has to go back and double-check and give people an opportunity to get their information right. It is not a perfect world. I wish it was. Between July 2005 and June 2006 the commission estimated that it would receive 170,004 applications. However, 226,821 were actually received. This was 56,817 more than expected and represented a 41.5 per cent increase in applications for the same period last year.

The increase in applications was due to a number of factors, including the expiry of the 12-month transitional period for the amendments to the Commission for Children and Young People and Child Guardian Act 2000 that came into effect on 17 January 2005, including the requirement for volunteers to hold a blue card before commencing regulated employment. The Leader of the Opposition knows that the blue card has grown like Topsy. We have extended the terms and we have extended to whom it applies. Inevitably, that has put an enormous amount of pressure on the commission. Of course they are going to have an amount of pressure on them to do approvals. But I would rather they got it right than rushed in and got it wrong.

In the answer I gave you yesterday on notice—and I refer you to it—I also highlighted how many people were knocked back. They have actually saved our children by knocking back a number of people. In addition, from 1 July 2005 to 31 May 2006, 166 applicants decided not to proceed when further information was sought by the commission in relation to their criminal histories. Why do you think they did that? Because they were obviously caught out. Seven thousand, seven hundred and thirty-six applicants were withdrawn from the screening process, including instances where further identification information was sought, and 22 applicants appealed the commission's decision. You think of how many people applied and how many people they have weeded out. Yes, this takes time. Yes, they have been under pressure. Are they sorting this through? Yes, they are. We keep extending the criteria. No wonder they are under pressure, but are they getting rid of the sleaze bags and getting them all out of the system? The answer is yes. I think, frankly, in the circumstances they should be given a go. I know that it is not perfect and I am not going to pretend that it is, but they are doing their best and they are producing extraordinary results.

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

Mr BRISKEY: I note in the MPS on page 4-3 that the role of the Office of the Public Service Commissioner is to promote and assess the overall effectiveness, efficiency and economy and appropriate management of the Public Service. Could you outline if there has been any growth during 2005-06 in relation to the staff numbers of police officers, teachers and health workers?

Mr BEATTIE: The answer is yes. When my government came to office there were 150,790 people employed in the Queensland Public Service. Some people were employed on a part-time basis. The 150,790 individuals employed equated to around 131,057 full-time staff. By 31 March 2006 this total had grown to 197,780 people, representing 167,683 full-time equivalent staff, which is an increase of 28 per cent over that period or 36,626 full-time equivalent staff.

The growth in the Public Service is in keeping with my government's commitment to provide better services to the people of Queensland. Most of this increase has occurred in the key service delivery areas of education, health and police. In fact, the increase in these three areas represents about 61 per cent of the total increase over the period June 1998 to March 2006. I think that answers the heart of your question.

Since June 2000 these areas have accounted for 73 per cent of the total increase in staff numbers in the Queensland Public Service. So a total of 13,426 additional full-time equivalent teachers, police, nurses, doctors and other health professionals have been employed since June 1998. This is almost a 23 per cent increase in the number of full-time equivalent employees servicing these key areas. In other words, the increase has largely gone into service delivery. The others have been in supporting that service delivery.

My government has increased the number of full-time equivalent police officers employed in Queensland from 7,158 to 9,317. This represents a 30 per cent growth in the number of Queensland police officers employed since June 1998. There has been a 23 per cent increase in the number of nurses, doctors and other health professionals employed by my government since June 1998. That is an additional 5,101 full-time equivalent nurses, doctors and other health professionals providing key services to the people of Queensland. This will be of particular interest to you, being a former teacher.

Mr BRISKEY: My wife is a current teacher.

Mr BEATTIE: And a current teacher. Teacher numbers have increased by 6,167 full-time equivalents to a total of 36,327 in March 2006. That is a 20 per cent growth in the number of full-time equivalent teachers servicing Queensland. A further 3,422 full-time equivalent staff have been employed to work in child safety, people with a disability and strengthening communities, which obviously has been an area that we had inquiries into and needed to respond to.

That is the story over the period of my government. We are putting staff where it matters and that is delivering front-line services. It shows that there is no doubt about this government's commitment to delivering better services to the people of Queensland. From the period June 2005 to March 2006—the

most relevant data—overall Public Service staffing increased by the equivalent of 4,197 full-time staff in the nine months to the end of March. Just over half of that increase—52 per cent—was in Health. So we are delivering the Health Action Plan. It grew by 2,194 full-time equivalents. The list goes on. We are delivering to where it matters.

Mr BRISKEY: I now take you to page 5-5 of the MPS. I note down the bottom it advises that the Queensland Audit Office states that the Auditor-General, the Deputy Auditor-General and other senior staff visited clients in regional centres. Would you outline the purpose of these visits and how that has assisted the Queensland Audit Office in the performance of its role?

Mr BEATTIE: The Auditor-General has reported previously in relation to these visits in previous years and I think it is appropriate that I update that. The Queensland Audit Office provides useful and relevant information to its clients through client information sessions, contract auditors workshops, the Queensland Audit Office client newsletter and the provision of better practice documents. In addition, commentary on emerging and cross-sector issues is included in each Auditor-General's report to parliament.

Each year the Queensland Audit Office conducts a client information session for its internal and external stakeholders. The purpose of these sessions is to promote public sector accountability and to enhance the relationship between the Audit Office and its stakeholders through interaction between staff and clients.

The key topics discussed at the client information session conducted on 22 February included the early completion of financial statements and the results of the performance management systems audits of output performance reporting. The session also included presentations from Queensland Treasury, the Department of Natural Resources, Mines and Water and the Department of Communities. That is what they are doing: getting out and talking to people. Two hundred and seventy-six clients participated in this session and commented favourably on the presentations. The Audit Office produced two better practice guides on strategies for earlier financial statement preparation and output performance reporting and measurement. These guides are designed to inform and assist clients and were launched at the client information session.

The contract auditors workshops—and this is important—were conducted in Brisbane, but in relation to your question they just did not stay in Brisbane; they got out to Cairns and Townsville in early 2006 and received again favourable feedback. Rather than the formal presentations done in previous years, these particular workshops provided an opportunity for contract auditors to discuss these issues directly with Queensland Audit Office senior management. An issue of the Queensland Audit Office client newsletter titled *Inform* was distributed in October 2005. It included topics providing updates on the International Financial Reporting Standards and current issues in the Queensland Audit Office's main industry areas.

The Auditor-General and other members of the executive management group visit remote clients such as Aboriginal communities, Torres Strait Islander councils and other local governments to communicate topical issues and assist these clients in meeting their accountability requirements. We all know that that has been a matter of some concern not just for the current Auditor-General but for the previous Auditor-General. They have tried to get out and improve these mechanisms of accountability. They are still far from perfect and anyone who thinks that is going to change quickly is wrong. Everyone is trying to do it, but there are problems.

A significant level of advice and assistance was provided to local governments, Aboriginal councils and Islander councils directed at improving governance and accountability. The Auditor-General has reported on that to the parliament. In other words, they are getting out and talking to people across the state and providing an educative role.

Mr REEVES: On page 7-4 of the MPS I note that the Commission for Children and Young People and Child Guardian aims to improve access by Aboriginal and Torres Strait Islander children to the commission's services. Could you provide the committee with a broad overview of the aims of this strategy?

Mr BEATTIE: I can but, as everyone would understand, this is an area of particular concern. You would be aware of the controversial alcohol management strategies that we have put in place that are designed to reduce violence in communities and to protect our children. They are not popular in some sections but, frankly, if we do not deal with the issue of grog we are never going to give young Indigenous Queenslanders and young Indigenous Australians a go. I am hoping that at COAG on Friday we can advance this issue of support in real terms—get rid of the tokenism and the rhetoric—to assist young Indigenous children. Education has to be the key to that.

The Commission for Children and Young People and Child Guardian Act 2000 requires the commission to give priority to certain groups of children and young people who may be subject to significant disadvantage. A critical group is Aboriginal and Torres Strait Islander children and young people who experience significant disadvantage due to factors such as poverty, homelessness, geographical isolation, having no appropriate person to act on their behalf, or living in out-of-home care.

As 47 per cent of the Aboriginal and Torres Strait Islander people in Queensland are under the age of 18, this is a significant priority. That will give you some idea of why this has to be pursued by the commission and why we regard tackling grog as a major problem.

As part of my government's commitment to implementing the CMC recommendation of its inquiry into the abuse of children in foster care, the commission is now required to report to parliament annually on its monitoring of the Indigenous child placement principle, which it does through the Child Guardian report. The commission is also undertaking a number of specific initiatives which are targeted at improving outcomes for Aboriginal and Torres Strait Islander children, including developing an Aboriginal and Torres Strait Islander strategy to foster commission policies, programs, operations, administrative practices and advocacy services that are culturally competent and effective in protecting the rights, interests and wellbeing of Aboriginal and Torres Strait Islander children and young people and progressing a number of actions to assist Indigenous communities understand and participate in the blue card scheme, including its application to foster and kinship carers. The commission is represented on four of the seven priority area cross-agency response plans which guide the implementation of Partnerships Queensland. The key role of the commission in the development of these response plans is to promote and advocate for the needs of Aboriginal and Torres Strait children and young people. The commission is also represented on the joint Commonwealth-state government Safe Haven Project. The list goes on.

The truth of the matter is that we have major problems in terms of a range of communities—the risk of harm from domestic violence within the communities of Coen, Cherbourg, Mornington Island and Palm Island. We are tackling these issues. I would have to say that the people of Cherbourg are providing leadership. The women there in particular have been absolutely magnificent. But we have a real problem here. I could go through and set them out in more detail, but I just want to say to the honourable member for Mansfield that, while the commission will work very hard in this area, we have to get everybody to play a constructive role in tackling grog. There is still too much abuse. While we are making progress and the alcohol management plans are working, it is slow; it is going to be generational. I do not have any pleasure in saying that, but it will be generational. But if we end up with the continuation of the abuse of children—it does not matter whether they are black or white—it distorts them for life and destroys their lives. That is why if we can stop child abuse in Indigenous communities—as well as in all communities—then we give those children a better chance at reaching their full potential. That means that we will have more Indigenous Australians being treated fairly, being treated equally and reaching their full potential.

Mr REEVES: Public interest disclosures are a vital avenue for people to access and to maintain an open and accountable government. I note on page 4-5 of the MPS the Office of the Public Service Commissioner administers the Whistleblowers Protection Act 1994. What action has the government taken on the recommendations of the Davies and Forster reports regarding the need to improve the system of whistleblower protection?

Mr BEATTIE: Basically, we have taken it, shaken it, turned it upside down and improved it dramatically, which is what it needed. We are taking the recommendations by Commissioner Davies and Mr Forster very seriously. Like them, we want to make the whistleblower protection system as effective as possible.

Queensland was one of the first Australian states to enact legislation to protect whistleblowers. The Whistleblower Protection Act is part of the legacy of more open and accountable government now enjoyed by Queenslanders following the Fitzgerald report and the EARC recommendations. Along with the legislation that has established the Crime and Misconduct Commission and the Ombudsman, the act now forms an important component of the comprehensive integrity framework within which the work of the Queensland government takes place.

My government is 100 per cent committed to the principles underpinning whistleblower protection. Good governance requires that public officials can bring cases of suspected wrongdoing to the attention of the relevant agencies, including the Crime and Misconduct Commission and the Ombudsman, confident that these disclosures will be treated seriously. They need to know, too, that they will be protected at law against any reprisal action that may be taken against them. I do not believe that that was working effectively in Health, which is why these recommendations by both Commissioner Davies and Forster needed to be implemented, which is what we are doing.

While both reports discuss the need for improvements in whistleblower protection, it is a measure of the complexity of the issues involved that the two reports came to different conclusions in the same key areas. It is never easy in government. The OPSME is considering the reports in the context of earlier work it has undertaken in response to the recommendations made by the Parliamentary Crime and Misconduct Committee. Finalisation of the report on this work was held in abeyance until the inquiries into Queensland Health were completed. A final report from the OPSME, incorporating the issues raised in the Davies and Forster reports, is due to be submitted to cabinet soon, as I understand.

As I understand it, the OPSME—we have to get an easier name for this, Commissioner; I think you gave me advice about that only the other day; maybe I will take it based on today—report has found that it is not simply a matter of drafting some legislation based on the recommendations of the Davies

report. Some of the recommendations in the Davies report have already been implemented. For example, the recommendation to extend the coverage of the Whistleblowers Protection Act to cover anyone—not just public officials—who makes a disclosure about a danger to public health and safety has already been addressed in the Health Quality and Complaints Act 2006.

In relation to other recommendations, there are contending matters of policy to be resolved and practical administrative matters that have to be dealt with. We have already indicated that we will amend the Whistleblowers Protection Act to enable it to cover disclosures made to members of parliament. On closer examination, the recommendations in the Davies report about the circumstances in which such disclosures could be made have turned out to be somewhat difficult to implement. In other words, those matters that need to be worked on we are working on. I think the complaints system that is now up and running will produce more confidence in the willingness of people to come forward, which is what we need.

Mr WALLACE: Premier, on page 7-1 the description of the Commission for Children and Young People and Child Guardian states that one of its primary purposes is to 'promote and protect the rights, interests and wellbeing of children and young people'. Could the Premier outline how the commission undertakes this role?

Mr BEATTIE: The Child Guardian function of the commission monitors systems, policies and practices of the Department of Child Safety and other service providers specified in the act. The commission administers a statewide Community Visitor Program for children and young people in alternative care, including foster-care. The commission also receives, resolves and investigates complaints about services to children and young people known to the Department of Child Safety and in the juvenile justice system and it maintains the child death register, administering the Child Death Case Review Committee and conducts research into child deaths—all of which are new, all of which are important, all of which will provide greater protection for children in the long run.

In 2005-06, the commission contributed to more responsive services to children in out-of-home care by publishing the inaugural annual *Child Guardian Report 2005*. The commission's Community Visitor Program staff regularly visited over 5,000 children in care, resolved issues locally with service providers in the first instance or progressed the issue to more formal resolution and advocated for children in care on an individual and systemic level.

The commission published two annual reports on the deaths of children in Queensland—namely, the *Annual Report: Deaths of children and young people Queensland 2004-05* and the inaugural *Child Death Case Review Committee Annual Report 2004-05*. The commission continued to liaise with government departments to address concerns such as sudden infant death syndrome, suicide, low speed run-overs and rural deaths, and monitored the implementation of its recommendations by the Department of Child Safety.

The second function undertaken by the commission is that of employment screening of certain types of child related employment and delivering risk management strategies workshops to the community to enhance child safety and in compliance with the act. In relation to blue cards, earlier when the Leader of the Opposition asked me questions I mentioned the blue card statistics, so I will not go through those again. The third function undertaken by the commission is that of policy, research and communication.

In essence, one of the biggest problems we have encountered here is this: frankly, Queensland does not have a very proud record when it comes to providing these sorts of services. That covers both sides of politics over a long period of time. That is why my government had the guts to have a number of inquiries. The CMC came up with some sensible recommendations and we have implemented them. Those recommendations were not easy; they were difficult. But we are determined to, firstly, fund this area properly which we have and, secondly, provide as much protection as we possibly can for children.

What has happened is that as the general reforms have gone on in child safety people have been prepared to come forward for the first time. Whereas previously they never thought their complaints would be treated seriously, they know that they will be now. That has put a enormous pressure on a number of agencies, a number of departments and a number of personnel. I want to thank them today for how they have responded. The people working in these areas have performed miracles because suddenly people are being taken seriously who have been ignored. That has been an important outcome. I want to thank them today because it has not been easy. Their workload has been extraordinary and they have performed magnificently and I want to thank them for it.

Mr WALLACE: Premier, I note on page 5-4 that the Queensland Audit Office undertook 11 performance management systems audits. How are these audits assisting agencies to improve reporting?

CHAIR: Premier, you have just over one minute to answer this.

Mr BEATTIE: I will be very brief, for the first time in my life. The purpose of performance management systems audits is to determine whether the public sector entities have established appropriate systems and evaluation procedures to enable them to determine if value for money has

been achieved as required by legislation. Significant work was undertaken in 2005-06 on departmental output performance measurement and reporting. One of the primary accountability mechanisms for departments is the requirement to report to parliament.

The Queensland Audit Office undertook a program of audits of the maturity and adequacy of frameworks, systems and reporting processes used by agencies to produce the performance information. The results of the phase 1 review of four departments were included in Audit Report No. 3 for 2005, tabled in parliament on 19 September. Audit Report No. 5 for 2005 was tabled in December 2005. These audits found that the maturity of departmental frameworks and systems underpinning output performance reporting in the Ministerial Portfolio Statements varied across the 11 departments.

The audit identified that generally departments had less mature output performance measurement systems and reporting arrangements in place than their framework mechanisms. The Audit Office considers that after six years of managing for outcomes, departmental frameworks and systems underpinning output performance reporting in the MPS should have evolved to a suitable level of maturity. The widespread nature of the findings in the sample of agencies audited indicated that these findings would generally apply to the broader budget sector.

CHAIR: The time for government questions has expired. We have about five minutes each way remaining. I will now ask the Leader of the Opposition to ask the next question.

Mr SPRINGBORG: I go back to the issue of blue cards. The Premier provided some statistics a while ago. Premier, can you indicate for the benefit of this committee that of those people who have received blue cards how many are under investigation for allegations of offences against children? How many have been charged?

Mr BEATTIE: These are the ones who have been knocked back?

Mr SPRINGBORG: No. I am talking about people who have received blue cards. How many have subsequently been under investigation, charged or convicted of offences against children? How many blue card holders have had their blue cards either suspended or cancelled as a consequence of allegations or findings against them?

Mr BEATTIE: As I said before—and I will come to each one of your cases—from 1 July 2005 to 30 June 2006 there were 219,886 cards issued. This brings the total number of blue cards issued since the introduction of the working with children check from 1 May 2001 to 643,130. That is the total number issued. This figure demonstrates the success of the blue card. It is particularly important to note that from 1 July 2005 to 30 June 2006 the commission issued 175 negative notices. Of these, 39 people have been convicted of excluding offences—that is, a serious child related sexual offence or certain child pornography offences where imprisonment has been imposed. This means that they are banned for life from holding or applying for a blue card. In addition, another 172 applicants decided not to proceed with their application. I mentioned these sorts of things before. Blue cards must be renewed every two years. I did say that a further 7,998 applications were withdrawn. From 1 July 2005 to 30 June 2006, 76,169 blue cards were renewed.

I want to make the point here that the commission referred 50 matters to the Queensland Police Service in addition. Let me try to put that in some context. Blue cards are not a perfect science. I have tried to say this right from the beginning when my government brought them in. What they are designed to do is to get known paedophiles and known people with criminal offences out of our school grounds and away from children and to protect them. However, if somebody has an impeccable record and therefore has no criminal record and has not previously been an offender and after the issue of a blue card they then offend, the blue card is not an absolute guarantee. It does not prevent future offences. What it is designed to do is to stop the scumbags who have committed offences from getting blue cards. But that does not stop someone who has a blue card who has never offended in the past from actually offending. What we are trying to do is have a screening process that protects our children as much as possible. But when you are dealing with human behaviour it is not a perfect science. I wish it was. I want to make it clear that we will have cases from time to time, regrettable as it is, when people who have been issued blue cards who have never previously offended will offend. That is simply because they have never offended in the past. This is about getting people with criminal records out.

The Queensland Police Service informs the commission of any changes to a person's Queensland criminal history. Section 112 of the commission's act states that a blue card holder who has a change in criminal history must inform their employer of the change in their criminal history upon which the employer must apply for review of the person's blue card. Blue cards must be renewed every two years. So we have a system to get these people out whose criminal history changes. So if they commit an offence they are then taken out. But it is important that at the end of all of this parents have an absolute responsibility to work with us to provide as much of a system of protection of care as possible.

Mr SPRINGBORG: I appreciate those points, Premier. You indicated that a number of people have been picked up as part of that checking procedure and have had their applications withdrawn or reviewed. My question was: how many blue card holders have been under investigation, charged, convicted and had their cards suspended and/or cancelled or not renewed? Can you provide that table to the committee given the time? Can you provide it today?

Mr BEATTIE: The answer is 53. I am sorry. I am not trying to be clever here. I rushed through these figures. Let me go back and restate it, because I was not as clear as I should have been.

CHAIR: Premier, you have 20 seconds.

Mr BEATTIE: It is actually 53. From 1 July 2005 to 30 June 2006, 53 people were charged with an excluding offence and had their blue card suspended. So the answer is 53. That is what you want to know. These people are prohibited from working. You are trying to find out how many people offended afterwards. The answer is 53.

Mr SPRINGBORG: Excluding—

Mr BEATTIE: Yes, they were charged with excluding offences. That means that they had their blue card but they lost it. So that is the answer—53.

Mr SPRINGBORG: Do you have any other data that you can table?

Mr BEATTIE: I am happy to table the brief which I have been given. I will table the three pages of the brief—in fact I will table all the briefs that I have been referring to during your questions. I table that now. It is also in an answer that we put in yesterday to a question on notice. It is all in there.

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

Mr BRISKEY: I note in the MPS that the Child Guardian function has been established.

Mr BEATTIE: Yes.

Mr BRISKEY: Could you provide an overview of this function?

Mr BEATTIE: I certainly can. The Child Guardian function of the commission is responsible for monitoring the Queensland child safety and juvenile justice systems. In performing this function, the commission not only influences systemic improvements but also provides immediate support, and I made some reference to this earlier. The Child Guardian achieves service delivery outcomes for specific children and young people in the child safety or juvenile justice systems through the following: local and formal resolution of issues with service providers raised by children and young people with their community visitor; local and formal resolution of complaints in relation to service delivery; and monitoring the implementation of recommendations made by the commission—again, I referred to this earlier.

The commission's Child Guardian function is also proactive in delivering outcomes by creating improvements and influencing reform to systems, services and procedures. This is done through monitoring the effectiveness of service delivery to children and young people statewide—and that uses the Community Visitor Program, targeted auditing based upon analysis of systems information from government and capacity building activities.

Central to the Child Guardian role is the ability to report to the key stakeholders and, where necessary, the general public on the performance of the child safety and juvenile justice systems. Reporting by the Child Guardian has and will continue to detail areas of service delivery success. To date, types of recommendations made by the Child Guardian include the need for improved data capture and reporting by the Department of Child Safety, amendments to the *Child Safety Practice Manual*, redress for children and young people who suffer harm as a result of service delivery failure and that disciplinary action be considered in relation to specific staff.

The commitment to publishing Child Guardian reports annually about the child safety and juvenile justice systems demonstrates the need for transparency and accountability by service delivery by both government and non-government organisations to some of the state's most vulnerable children and young people. In 2006 the Child Guardian also published the *Views of Children and Young People in Care* report, which is based on responses from 1,703 children and young people on their experiences of living in out-of-home care in Queensland. Key findings included that most children and young people surveyed are happy with many aspects of their out-of-home care situation. For example, they feel safe in their current placement, are treated well by their carer, are understood by their carer, are treated the same as others not in care, know who to ask for help, have child safety officers who are nice and care about them, have helpful and responsive community visitors, and feel that their situation has improved over the last year.

However, almost half, 46.5 per cent, of young people surveyed advised that they felt that decisions made about them were not always explained to them. Clearly we have to continue to improve this. Similarly, almost half of those surveyed, 46.5 per cent, said that they wanted more contact with their families, which is again understandable. The survey findings will help guide the future work and direction of the Child Guardian, in particular, community visitor processes and training, and targeted monitoring and investigative work by the Child Guardian.

The system is getting better but I am not going to say that it is perfect. These mechanisms will ensure that it continues to improve and that is why they are there. This is an area of enormous pressure. As I said, underfunding over the last 50 years has not made it easy, but we are finally changing the culture. It is never easy to do that either and it takes time.

CHAIR: It being 10.30 am the time for this part of questioning has expired. I thank those officers who have been with us for this period. The committee will take a break from 10.30 am to 10.50 am at which point we will return with questioning on the Department of the Premier and Cabinet and the Coordinator-General.

Proceedings suspended from 10.30 am to 10.50 am.

CHAIR: The Estimates Committee A hearing is now resumed and will continue with the examination of the Premier's portfolio. This second session will examine the Department of the Premier and Cabinet, the Coordinator-General and the remaining portfolio agencies. The question before the committee is—

That the proposed expenditure be agreed to.

For the benefit of Hansard I ask agency officers, if you are referred a question by the Premier, to please state your name and your title so that Hansard can get down who you are and what you are doing here. I call the Leader of the Opposition to ask the Premier the first question.

Mr SPRINGBORG: I refer the Premier to question on notice No. 4 from non-government members relating to the cost of advertising and how much has been allocated across your portfolio area. Is it a fact that TMP has a whole-of-government contract for arranging advertising? What is the total cost of government advertising across all agencies and all portfolio areas for the last 12 months?

Mr BEATTIE: We are dealing with my portfolio here but I am happy to deal with all of that. The whole-of-government standing offer arrangements for master media advertising placements provide savings, which is why it is done that way, to core government departments, statutory authorities, universities, TAFE colleges, government owned corporations, commercialised entities such as Tourism Queensland, Golden Casket Corporation and other approved non-government bodies, through the consolidated buying of mass media advertising space. Agreements are in place with MediaCom, formally known as Zenith Media, for campaign advertising placement and with TMP (Worldwide) for non-campaign advertisement placement from 1 April 2004 for a period of up to three years with the option of extension by agreement between the parties for a further two periods of up to 12 months each under the same terms and conditions.

The total annual cost for the standing offer has been—and before we get this distorted and misrepresented in anyone's mind, let me be really clear about this. This covers all of the entities I talked about: universities, TAFE colleges, Tourism Queensland and Golden Casket. When we talk about campaigns we talk about Tourism Queensland campaigns, for example, promoting Queensland. The total annual cost of the standing offer has been \$73.1 million in 2001-02, \$69 million in 2002-03, \$67.5 million in 2003-04 and \$72.8 million in 2004-05. Expenditure in the 11 months from 1 July 2005 to 30 May 2006 is \$84.8 million. Of this total expenditure, 45 per cent, or 38.4 million, relates to government departments. Due to the master media agency's ability to negotiate significant discount benefit rates and value-added activity discounts for television, radio and press advertisements, they are on average 20 to 30 per cent below the casual rate.

I might just point out that inevitably there are cost increases. Television costs do not remain the same. They are expensive. But I might point out that there has always been a need for programs like Tourism Queensland. Both sides of politics have run education campaigns on health. For example, I have with me here a program run by Mike Horan when he was the health minister. It states 'Queensland Health. Queensland government 10-year hospital and health services building plan', which was an insert into the *Redcliffe & Bayside Herald* on Wednesday, 12 November 1997. I table that for the information of the committee. I table an ad in the *Cairns Post* of 19 February 1998 about the Cairns Hospital redevelopment and another ad about the Cairns Hospital redevelopment. There is another for the Princess Alexandra Hospital. When it comes to advertising, both sides of politics have done it. We have not been quite in the league of the National and Liberal parties federally when you see the \$41 million they spent on their IR campaign and the \$15 million they spent on health or Queensland Unlimited, which we used to have. But if you look at three examples in relation to health you will understand exactly what the story is.

Mr SPRINGBORG: Will you table a breakdown by those government departments? Are you happy to table a breakdown by government department?

Mr BEATTIE: I have already gone through and given you a response in terms of my agency, and that is in answer to the question on notice. I have already done that. I have given you the overall position. If you have a look at the costs in my agency, which is what we have got here, which is what I am dealing with—

Mr SPRINGBORG: You would be in charge of whole-of-government, would you not?

Mr BEATTIE: Can I finish this question?

CHAIR: That is another question so you have three minutes to answer it.

Mr BEATTIE: If you go through it you will see where we have placed advertisements. If you have a look at the answer that I provided yesterday, it sets out the advertising campaign for every one of the areas in my portfolio. I refer you to the detail. It covers everything from reconciliation awards to RNA,

blue card awareness and the Gold Coast Airport Marathon—the whole lot. The costs are there. I have given you the overall position on it, and if you want to pursue that with each agency then I am quite happy for you to do so. You have estimates in front of you. If you go to the answer to non-government question on notice No. 4, you will see that I have set out the cost of every single thing in my agency, even those that are independent. I have given you the total costs for government. If you want to pursue that you can pursue that with each agency.

The DPC manages the whole-of-government agreement and, as I said to you before, we have provided responses for each agency in there. This is the problem. I do not think it is my responsibility to be providing the advertising campaign for the University of Queensland or the other entities that are part of this package. In terms of those bodies, which we do not control but we buy for them to get a particular outcome, what right do I have to set out exactly what the University of Queensland is doing? We buy for them to get a discount. I think the Leader of the Opposition, if he wants to, should ring John Hay and ask him what his advertising schedule is.

Mr SPRINGBORG: My next question relates to—

Mr BEATTIE: I have not finished yet. What I was about to go on to say is: if you have a look at the schedule and look at the expenditure—

CHAIR: Would you just mind holding on for two seconds. We have a problem with the clock in that the timekeeper took that as the additional question. I would think that you probably have a minute to go. So if we could have the clock set at that and I will return to you with a minute to go.

Mr BEATTIE: I refer the Leader of the Opposition to a question on notice, which I notice the Leader of the Liberal Party is quoted in today's press in relation to, which sets out more figures that we have provided. I refer him to the expenditure of the Borbidge government when he was a minister in it and I refer the Leader of the Liberal Party to the Borbidge government expenditure, which I think was about \$2.4 million in whatever period it was. That should give him some idea.

I previously confirmed that the former Borbidge National Party and conservative government—Liberals as well—authorised the department to spend \$2.34 million in the 1997-98 financial year on promotional advertising campaigns. This expenditure included \$1.8 million for the placement of advertisements and \$540,000 in production costs. That is going back eight years. You can imagine with inflation what that is worth today. As I said to you before, if you have a look at the expenditure you can understand that what we are doing is reasonable. I even notice expenditure by the Leader of the Opposition for the same period was \$120,731.

Mr SPRINGBORG: My next question relates to the role of the Coordinator-General as the person responsible for overseeing the office to ensure economic development projects and also delivery of public infrastructure. Can you give an indication in the area of health, where the government failed to meet its capital works projected budget by about \$204 million—I think the figures were \$570 million budgeted and they actually spent about \$370 million—which projects were not delivered on time and where they were?

Mr BEATTIE: I am really happy to be helpful about these things, but with due respect, Lawrence, I would have thought that the Health capital works budget is something you would ask the health minister about it. I am happy to talk to you about overall, but for the life of me the Coordinator-General does not go around delivering individual projects within the health department. The health department has a capital works allocation. There will be things in my portfolio like, for example, the two new hospitals that come within the SEQ Infrastructure Plan and I have released those as part of the plan. The actual delivery of those, by and large, comes back to the individual department.

Let me see what I can do to help you here, because I do not want to be seen to be unwilling to help you. In terms of the day-to-day full detail, because I want every piece of information you ask for to be provided to you, the individual detail really should be provided by the Minister for Health. I might be the Premier, but I do not run each individual department down to the last nail, although I am from time to time inclined to do so when I see the questions you ask.

My government is proud of its record of achievement in delivering new and improved health infrastructure for Queensland. In recent years we have completed the \$2.8 billion statewide hospital rebuilding program. In September 2005 the Forster review recommended an immediate review. The outcomes of the review were that the capital works program was found to be underfunded, and an additional \$271 million has therefore been allocated to progress projects in 2006-07, 2007-08 and 2008-09. There were some issues that needed more money. What have we done, Leader of the Opposition? We have allocated the money: \$271 million. Other projects in the capital works program, particularly for community health, need further service planning models of care aligned with contemporary health services and further capital works. The anticipated underspend in 2005-06 will be approximately \$170 million. This has been recommitted in 2006-07 in line with identified health services.

I should say to you that we have given the department of health a lot of money to spend. Yes, there was an underspend last year. Every year that I have watched government, and that includes conservative governments of which you were a part, there has been an underspend. The reason for that

is really simple: contracts do not terminate on 30 June each year; they have to carry over. Therefore, expenditure will depend on how much work is done prior to 30 June. The financial year, if you like, is an arbitrary determination. If you have a contract and that contract has been let, it does not mean that that money is necessarily spent in the previous financial year but it will carry over. What I have indicated to you is that those contracts that have already been let in Health where there was an underexpenditure will be spent in the next financial year.

I hope that is of some help to you. If you want more specific details I am sure that they can be provided by the health minister, but if you are saying that there was an underspend in Health last year you are correct. What are we doing about that underexpenditure? Those allocations will continue into the next year and be spent. Is that a normal process? Yes, it is. There is always a carryover in each one of the major departments, particularly when extra money has been allocated for Health.

Mr SPRINGBORG: My next question relates to the Southern Regional Water Pipeline, referred to on page 2-6 of the MPS, and the role of the Coordinator-General in providing that. I also note that on—

Mr BEATTIE: He has a responsibility to do that. That is true.

Mr SPRINGBORG: The SEQ Infrastructure Plan released the updated version on 24 May 2006. The estimated cost for the pipeline was \$250 million. I also understand from *Water for south east Queensland: a long-term solution*, released by you on 5 July, that the cost has blown out to \$600 million. What accounts for this?

Mr BEATTIE: It is not a blow-out. Let me just go through how these things are done. The Western Corridor Recycled Water Pipeline project is in the vicinity of \$600 million or so, that is quite true. That money is allocated at different stages for projects. I will go back and check your particular figure. It is a little bit like the money that was allocated for the dams and, if I recall correctly, the SEQ Infrastructure Plan. What happens is there is money allocated for a particular financial year and that money is allocated often for investigations, often for advance purchase of pipes—we have allocated \$100 million, if I am correct on this, as an advance pipeline purchase. That is that financial year. We always made it clear, for example, that when the dams were going to be built it would cost more. If the amount allocated for that financial year takes a certain level of investigation to that point then that will be the cost. When the determination is made finally in relation to the dam then the costs will go up. The system would be the same whether you were in government or whether I am in government.

In terms of the pipeline position, let me make it clear: we are talking about \$600 million or so, and we are talking about \$100 million being put in for advance purchase of the pipes. The pipeline is keeping with the intent of the 2005-06 SEQ Regional Plan. It does all these wonderful things. Over \$70 million was allocated by the state and local government to bring forward impact assessments, right-of-way applications, statutory approvals, and procurement and business case development. So this is the early money that you allocate to do the things I just said. There is \$20 million to be allocated by my government to allow pipe to be procured. That has gone up to \$100 million. It is expected that the pipeline would include laying 90 kilometres of pipeline—and it goes on and on.

The answer to your question—and I will double-check this in a minute—to the best of my knowledge is that this is about what is done at various stages to get to a final project, and you allocate money to do various things until the determination is made. It covers cross-financial years.

I should make the point—and the Coordinator-General has refreshed my memory—that this is an SEQWater project. We are allocating money for it, but we are getting them to do it. Ipswich City, Logan City, Gold Coast City and Beaudesert shire councils have joined with the Brisbane City Council and SEQWater to form the Southern Regional Water Pipeline Company, the proponent of the project.

What has happened with a lot of these things—and this will provide, I think, another part of the answer—is that, as you know, in the south-east corner the state government has not, by and large, controlled water. It has been done through SEQWater, which has been 80 per cent local government owned. Because of the drought, inevitably responsibility has been moved to us and that has meant we have established the Water Commission, which you would be aware of; it has gone through the parliament. In addition to that, we have taken responsibility for infrastructure that previously was not ours.

Mr SPRINGBORG: Further on the pipeline—

CHAIR: Is this your next question, Leader of the Opposition?

Mr SPRINGBORG: Yes. Further on the pipeline, can you give an indication of what contracts have been let?

Mr BEATTIE: Sorry, could you repeat that?

Mr SPRINGBORG: Could you give an indication of the contracts that have been let to date and the value of those contracts?

Mr BEATTIE: For?

Mr SPRINGBORG: For the Southern Regional Water Pipeline. You will make a contribution to that pipeline, as I understand it. You have indicated that yourself. Can you also indicate what has been resolved with the ownership of that water and the reticulation? As I understand it, the Gold Coast City Council—

Mr BEATTIE: This is the Gold Coast one?

Mr SPRINGBORG: Yes, the Gold Coast one. The Gold Coast City Council actually owns that water, so there has to be some arrangement for the distribution and letting of that water into the grid. What will be the estimated unit cost of that water, given the information you have provided to us?

Mr BEATTIE: That has not been determined yet. Clearly what we are doing is trying to fix up a mess. One of the things I deeply regret that Sir Joh Bjelke-Petersen did not do was take over control of water in the south-east corner. Had he done so, we would not have ended up with this higgledy-piggledy mess we have now, where we are being asked to take a role—because there are 18 councils involved—in terms of funding capital infrastructure—

Mr SPRINGBORG: If you built some dams—

CHAIR: Leader of the Opposition, please do not interrupt the Premier. He has three minutes to answer the question.

Mr BEATTIE: Not just in terms of capital infrastructure; but the regulation of water in a way that was not done before. We are working closely with the councils. A lot of those matters are yet to be determined. They have not been determined yet. Bear in mind that we are building a water grid and it is not just the western corridor or the Gold Coast pipeline; it will be more than that. There will be a pipeline water grid across the south-east corner.

Perhaps what might be of some assistance is to table for the information of the committee a detailed briefing in relation to water projects and dams. I will table that for the information of the committee. In terms of pricing of water, those sorts of things need to be determined. The Wivenhoe Dam is not owned by the state government; it is owned by SEQWater. The new dams that we will build at Wyaralong and at Traveston will be state government owned.

In terms of pipeline issues, there is a range of matters that need to be resolved. Later this afternoon I will be meeting with the council of mayors when I have finished here, and we will continue to increase our relationship with them and we will negotiate those matters through. You have mentioned the Hinze Dam. The beauty of the Hinze Dam is that it is full, and that is why we need a pipeline linked with all of them.

Just to give you an update, you asked a question about where we were with contracts: the alliance contract—and I just explained what the alliance was—has been established for the early works. The pipe tenders are out to the market at the moment. They are currently being assessed. There are no other contracts at this stage. So what we are basically doing is the early work. We will continue to submit that, which is why I am meeting with the mayors later today.

I want to make the point that the 18 councils that, by and large, run water in the south-east corner—and we have not—we are determined to work with. It is normal that when there is a crisis like a drought, yes, we are the ones that are required as the state government to start playing a role that otherwise we would not have to, and that is fair enough. Queenslanders expect us to get on with it, and we are.

The issue about water is not easy. There are going to be all sorts of opportunities for water like recycled water into the Lockyer out of the western corridor and so on. In terms of these matters, you can see how crazy it was that the pipeline went one way to the Gold Coast instead of two ways.

Mr SPRINGBORG: Premier, given that this contract is still being assessed, what does that do for the time frame of delivering on that particular project—

CHAIR: Premier, you have 30 seconds.

Mr BEATTIE: What the Leader of the Opposition seems to be getting at is how will we deal with the drought. The biggest problem for us in the drought is 2008. Two things will happen. The western corridor pipeline will be completed by 2008, which will put recycled water into two of our power stations and also Incitec down at Luggage Point. That will free up a significant amount of water for drinking that will get us past the bump of 2008. Those projections assume, of course, that it does not rain between now and then. If it rains, it is not a problem but if you assume—can I have another minute to answer this, because I think it is an important question that the Leader of the Opposition has asked?

CHAIR: You can continue, yes.

Mr BEATTIE: If you take the Armageddon situation, that is the worst case scenario—that is, it does not rain until 2008—where will we get the water from? We will get it from a number of sources. One, we will get people to continue to reduce their demand. Hence we have tanks being put on the sides of houses. We are getting refits done. In addition to all of those things, we will free up a significant amount of drinking water because recycled water will be used in two of those power stations plus Incitec and a number of other private sector operations at Luggage Point. That will get us through to 2009.

We are then working on desalination with the Gold Coast City Council. In the meantime the pipelines that you have referred to will come into operation. They will come on stream and we will be able to move water around the south-east corner. So this is a staged development. We are working with the councils as quickly as we possibly can. For the Southern Regional Water Pipeline, construction is to begin in October 2006. It is due for completion on schedule in mid-2008. That has confirmed what I told you before. How do we deal with the drought? That is how we are going to deal with the drought. That is part of the water network that we are putting in place.

CHAIR: The time for the first session of non-government questions has expired. I call the member for Cleveland.

Mr BRISKEY: Premier, I refer you to your Ministerial Portfolio Statement. At 1-7, the last dot point highlights the role of your department in chairing the Bundaberg Claims Management Committee, which is overseeing the process for settling malpractice claims for former patients of Jayant Patel and the Bundaberg Hospital. Premier, can you report what the claims progress has achieved for those patients to date and any other initiatives being undertaken to respond to the needs of Bundaberg Hospital patients?

Mr BEATTIE: Yes, I can. The government has set up a special claims process, as you quite correctly referred to, to expedite claims made by former patients of Dr Patel so that they may be provided with timely, fair and reasonable compensation for the injuries they have suffered as a result of Patel's actions. My department, you are quite right, is chairing the Bundaberg Claims Management Committee, which is overseeing the special process. The special process does not take away any existing legal rights claimants may have; it simply provides a predominantly cost neutral and expeditious way to progress and settle their claims.

As at 5 July 2006, 375 claims have been lodged in the special process. A total of 69 claims have now been resolved—69. A further 20 have been closed either because they were withdrawn or finalised as they were found not to be Patel patients. A total expenditure on settled claims up to 5 July 2006 is approximately \$2,374,100. This total includes the damages component as well as legal fees and the special process payment. The total amount awarded to claimants alone is approximately \$1,442,120. Of the remaining 286 claims that are open, 223 have been confirmed as Patel patients. About 67 claimants have chosen not to be legally represented. Mediations are generally being scheduled on a fortnightly basis. The next mediations are set down for the week commencing 31 July 2006, with further mediations to be scheduled in batches of 20. The deadline for lodgement of claims within the special process was 28 April 2006. The deadline was aimed at encouraging claimants to come forward quickly to enable the state to assess the claim, institute investigations by way of independent medical reports, and provide appropriate and timely compensation to claimants.

The Attorney-General has made it clear that a former Patel patient will still be able to make a special process claim where the patient can demonstrate that special circumstances exist. Special circumstances will exist where it can be proven that the adverse outcome arising from a medical procedure by Patel was not apparent prior to the 28 April 2006 deadline. That is trying to be as fair as we possibly can.

More than \$71,600 has been provided to reimburse patients for their travel costs. Patient liaison service records show that 164 Patel patients have had their surgery completed. Thirty-two others will still require ongoing surgery and have been booked for a procedure. 314 have undergone endoscopes and gastroscopes. A total of 148 category 2 patients have had repeat scopes completed. Some 744 cases have been fully assessed by doctors and determined to require no further action. Some 447 counselling occasions of service have been received. Forty-six patients have received counselling from Centacare. \$2.23 million has been provided in ongoing treatment for Patel patients including medical and hospital expenses plus patient travel related costs. This includes \$2.16 million in medical and hospital expenses for treatment.

Mr BRISKEY: Premier, I now refer you to page 1-12 of your MPS, wherein it notes that your department is assisting people to recover from the devastating effects of Tropical Cyclone Larry—just at the bottom of the page, under 'Review of Output Performance'. Could you outline the role of your department, what has been achieved and the goals for the future six months?

Mr BEATTIE: As the member for Cleveland knows, on 23 March I announced the formation of the Operation Recovery Task Force headed by recently retired General Peter Cosgrove to coordinate and manage the complex recovery processes and to achieve the most efficient and speedy recovery of the communities affected by Cyclone Larry. The task force is supported on the ground in Innisfail by the operation recovery management group, which includes representatives from relevant state and Commonwealth government departments. The group deals with operational issues on the ground as they arise.

The Department of the Premier and Cabinet has been taking a leadership and coordination role. It coordinates whole-of-government responses to Cyclone Larry issues, acts as a central point of contact in Brisbane and provides secretariat support for the appeal fund distribution committee. The appeal fund has now exceeded \$21 million, reflecting the significant generosity of the Australian public and the business community. I am grateful, and I publicly thank them today.

The distribution committee is in the process of disbursing these funds to those people in the greatest need. Since the cyclone hit, the government has been working with all levels of government and the Commonwealth to provide a range of assistance measures to help those affected by Cyclone Larry. Achievements to date include—provision of assistance to individuals and families through a series of relief grants. To date, \$5.5 million in emergency assistance and \$3.4 million for the repair or replacement of essential household items has been distributed. Additional grants for the repair of owner-occupied uninsured residences to the point of being safe, habitable and secure are being distributed. My government has taken steps to increase these grants from \$9,300 to \$17,000 for individuals and \$12,500 to \$20,000 for couples and families.

There is provision of centre based and outreach services through three one-stop shops, with up to 20 outreach teams operating daily throughout the region affected by Cyclone Larry; employment of 50 recovery workers to provide case management support to individuals, families and communities with the first group starting yesterday; provision of emergency and temporary accommodation; establishment of a building coordination centre in Innisfail to coordinate reconstruction efforts; access to independent insurance advice for the community; and an \$18.6 million Cyclone Larry employment assistance package, which is aimed at retraining the local workforce and providing a local response and employment opportunities to the affected area.

The package includes up to 1,000 positions under the Community Jobs Plan to assist with the reconstruction of public infrastructure, implementation of Operation Farm Clear, which is designed to assist primary producers with the removal of debris and ensure they resume normal operations as quickly as possible, and concessional loans and grants for farmers and small businesses. As at 30 June 2006, 80 primary producers and 28 small businesses have been approved for assistance in excess of \$18 million. The government is doing all it can to help the people of far-north Queensland to recover. In the next six months the rebuilding and repair of housing in the area affected by Cyclone Larry will continue to be a major task.

Mr REEVES: I note on page 2-6 of the MPS under the Infrastructure and Project Facilitation output that the environmental impact assessment of the Brisbane north-south bypass tunnel has been completed. Could you provide an overview of this major piece of road infrastructure that is being undertaken to ease the traffic congestion in the south-east corner of Queensland which will have a major benefit for the people of my electorate of Mansfield?

Mr BEATTIE: I knew that you were going to ask me about this because I thought, with your obsession about buses, that would be the next thing—the northern busway. It will be your next question, no doubt.

The South East Queensland Infrastructure Plan and Program outlines my government's infrastructure priorities over the coming 20 years. In doing so, we demonstrate our commitment to the South East Queensland Regional Plan—a plan to substantially manage development in a sustainable way in south-east Queensland over the next two decades. The infrastructure plan is updated each year to reflect the latest planning and budgetary commitments. The 2006 version of the infrastructure plan was launched on 24 May 2006.

The 2006 infrastructure plan identifies an estimated \$37.4 billion of infrastructure investment in south-east Queensland over the next 20 years. This represents an increase of \$5.2 billion on the 2005 infrastructure plan, including \$1.1 billion for new projects. Assuming that transport and water projects under investigation come to fruition and energy investment continues in line with current trends, the total investment reaches approximately \$66 billion.

My government and the Brisbane City Council are nearing completion of a joint feasibility study into the construction of a predominantly underground toll road to connect Brisbane's northern arterials to the Inner City Bypass and the north-south bypass at Bowen Hills. The feasibility study includes a business case, which is being conducted in accordance with the government's value-for-money framework. It is also examining the opportunities for integration of portions of the northern busway and the airport link project.

A key component of the feasibility study is a detailed environmental assessment following declaration of the project as a significant project under the State Development and Public Works Organisation Act 1971. The terms of reference of the environmental impact statement were approved by the Coordinator-General on 31 March this year following the receipt of public and advisory agency comments. Preparation of the EIS is likely to be completed around August and will include detailed assessments of traffic and transport implications, construction arrangements, and air and water quality analysis.

Should the outcomes of the feasibility study be acceptable, it is likely that expressions of interest will be invited later this year from consortia interested in constructing and operating airport link as a toll road together with parts of the northern busway. It is anticipated that construction of the project would commence in 2008 and be open to the public in 2012.

I would stress, however, that nobody will be forced to use the tunnel. There will be no funnelling of traffic, and a free alternative with an acceptable level of service will remain. Nonetheless, anybody who has to frequently travel down Lutwyche Road, which I do every morning, or venture to the airport or to the burgeoning business centre of Australia TradeCoast will recognise that there would be clear savings in time and vehicle operating costs arising from use of the tunnel.

I should also say that if the project proceeds as a public-private partnership the relevant contract documents will be available for public scrutiny. There will be no secrets about the nature of the contractual arrangements for this project. Any owner whose property is affected by the airport link or northern busway project will receive just compensation. I should say very quickly that we are working closely with the Lord Mayor and the Brisbane City Council. We intend to continue to do that.

Mr REEVES: Premier, in response to the devastating number of accidents and loss of life occurring on Queensland roads, you organised a road safety summit. I notice on page 1-9 of the MPS that your department will work with key agencies to implement the outcomes of the Queensland Road Safety Summit. You have already mentioned in your opening address an announcement regarding a crackdown. Could you also provide an overview of activities that have been undertaken to save Queenslanders' lives?

Mr BEATTIE: I would certainly be happy to do that. I should say that the new hit-and-run penalties we announced today come about out of some frustration in the sense that we see families who are devastated by this. There were three examples I gave in the release that I handed out today of people whose lives have been marred by hit-and-runs or careless driving. Frankly, we need to deal with it. For example, one of them that had an impact on our decision was a cyclist who was left for dead after being hit by a motorist on the Gold Coast at the weekend. He is the latest victim of what is really a spate of hit-and-run incidents in south-east Queensland. He was a 41-year-old man at Palm Beach. This is dreadful behaviour. We will bring in tougher penalties for it.

You were right: we launched Campaign 300 out of the Queensland Road Safety Summit in February. Campaign 300 was launched prior to Easter. It is crucial to keeping drivers focused on this very significant issue and educating the community. Over the next three years an extra 1,000 kilometres of road centre and edge audible lines will be installed at a cost of approximately \$8 million, and the proactive component of the Safer Roads Sooner Program—namely, roadside vegetation clearing, the installation of crash barriers and the introduction of rest stops—will be extended for another three years at a cost of a further \$20 million. Also, we will enhance the coverage of mobile speed cameras. It will not mean more hours of enforcement but rather the same number of enforcement hours spread across a greater number of cameras. This initiative will increase the geographical coverage of the speed camera program and improve its effectiveness as a road safety measure.

The government recognises that the reform process does not stop here, and we are working to develop other initiatives, one of which I announced today. The Queensland Road Safety Summit Action Plan 2006-07 is currently under development to provide a plan of proposed actions to address issues raised in the summit. I expect the Queensland Road Safety Summit Action Plan to be released towards the end of this year.

I just want to make a point on this in closing. We are doing everything we possibly can. We are trying to educate the community and we are bringing in tougher penalties. We expect the courts to play their part. The decision today in relation to hit-and-runs is not just a signal to hooners; it is a signal to the whole community, including the courts, that we expect tougher penalties. If someone is the victim of a hit-and-run, frankly, the perpetrator should go to jail. In the case that I referred to of the person who did not stop, that person should go to jail. That is why we have brought in these tougher penalties. If anyone complains about it, I am sorry. If these things were not happening, none of these laws would be necessary. We want the community to be responsible. The human species is a community animal. We have to live with one another and respect one another. Unfortunately, those who are not respecting the law need to be penalised harder and they will be.

Mr WALLACE: Page 8-3 of the MPS states that the Queensland Events Corporation coordinated the government's involvement in Beef 2006. Could you advise the committee of the importance of this event?

Mr BEATTIE: I certainly can. I attended Beef Australia 2006, although I was a little late because the jet broke down, which is why we need a new one. We did get there. Queensland Events supported this. It was the seventh triennial Australian beef exposition held in Rockhampton, the beef capital of the world. Mr Schwarten will tell you that given half a chance. There is only one thing you cannot claim in Thuringowa, and that is being the beef capital. It again attracted significant international and national interest.

The event is the pre-eminent international showcase of Australia's \$6 billion beef industry. My government was a founding partner for Beef Australia 2000 and contributed a total of \$505,000 in cash and in-kind sponsorship. The first exposition took place in 1988 as part of Australia's bicentennial year as a celebrity event for the beef industry. The inaugural Beef '88 event was so successful that organisers decided to run a similar event in 1991 and triennially thereafter, with the most recent success being in May.

Over the years the event has grown in size, impact and sophistication, with a continued increase in participation and visitation by both members of the beef industry and lovers of beef alike. Staged in Australia's beef capital, Rockhampton, as I said, the beef expositions have become an icon event for the Australian beef industry and a major event for the state of Queensland. The seven-day program included property tours, an international conference and seminars, stud and commercial cattle displays, trade and fair expositions, celebrity cooking demonstrations, social networking and community events.

The 2006 event was attended by over 60,000 visitors, which justifies our investment. The 2006 event showcases 360 trade fair sites of innovative products and technology from the global beef industry as well as 50 international delegations and 40 seminar topics with 3,000 participants. Through the continued vision of the original founders of the exposition in 1988, the beef expositions have effectively demonstrated the quality beef product of Australia, successfully bringing together the various alliance groups, stakeholders, customers and the community, to ensure the continued long-term profitability of the industry and the event.

I should just mention that I was asked a question on notice by the committee, which I answered yesterday, which sets out in long detail the Queensland Events program of regional events across this state. I want to publicly thank Des Power and Michael Denton for the work they do and for the regional event program in particular. When you have a look at it you will see that it supports all of Queensland. Inevitably, not everybody who applies gets what they want, but it is disbursed in a non-political way. You can see that everyone gets a go from it. Event tourism is becoming more important for the dollar. We have wonderful beaches, but beaches are not enough. Event tourism is important. That is why Beef Australia, the event we contribute money to, is fundamentally important for jobs across all our regions. We are also building infrastructure. As the member for Thuringowa knows, on Saturday I will be opening one major event in his electorate. That again is about investing in the regions. The regions are the backbone of this state and we are going to continue to invest in them.

Mr WALLACE: We look forward to having you in Thuringowa on Saturday. My next question relates to page 6-2 of the MPS. It talks about the Service Delivery and Performance Commission, and I note that a review of the ICT governance was undertaken. Could you advise the committee why this review was necessary?

CHAIR: Premier, you only have a minute on this. I know I said that before, but it is one thing for me to take the Leader of the Opposition's time. I cannot do it the other way.

Mr BEATTIE: Absolutely, and I would not seek to do so. Information and communication technology is an essential component of government and business service delivery. Government agencies as a whole invest approximately \$1 billion annually in output and capital expenditure to maintain and replace existing ICT assets and to introduce new approaches and technologies to assist with service delivery. The objects of the review were to provide advice on further governance arrangements; examine opportunities to achieve economies of scale; and review roles, responsibilities and accountabilities in relation to ICT.

Research from a national and international perspective and submissions from key industries and stakeholders have informed this review. Recommendations arising from this review will include options for maximising efficiency in ICT service delivery without compromising its effectiveness, ensuring that roles, responsibilities and accountabilities in relation to ICT strategies, policies and service provision are clearly defined. The review report is currently being considered by the commissioners of the Service Delivery and Performance Commission. I will table it in parliament eventually, anyway, Commissioner, as you know. Everyone will see it and be happy for ever after.

CHAIR: The time for government questions has expired. I call again the Leader of the Opposition.

Mr SPRINGBORG: While we are on the matter of the Service Delivery and Performance Commission, which is supposed to make government work more efficiently and trim the excess fat in the system and all those sorts of things, I ask the Premier: can you identify in this year's MPS what has actually been trimmed and made more efficient by this commission? Where is the dollar figure? How many positions have been made redundant? The only thing I note is a blow-out of \$140,000 over and above your budget in your department and an extra seven staff plus an increase in the budget for the commission.

Mr BEATTIE: Nice try!

Mr SPRINGBORG: It is here.

Mr BEATTIE: I make the point that we have only made the decision to establish the organisation. They are like anyone: they have to build up and they have to employ staff. We have set a target and that target will be met. I set that target in the mini-budget that I allocated last year and they will meet that target. However, you have to give them time to actually get up and be operational. They cannot simply walk in one day and have everyone appointed in positions. They have to go through due process. If they did not, you would be the first in there attacking us for not going through due process. So we have to go through due process and get people employed. We have a number of people. We have the head commissioner here. We have two private sector people involved.

It was established with the responsibility for undertaking a range of reviews. As indicated in parliament on 25 October it is expected that the commission will provide savings of \$20 million in 2007-08. I want to highlight to you that when we did this we set out a time line for them. The savings will rise to \$100 million in 2010-11. I did not hide this. I actually set out in the program the targets and the years. That is what I have just repeated.

You have to at least be fair-minded enough once, Lawrence, to give them a go to get established. That is why it is \$20 million by 2007-08. Three reviews commenced in February 2006 and the reports are to be finalised by the middle of 2006. I established them in the mini-budget and then legislation came in in October. We have set the achievement list as being savings of \$20 million in 2007-08 rising to \$100 million per annum by 2010-11. They have got three reviews on foot now.

In terms of the ICT review, which I was just asked about, I gave you an indication that they are considering the report. To be perfectly frank they have actually got off their backsides and have started to do things. In all fairness you have to give them a go. They cannot do this in 30 seconds. They were only established towards the end of last year. They have three reports that are being looked at now. As I indicated to you before, they will be reporting on those. Review of ICT is one. They are also looking at commercialised business units and at legislative regulatory reform initiatives in the Queensland government phase 1. These are the three areas that they are looking at. The board meets this Friday to consider the three reports.

While criticism is sometimes fair it is not fair to criticise them now bearing in mind that they have just got up and running and they have three reports that they are considering. I promised that I will table them in the House. The government will consider the reports. We have a transparent process where they will be tabled in the House. Everyone will be able to have a look at them. I say to Leader of the Opposition, 'Give them a go. They may be good but they are not that good. They cannot actually prepare a report before they start operation.'

Mr SPRINGBORG: We will wait and see.

CHAIR: Leader of the Opposition, I have mentioned already that it would be preferable if you were to ask the questions.

Mr SPRINGBORG: I refer you to 2-7 of the MPS which relates to the western corridor pipeline which had its genesis in the time that we were in government. Nothing much has happened in the last seven years on this. Can you indicate to us how many contracts have actually been let for this project, including for piping? What is the lead time for delivery of that piping? What is the latest cost of this project?

Mr BEATTIE: I think I have partly covered some of this before. To make sure that I do not mislead the Leader of the Opposition I point out that in response to an earlier question about the southern regional pipeline which is designed to transport water between the Hinze and Wivenhoe dams I said that the government had contributed \$100 million to the project. I want to make it clear that the money was actually contributed to the western corridor recycled water project, which is what I thought you were talking about. I want to be clear about where we are on that. The pipeline that I was referring to was actually the western corridor.

I do not think there was any misunderstanding between you and I, but I want to make sure that the record is straight so that there is no doubt about it. We have so far contributed \$28 million to the southern regional pipeline to ensure that the project remains on track to commence construction in October 2006. This comprises \$20 million of preorder pipe and \$8 million for planning and feasibility studies. I want to be really clear about that. There are two pipelines here.

Mr SPRINGBORG: I know that.

Mr BEATTIE: I know you do. I just do not want you to go out and misrepresent what I have said. I want to be really clear about it. The \$100 million is for the western corridor and the \$28 million that I referred to is for the southern regional pipeline. I may not have been as clear as I should have been earlier. I think we are now clear about the money and clear about both pipelines.

Let me come back to your question. The project is a partnership between the state, SEQWater, the Brisbane City Council and the Ipswich City Council. As I indicated in relation to question on notice No. 9 in which you asked me about this, the \$100 million capital expenditure allocated for the western corridor recycled scheme is for pipe procurement and pipe procurement services. It is anticipated that \$99 million of this funding is for the procurement of pipe with the remaining \$1 million to be spent on pipe procurement activities such as the commissioning of expert advice on procurement services, finalisation of tender documents, tender assessment, agreements with the pipe suppliers and the preparation of pipe storage areas.

That is the answer to question 9 which you asked me on notice. I now provide you with an answer in terms of the \$100 million. I have indicated to you previously what the total cost of this pipeline will be. As I have said to you, this is a project involving the state and SEQWater. The allocation is for 2006-07. It has just been allocated. So we are clear about that. There will be additional allocations when more work is done on the pipeline. That is basically where we are, but I have given you some idea of the total cost which is \$600 million or so.

Mr SPRINGBORG: As I understand it this pipeline is to be completed sometime in 2008. We are in the 2006-07 financial year and next year it will be the 2007-08 financial year. How much money is going to be allocated this year to the purchase of pipe? What is the contract value of that? What is the lead time for the actual manufacture and delivery of that piping?

Mr BEATTIE: I have just checked this with the Coordinator-General. The position is that \$100 million has been allocated. I have earlier given you the time lines about when it will be completed so that it fits into our plan to provide water by 2008, and it is on schedule. From the taxpayers' point of view, how much money have we allocated? I have already told you that. I have told you what the total expenses will be. I have told you it is on time. In essence that answers all the questions you have asked. The only relevance about contracts is whether they will meet the time lines. The answer is yes they will. I think I have answered that.

I should say so that there is no misunderstanding of this that the Coordinator-General has commenced acquiring the right of way required for this corridor, pumping stations and filtration plant at Bundamba. The corridor comprises 35 properties as well as existing easements and mining leases. The Coordinator-General will acquire easements and freehold properties outside the Bundamba to Swanbank corridor should the pipeline companies be unable to negotiate acquisition.

All the work that needs to be done is being done and the corridor route is being acquired. To provide a secure corridor for the western corridor recycled water pipeline and the southern regional water pipeline my government has declared a state development area for an infrastructure corridor, which means for both of them. The corridor extends from the Bundamba waste water treatment plant to the Swanbank power station. It will provide a corridor for a recycled water pipeline, a potable water pipeline and a future trade waste pipeline. Let me check one other fact.

Mr SPRINGBORG: I am happy if the Coordinator-General answers.

Mr BEATTIE: No, I take all the questions, Lawrence. The first stage of pipe tenders is being assessed now. The pipe will be delivered by October. In addition to that there is a series of tenders for pipe. That is rolling out progressively, as you would expect it to. This is a lot of pipe. It is not the sort of thing you run around your garden. This is a lot of pipeline and it is being done progressively. Stage 1 will be completed in mid-2007 and stage 2 by mid-2008. That is the full detail that we have. As you would understand, Leader of the Opposition, when you are going through a program such as this—and this was dumped on our lap as a result of the drought—you move quickly to get it done.

Mr SPRINGBORG: Premier I take you to the intriguing decision to build a dam at Traveston, a dam that has been ruled out on two previous occasions by governments of different persuasions. Can you itemise for us the cost of the dam infrastructure, the cost of land acquisitions for stage 1—you indicated that there will be a stage 2—the cost of piping and the pumping costs? They are all very important concerning the feasibility of this project.

Mr BEATTIE: Can I refer the committee to the detailed document that I tabled earlier. Inside it you will find that I have spelt out the Mary River Dam's size and scope. It deals with stages 1 and 2 and the raising of the Borumba Dam. It also provides information about the south-east Queensland regional water strategy. It deals with the secondary sites. It deals with time lines. It deals with key dates. I have provided that so that the committee is fully conversant with the details in relation to this dam proposal.

I have also publicly released the GHD report. This morning I tabled for the information of the committee the major document upon which we relied for this decision. I would hope that people on the committee would have an opportunity to read it. They actually answer the Leader of the Opposition's question. We have done it in black and white.

The first stage of project is anticipated to cost up to \$1.7 billion. I have released that figure publicly. However, the dam will only be operated at an elevation of 71 metres which will more than halve the area required for the dam. It will be reduced from 7,600 hectares to 2,900 hectares.

In terms of pipes and other things that will link to this, I point out that this is part of a water grid. Those matters will be progressively determined. I will release costs of them as we progressively determine them. I say to the Leader of the Opposition—I have explained this; if he were sitting in my role he would be doing exactly the same thing—we have ended up with the worst drought in 100 years—

Mr SPRINGBORG: The worst negligence.

Mr BEATTIE: We can be rude all day. The facts of life are that if you want to go out and try to misrepresent this—this is my answer—you can. You know that this is the worst drought in 100 years. Neither you nor I are God. You cannot make it rain any more than I can make it rain. This is the worst drought in 100 years. You come from a farm; you understand what drought is all about.

CHAIR: Premier, I will ask the Leader of the Opposition to be a little more polite if you could address your comments through me.

Mr BEATTIE: I will. I am happy to do that. I want to make this point about this nonsense about what could and could not have been done before. Water has been controlled by local governments not by the state government. I made the point before that it would have been nice if Joh had taken it over; it

would have been a lot easier. What we are now doing is working with councils to produce infrastructure and to invest in it. We have taken over this. We have inherited this problem because councils cannot manage it on their own. That is understandable. When we have the worst drought in 100 years the state government has to intervene. That is exactly what we have done.

In terms of the Traveston Dam, you know that the GHD report recommended this as the best catchment area in the south-east corner. The GHD report recommended and indicated that this was the best catchment area. You can try to score all the cheap political points you like but the fact is that we need water. The second fact is that my government is going to deliver it.

Mr SPRINGBORG: The reality is that the state government has always been responsible for building dams and you have not built any. That is the simple reality.

CHAIR: Is that the question, Leader of the Opposition?

Mr SPRINGBORG: No, that is part of my question. That is the simple reality that has been proved solely by this government. The second reality is that we have some figures provided to us in the last few days about the comparative costs of water. Premier, can you give an indication of the per unit cost of water—that is, megalitre cost of water—out of the Traveston Dam stage 1? The figures are \$1.7 billion delivering an annual 70 million megalitres. What is the per unit cost?

Mr BEATTIE: Let me answer by saying two things. It is not true for the Leader of the Opposition to say that we have not built a dam. We are the only government in Australia—

Mr SPRINGBORG: Not Wolffdene.

CHAIR: Leader of the Opposition, I would ask you to let the Premier answer the question.

Mr BEATTIE: We are the only government in the last 10 years to build a dam, that being the Paradise Dam. We are the only government in Australia that has built a dam, the dam at Paradise. It is also not true to say that the state government has controlled water. SEQWater is 80 per cent local government owned. We have 20 per cent of it. Wivenhoe Dam is not owned by the state government nor is Somerset. They are owned by SEQWater.

Because we have the worst drought in 100 years the state government has had to take an active role, which is exactly what we have done in relation to this infrastructure. As for the Leader of the Opposition making reference to Wolffdene Dam he would know of those on his side of politics who opposed the Wolffdene Dam. I have better things to do, and so has he, than to relive history. But let us not come here pretending to be Pontius Pilate. He knows that some of his friends, if you can call them that, in politics did not support the Wolffdene Dam.

Let us talk about the costs of water. These issues will need to be resolved. They will need to be negotiated, and that is exactly what we will do. No government would be able to at this point determine what the cost of water will be. But the Leader of the Opposition also knows that when it comes to the issue of water governments have taken a constructive approach to ensure that we do something sensible about the price of water. Water has become liquid gold. We understand that. The facts of life are very simple: water is liquid gold, and we make no apology for coming up with measures that will provide water for the people of Queensland.

In terms of cost, they are issues to be determined. The Leader of the Opposition knows what game he is playing: he is playing at scare tactics to try to scare people into believing that the price of water is going to go through the roof. If you look at the amount of money that councils have actually made from water in the south-east corner vis-a-vis how much they have invested in water, he would know that councils have not invested enough of the money that they have taken out of water back into infrastructure. We are talking about something in the vicinity of \$500 million a year—half a billion dollars—that councils have made out of water, so there is already profit being taken out of water that should be invested back into water infrastructure.

If we are going to talk about the price of water, yes, we will work it out, but we will work it out in a constructive way with councils. Yes, we will negotiate it, but we will negotiate it on the basis that we will be planning it as part of a water network. The issue of the price of water is an important one, but it will be one that we will work out based on costs but based on what the community can afford. You all know that there are a number of things that governments do to ensure that things remain affordable. Many of the people who live in western Queensland understand this, because every year we provide CSOs to keep electricity prices down.

Mr SPRINGBORG: We provide CSOs on urban rail networks—

CHAIR: Leader of the Opposition, I have mentioned this a number of times. Will you please ask the Premier the question.

Mr SPRINGBORG: I also remind the Premier that the state government actually built Wivenhoe Dam. The state government actually built the Wivenhoe—

CHAIR: Is that the question?

Mr SPRINGBORG: Madam Chair, the question I asked the Premier before was this: what is the construction per unit water cost for the new Traveston Dam on the Mary River? As I understand it, there will be 70,000 megalitres of annual yield at \$1.7 billion. That works out at around \$20,000 per megalitre. Is that true, Premier?

CHAIR: Premier, you have 45 seconds.

Mr BEATTIE: Madam Chair, the Leader of the Opposition can pursue whatever mischief he likes with his own calculations, but I will restate what I said before. It is very clear that we will work through these issues about the price of water.

Mr SPRINGBORG: I raise a point of order. I am not talking about the price delivered to the person who is going to be on the network getting it at their home; I am talking about the price of construction per megalitre of yielded water.

CHAIR: There is no point or order and we have taken up some more of the Premier's time. You have 10 seconds.

Mr BEATTIE: The price of water will be resolved in a constructive and sensible way with councils as to what is charged to Queenslanders. The cost of the dam, as I have already said, is \$1.7 billion. I have spelt out how many litres it will deliver. It will deliver 70,000 megalitres. Plus there will be the top-up of another 40,000 megalitres from Baroon Dam. All of these are self-evident. I do not understand why the Leader of the Opposition wants to pursue this nonsense.

CHAIR: The time for non-government questions has expired and it is time for government questions. I call the member for Thuringowa.

Mr WALLACE: Premier, I raise something that is very close to me and something that I am very passionate about. Page 2-8 of the MPS, under the Infrastructure and Project Facilitation output, states that the Aurukun bauxite resource development project will be progressed. Premier, I am very excited about this project. Could you please provide an overview of this particular project?

Mr BEATTIE: I know that the member for Thuringowa is very excited about it; he keeps writing to me about it and he wants it in his neck of the woods. In fact, I think he even went to China to try to pursue the matter. Am I correct?

Mr WALLACE: Yes.

Mr BEATTIE: On 2 March the government announced that the aluminium corporation of China, Chalco, has been short-listed and invited to submit a final proposal for the development rights for the Aurukun bauxite resource. The short-listing of Chalco was based upon the assessment of its provisional proposal that was submitted at the conclusion of stage 1 of the competitive bid process. Chalco's provisional proposal includes a bauxite mine and a benefaction plant at Aurukun with an output of 4.8 million tonnes per year of dry benefactor bauxite and an alumina refinery on the east coast of Queensland with a production capacity of 2.1 MTPA of alumina exported to China. There is a total investment of \$2.92 billion, including \$810 million on the mine. There is an estimated direct construction workforce of 3,800, and the list goes on.

The reality is that this bauxite deposit should have been pursued by Pechiney some time ago. We took the extraordinary measure of actually cancelling the lease. That is the only time, to the best of my recollection, that we have ever done this in government, particularly in relation to a significant lease like this. We did it because it was initially granted by Sir Joh Bjelke-Petersen's government, but Pechiney did not develop it and we were not prepared to wait because this deposit is there for the benefit of the people of this state. That is why we went out into the international market and Chalco ended up in the position it is in now.

When I was in Beijing last month I had meeting with Chalco. I have met with them subsequently here. I had a number of meetings in Beijing with various Chinese leaders who have an interest in this, and we have encouraged this development. But it is not easy. These are remote communities. There are significant costs involved. Therefore, where the refinery is located, whether it is in Townsville-Thuringowa as one site or Bowen or Gladstone, will depend on economic circumstances—financial implications—because this project has to stack up. We have agreed to put in \$300 million in common user infrastructure provided it meets the WTO arrangements, which means it has to be a return within the WTO principles. Otherwise we could end up with a penalty of some kind. But we do not know at this point the location, and I know it is vitality of interest to the member for Thuringowa. But I just say to the people of Townsville, as I do to the people of Bowen, as I do to the people of Gladstone: this project has to stack up financially and Chalco in the end will have to make a decision on its location, determined on the basis of the business plan and based on the financial implications—in other words, which is the best site that stacks up in terms of not only the best site but also the most reasonable cost. So, unfortunately, two sites will be disappointed. What I want is this project for Queensland.

Mr BRISKEY: Premier, the Policy Advice, Coordination and Cabinet Support output has been coordinating the government's involvement in the national level water reform. Could you provide a broad overview of the progress that has been made in relation to this initiative?

Mr BEATTIE: I would be delighted to do that, and I thank the member for Cleveland for his question. My government is continuing with the implementation of a comprehensive water reform program to underpin Queensland's future growth and prosperity. Indeed, our success in meeting our national commitments was recently confirmed when the Prime Minister announced that Queensland was the only Murray-Darling state not to be penalised following the 2005 national competition policy assessment of water reform programs. He is not a bad bloke the Prime Minister, you know. If I had a vote, I would vote for him instead of Peter Costello. I do not understand why Peter is in such a hurry.

On this matter the Prime Minister was quite astute in his judgement, and I welcome that. On 25 June 2004 I signed the National Water Initiative agreement on behalf of the Queensland government—an indication of our strong commitment to this important initiative, and to continue to lead the development of best practice water resource management in Australia. It also gave farmers some water rights which they had been pursuing for some time. The National Water Initiative sets out a clear direction for the future of water reform, including better specification of and trading in water entitlements. I said this because farmers obviously want to have value not just for their property but also for water, and this was one of the reasons we signed up.

We did not get money like the other states, but I felt that water entitlements would actually assist people on the land in terms of investment communities, in borrowing and so on. But it also included appropriate water pricing arrangements, clarifying the extent to which water users and government will share the risks arising from water planning and urban water reforms, including demand management guidelines for water sensitive infrastructure, design and development and water use efficiency. Queensland's existing water reform program is fully consistent with the National Water Initiative agreement, and this confirms that we are at the forefront of national water reform policy.

In line with National Water Initiative requirements, my government will continue to progress a range of measures that will provide for better management of our state's water resources, including the development of water resource plans for all major river systems to provide a sound basis for specifying water entitlements, allowing for water trading; making decisions about the amount of water needed for environmental, economic and social purposes; implementing appropriate water pricing arrangements and consultation with key stakeholders to ensure that water is given its proper value and is not wasted; and improving water supply arrangements by promoting demand management alternative water supply sources and improved water accounting systems.

While my government will continue to support the National Water Initiative, I am concerned about the way the Australian water fund is being administered by the Commonwealth. Despite some very worthy Queensland projects successfully receiving funding, the current ad hoc approach to assessing project proposals does not do justice to the strategic water reform objectives COAG agreed to under the National Water Initiative. Specifically, there is a need to ensure the Australian water fund supports the regional water supply planning undertaken by the state and local governments in line with the National Water Initiative, and I intend to raise these concerns with the Prime Minister at this week's COAG meeting.

Mr BRISKEY: Premier, I want to take you to page 2-2 of the MPS wherein it states that funding has been provided for investigation of the Connors River Dam. Could you outline the projects that would benefit and what the impact for industry in the area would be for a proposed dam there?

Mr BEATTIE: The Central Queensland Regional Water Supply Strategy commenced in late 2003 with the aim of developing a long-term, whole-of-region strategy for managing central Queensland's water resources. The draft strategy was released for public comment in 2005. Submissions closed on 31 March. Some 47 were received. I announced on 27 April 2006 that the government is moving quickly to fully investigate and begin work on raising the existing Eden Bann Weir and building a new weir at Rockwood on the Lower Fitzroy River near Rockhampton, which is another action identified in implementing the draft strategy. The actions identified for implementing the draft strategy require the Coordinator-General to partner with the Department of Natural Resources, Mines and Water in detailed planning, including a fatal flaw assessment of the Connors River Dam site at Mount Bridget in the northern Bowen Basin and a further examination of the supply potential of the proposed Nathan Dam.

The draft strategy identifies that the Gladstone area's longer term future urban and industrial demands will be met primarily via a pipeline. But we still need to do other things, and that is from the Lower Fitzroy system. The Coordinator-General is also facilitating the \$300 million Moranbah pipeline projects so that SunWater can deliver new water supplies to mines in the northern Bowen Basin before existing supply sources run out. It is anticipated that this project will meet demands in the short to medium term in order to keep existing mines operating and enable long-term plans to be implemented.

The draft Central Queensland Regional Water Supply Strategy has developed a long-term, whole-of-government strategy for managing central Queensland water resources. In essence, that is the heart of it. We are building the infrastructure necessary. I mentioned before that Paradise Dam and Kirra Weir were officially opened in 2005. I opened the Paradise Dam, but we have also been building other infrastructure. In June 2005 the \$22 million Gattonvale offstream storage constructed by SunWater became fully operational. That provided an additional 5,200 megalitres of storage capacity to

supplement the critical low levels of Eungella Dam. The government is also assisting SunWater complete, as I mentioned, the \$300 million Moranbah pipeline projects. So we are building the water infrastructure that is necessary, but, frankly, water is one of the most important issues we deal with and we need to ensure that we not only get the infrastructure right but also use water more wisely, and that is what we are trying to do.

Mr REEVES: Premier, South Bank is a very popular destination for Brisbanites and visitors to the city, particularly the people of Mansfield and particularly my two young daughters.

Mr BEATTIE: Who go there by bus, no doubt.

Mr REEVES: I was going to mention that, because we are a bit spoilt because we can go on the world-class South East Busway to get there. I see on page 9-3 of the MPS that there was a record 6.4 million visitors to South Bank parklands during the year. I also note that the corporation plans to upgrade and expand playground facilities during 2006 with an exciting new water playpark being the centrepiece as part of the developing aquativity. Could you provide the committee with an overview of this initiative? I know that my two little daughters will be very interested in a water park.

Mr BEATTIE: I can understand that. We actually have the CEO of South Bank. They are well represented here. I want to congratulate the new CEO on his appointment and to indicate publicly that I think South Bank is doing a good job.

In 2005 I announced the development of the interactive water play park at South Bank. This existing new addition to the precinct will be called Aquativity. The construction of Aquativity commenced in May 2006. The development will cost approximately \$4 million and is on schedule to be opened by December 2006. It will feature three interactive areas for toddlers, general play and high-energy play. That means when you get them home they go to sleep, which is always good for little kids.

Mr REEVES: On the bus.

Mr BEATTIE: There is no point; they will wake up when they get home. Aquativity will replace the current underutilised bush stream playground. Additional shelter construction and seating will also be provided. Key design features include historical layers, including Indigenous references relating to Aboriginal stories and practices associated with the Brisbane River, environmental and ecological themes, cultural and educational understanding, active play elements catering for a wide range of ages and a public art component. It will promote active play and encourage families to come together to enjoy the outdoors. The development reinforces South Bank's position as a world-class public space and something for everyone. It is where a lot of people—thanks to South Bank—went to watch that very important soccer match.

South Bank is acutely aware of its role in community education and the issue of the importance of water is no exception. Accordingly, Aquativity is designed to work within the existing swimming pool reticulation system of the lagoon and drinking water—potable water—will be used only for special features such as misters and rain nozzles. So it will be water conscious and water wise. Water conservation is integral to the Aquativity concept at both the functional and design levels. Aquativity will feature educational play elements referencing the Brisbane River and it is intended to encourage an understanding of the water cycle and its preservation and incorporate a low water-use function to match seasonal demands. All potable water that is used by Aquativity will be recycled and used for parklands irrigation.

South Bank Corporation is committed to responsible water management and is currently investigating water mining as a primary recycled water source. South Bank Corporation will continue to use recycled water throughout the parklands irrespective of whether the current drought restrictions are lifted. I want to thank them for that.

I get a feeling that you are going to be spending a lot of time there. The beauty of it is that your children as well as other children will learn a lot about the need to recycle water and to use water wisely. I think that educative role is very important. A bit of fun and a bit of education go well together.

Mr BRISKEY: They might learn to swim, which Phil never learned to do.

Mr WALLACE: On page 2-7 of the MPS under the Infrastructure and Project Facilitation it states that the Fitzroy Industry and Infrastructure Study agricultural corridor environmental assessments were completed. What plans have been developed for the Fitzroy River? How will this impact on local communities and industries?

Mr BEATTIE: The Fitzroy Industry and Infrastructure Study aims to facilitate the development of industry in the Rockhampton-Fitzroy area by assessing the region's strategic development opportunities and planning for infrastructure to support those developments. This is an example of how my government is working with local groups to grow their region and create opportunities and development in a sustainable way.

The project partners are the councils of Rockhampton, Fitzroy and Livingstone plus Stanwell Corporation, Rockhampton Regional Development Ltd, the Coordinator-General and the departments of state development, trade and innovation and primary industries and fisheries. Studies have identified an

industrial corridor between Gracemere and Stanwell and an agricultural corridor on the Fitzroy River as suitable development areas. The studies have identified intensive livestock production in the agricultural corridor, particularly of beef cattle feedlots, which I think is pretty understandable, as an activity with favourable prospects. This strong beef emphasis is in keeping with the high profile of beef in the Rockhampton region. The industrial corridor is considered to be a suitable location for rural processing industries and heavy manufacturing industries as well as mining services industries.

Environmental studies and an infrastructure requirements report will be completed during the second half of 2006 and provide further data to progress the project in a sustainable way. My government recently—and I mentioned this before when the member for Cleveland asked me a question—announced funding to accelerate the raising of the Eden Bann Weir and the building of the new Rockwood Weir by 2011. These will be key infrastructure components in assisting the development of this region.

The public consultation process will be initiated with the assistance of the project partners to ensure that the wider community is aware of the development options and allow for any concerns raised to be addressed. In order to stimulate early development, targeted marketing outlining the strength of the two corridors will be undertaken to investors.

In other words, what we have tried to do across the regions is to come up with strategies and plans to create opportunities, as I said, in a sustainable way. I just say again to the member for Thuringowa that he would be aware of the major project that we are opening on Saturday. Have a look at what we have done in partnership with the Townsville City Council where we have developed The Strand and The Esplanade in Cairns. If you go down the coastline you will see it in all our major centres. As part of the 150 year celebrations we will continue to allocate money to ensure that these communities are developed. These programs are important. It is not just rebuilding city hearts or changing the face of Cairns and Townsville—which we have done to the better—it is also about jobs and opportunities. Dare I say, before the chairperson takes me to task on it, Ipswich is also on the agenda. We have also tried with the Queensland Events regional events program to generate jobs and opportunities. We are doing this in Rockhampton-Fitzroy. That is being done to create opportunities in that region and to build on the strengths that already exist like beef. Feedlots, for example, make sense.

Mr WALLACE: Further on page 2-7 the Infrastructure and Project Facilitation output states that land at Springbrook was purchased for future conservation purposes. Can you advise the committee why this was undertaken?

Mr BEATTIE: I can—

CHAIR: Before you start, you have a minute and a half on that one.

Mr BEATTIE: That is all I need. The government has allocated \$20 million for the purchase of rainforest land at Springbrook. These funds will be used to purchase land on the open market. The project is being led by the Coordinator-General with the assistance of the EPA. The funds have been allocated to the EPA as the accountable body for the project.

The Springbrook Plateau, which forms part of the northern rim of the remnant Tweed shield volcano caldera, provides the best opportunity to preserve the dwindling areas of rainforest in southern Queensland. As the Springbrook Plateau receives the highest rainfall in Queensland outside the Wet Tropics, a buyback strategy has been devised by the Coordinator-General. The strategy is to purchase properties that are under threat from development and those which are partially cleared but have a high probability of natural regeneration of rainforest species. The strategy also aims to provide a more sustainable connection between the various fragmented sectors of existing national park and Springbrook.

The Coordinator-General has already purchased five properties for \$4.1 million and one further property is now under negotiation. Some of the blocks to be purchased will be transferred immediately to the national park while others will be retained for scientific research in the short term to be transferred to the national park at a later date yet to be determined.

As I said, the buyback strategy has been devised by the Coordinator-General with the EPA. Dr Aila Keto, an eminent scientist in the field of rainforest ecology, has also been involved in the development of this strategy. I think my time is up, but this is about preserving Queensland for future generations.

CHAIR: The time for government members has expired. I call the Leader of the Opposition.

Mr SPRINGBORG: I take the Premier back to a question that I previously asked. To be very clear, I am talking about the bulk water supply cost per megalitre in construction. That is the comparative table. In the GHD report that you have released that is ascertained by simply dividing the potential yield—this is not after environmental flows—of 215,000 megalitres a year into the estimated cost, which is \$1.011 billion, to give \$4,695. That is the cost per megalitre. You have increased the cost of the dam to \$1.7 million—

Mr BEATTIE: Billion. I wish it was \$1.7 million.

Mr SPRINGBORG: Billion dollars and an annual yield of 70,000 megalitres, which gives a unit cost of \$24,285 per megalitre. If you go to the next stage—and your figures would seem to indicate \$2.5 billion—the unit cost is just over \$16,000. Of the 18 projects here, the 70,000 megalitres is the most expensive out of the 18. If you go to the next stage, it is 17th out of 18. Do you agree with those figures?

Mr BEATTIE: I released the GHD report. There are two relevant charts in the GHD report. The first one says that from a catchment point of view—that is how much water you can gather—Traveston is the best site. There is a second chart in the report—it is at the beginning of the document—which talks about the cost issue. If you have a look there you will see where Traveston lines up. If you look at both of those charts together you will conclude that this is the right site upon which to build a dam. The second thing that needs to be said—so you cannot just look at one of the charts; you have to look at both—

Mr SPRINGBORG: We have done that. What is the unit cost per megalitre of water?

Mr BEATTIE: No, I am answering the question.

CHAIR: Leader of the Opposition, the Premier is answering the question.

Mr BEATTIE: I will answer your question. If we can dig out the second chart I will highlight to you that the GHD report confirms that this is not just the best catchment area; it is also a very, very effective dam in terms of the infrastructure cost. There are three stages here: stage 1 is the dam, the Borumba Dam is stage 2 and the second stage of Traveston is actually stage 3. So the Borumba Dam acts, if you like, as a filler for Traveston 1, which means that you get 70,000 megalitres out of Traveston 1 and you get another 40,000 megalitres out of Borumba. You would not get that extra 40,000 megalitres if you did not build stage 1 at Traveston because that is the way it operates. Any engineer will tell you that. Any engineer will explain to you how stages 1 and 2 work.

I have said that stage 3 may not have to be built depending on whether it rains. It also depends on whether we can get changes in consumption patterns. What I have said is that in the south-east corner of Queensland we consume roughly 300 litres per person per day. If we can reduce that down to about 230—if my memory serves me correctly—and we can use more recycled water in industry or whatever, when the decision comes in 2030 it may not be necessary to build stage 3, which is stage 2 of Traveston.

I just want to highlight to you—and I have said this on previous occasions—that if you have a look at the GHD, and you will accept this, it says that it is the best catchment area. It clearly says that. You have read it. The first part of the GHD—and I will dig it up before we complete here—has to be assessed on both of those criteria. I will find the relevant chart and I will come back to you in a minute. It shows that you look at both criteria.

If you are saying to me that there is a significant cost involved in building a dam, of course there is. There is a significant cost in building any dam.

Mr SPRINGBORG: If the Premier actually tells me the per unit cost of water per megalitre in stages 1, 2 and 3, I am happy for him to continue. Otherwise, it is going around in circles because I do not have an admission from him on any of that.

Mr BEATTIE: What do you mean an admission? I have already indicated to you—

Mr SPRINGBORG: You have not given us the figures. You must have the figures. We can do the calculations based—

Mr BEATTIE: You can do the calculations—

CHAIR: I take it this is the question. I will let the Leader of the Opposition finish what is the question.

Mr SPRINGBORG: This is the fourth time.

CHAIR: Have you finished?

Mr SPRINGBORG: Yes. I asked the Premier three questions ago. We know what the GHD report said with regard to Traveston. If Traveston goes to its full supply level, including environmental flows, it is almost \$5,000 a megalitre. We know what the cost per unit is if we go to stage 1. It is four or five times that much. I am wanting the Premier to tell us what his figures are. He has been dodging around it. What are the figures? The cost per megalitre.

Mr BEATTIE: This is a nonsense. This is nothing more than grandstanding nonsense. You know that as well as I do. You asked for the GHD report to be released. We did that. We also released the document on which we based our considerations. I have tabled that for the information of the House. I have indicated that the cost of the dam is \$1.7 billion. Right?

Mr SPRINGBORG: That is right.

Mr BEATTIE: I have indicated to you that the first stage will be 70,000 megalitres. Borumba will be another 40,000 megalitres. You can make whatever calculations you like, but this report here—the GHD—makes it very clear. If you go to comparisons of options, if you go to the Mary River Traveston Dam and you look at the yield potential out of there, in other words, it is the best yield option.

Your arguments are absolute nonsense. What you are trying to do is come in here and somehow nitpick at the GHD report, which I released. If you go to page 685 it says, 'Bulk water supply options ranked by potential yield.' In other words, how much are you going to get out of this? Which is the best dam in the south-east corner that will provide the most water to the south-east corner residents? The GHD report says, 'Mary River, Traveston Dam.' I am happy to read the lot for you, if you want. This is not a reading competition. This chart is black and white. It says which is the best dam to get the most water. It is black and white; it is Traveston.

I just want to make the point to you that that is the key ingredient which we have based our decision on. I will now find the second chart, which will confirm it. You have asked me, in essence, why we have made this decision about Traveston 1. We have made this decision about Traveston 1 because the GHD report, which was one of many things that we looked at—it was not the only thing, which is why we produced that report that I have tabled for you today—shows conclusively that it is the best yielding dam. What sort of moron would not select the best yielding dam? If the report says that this dam will give us the most water—we are in a drought, we have problems with collecting water, we are going to get less rainfall because of climate change—you would have to be a moron not to pick the dam that produces the greatest yield. I do not think you have to be a rocket scientist to work that out.

Look at the options that are provided in the GHD report in relation to the chart 'Possible projects for combination projects ranked by unit costs.' If you have a look at where the Cambrook Dam fits in compared to Obi Obi Creek compared to the other facilities and add the possible project or combination project ranked by unit cost to the yield, then you will understand why the decision was made. I will come and read it to you tonight, if you want, and go through it slowly, step by step. If you add them together it makes a sensible decision. Have you read this report that we based this on? Have you actually read this?

CHAIR: Premier, your time has expired. I call the Leader of the Opposition.

Mr SPRINGBORG: Premier, I want to ask you a question about the discharge capacity of this dam at stage 1. I note that you are going to buy the properties up to stage 1, which is 71 metres.

Mr BEATTIE: Yes.

Mr SPRINGBORG: And anyone living above that level can have certainty in their lives, as you have said, at least for the next 20 years. What is the actual discharge capacity of those floodgates? Is it actually more than the flow rate down that river in 1973, 1974 and 1989, which is when it had some of the biggest floods? I think you probably understand what happens when you are backing water up. You get a surge and people can be inundated above a particular level. So it is going to take some very shifty management to keep those people safe in the event of a flood.

Mr BEATTIE: I have been uncharitable to the Leader of the Opposition. This is actually a good question and I am delighted to answer it. We are not going to put the gates on. What we are going to do is build the walls to 71 metres. If you put the gates on, you lift it to the higher capacity. But we will not be putting the gates on because stage 1 does not require the gates. We will be able to let water out. I have indicated that the flow will be 85 per cent. That was a commitment I gave and I said that in the parliament. By building it to stage 1 the flow will be higher than that. It will be somewhere between 85 per cent and 94 per cent. At this point we are not sure. But, in terms of the health of the river, you will have a very healthy river. So people who are worried about lungfish and turtles need not be, because they are going to have a safe river.

The answer to your question is that we are not putting the gates on. The reason for that is that we do not need to. We are building it to 71 metres. The gates would take it to the full amount, which is 79.5 metres. We will not need to put those gates on. We will be able to let water out to keep it within stage 1. We are not putting the gates on because we believe that that sends the wrong signal to the community in stage 2 or stage 3 of this project. So we are not going to put the gates on. I am pleased you gave me the opportunity to put that on the parliamentary record, because that is exactly what we intend to do—no gates. At 71 metres we will be able to manage it.

In terms of the issues about silting, one of the things we tried to release at the meeting in Gympie—and I am happy to get an engineer to brief you on this, if you want—is that we have had detailed engineering briefings about how you protect the base of the dam to prevent silting. Engineering designs can be done in a way to overcome silting problems. People have raised issues about whether the dam is shallow or not. We believe that, with water movement engineering designs, not only can we get the flow but also we will be releasing water. The fact that we will be releasing water overcomes—not that we need to overcome it because there are other engineering ways to do this—any concern that anyone has about flow. As I indicated, no gates will be put on. The walls will be built to 71 metres. We will be able to release water to keep the flow. The flow will be 85 per cent plus. We are not sure, but it will be somewhere between 85 per cent and 94 per cent.

In terms of the other matters about the base, we can do that by engineering design. There are things that can be done, and I have had this all explained to me. I am not an engineer, but I have had it explained to me at some length. The advice from the Department of Natural Resources, Mines and Water is that the dam will improve flood mitigation for Gympie and downstream, not the other way around. So for Gympie and Maryborough it will mitigate the flood problems that they have had.

If you go to the next part of your question about what that means for the health of the coastline, it actually keeps it healthy in terms of fishing. The flows of 85 per cent will keep it healthy and flows in excess of 85 per cent will keep it healthier.

Mr SPRINGBORG: As I understand it, based on public comments, you are building the dam wall to the full height but not putting the gates on.

Mr BEATTIE: That is exactly right.

Mr SPRINGBORG: The question that I asked was in relation to the opening or the orifice where those gates would go. Once you actually build certain infrastructure you contain water, you restrain water—

Mr BEATTIE: That is right. That is what a dam does.

Mr SPRINGBORG: People can laugh. There is also a surge capacity, and once you alter that it has a significant effect on the hydrology. It creates surge issues. As that water rushes down there—that area in 1973 experienced an 80-foot rise overnight—and hits something and is constrained and forced back, there is flooding around Kandanga. That will have an impact. What is the hydrology saying about that impact, regardless of whether the gates are on, because you are still restraining the capacity of the water to run down there?

Mr BEATTIE: There are engineering solutions to this. That is the first thing. Secondly, what will simply happen is that, if it exceeds the height of the dam wall, it will be like the Tinaroo Falls Dam where I grew up: the water just goes over the dam wall. That is what will happen and that is the way you avoid surges. There will not be a gate there, but the water will just simply go over the dam wall. I understand the issue you have raised. In fact, we have pursued those very issues with our engineers. What they tell us is basically this: in the normal set of circumstances where water is being released it is not a problem. You have to remember that they release water at Tinaroo Falls Dam—which as a kid I was very familiar with—when there is pressure from excess rain. If the north ever got a cyclone or whatever they could release water; otherwise, they simply let it run over the spillway. That is exactly how it is dealt with. The gates, which are not going to be added at stage 1, would restrain extra water if the dam ever went to stage 2 or 3.

To answer your question, the water basically goes over the spillway or if they are worried about the amount of water that has built up they can release it. By releasing it—bearing in mind that the dam has contained some of that water anyway and has reduced flooding—during any particular flood they can better manage it. We have engineers who will manage these issues who are across not just surges but also what will happen in a flood, and they will be able to release water as rain builds and make sure that they keep it at a reasonable level. My answer to your question is very simple: the water would go over the dam wall. As I said, I have grown up seeing this at Tinaroo. Tinaroo has not had any problems and it was built in the fifties. We expect the same situation to apply here.

Mr SPRINGBORG: If I had time I would like to pursue that. But I come to the issue of the EIS timetable. What is your timetable for the environmental impact statement process?

Mr BEATTIE: The answer is as soon as we possibly can. The answer to that is very simple. We will be starting work on the environmental impact study as soon as we possibly can. We will have to comply with not only state laws but also Commonwealth laws. We anticipate that it will take somewhere in the vicinity of two years. It depends on how much work needs to be done. We will be obviously submitting it on the basis of stage 1, but we will need to work it through. In rough terms, it will be around two years.

If you have a look at Paradise Dam, we managed to build Paradise within four years going through this process. So we have had some experience of it. The guy who was involved in building Paradise Dam for us will also be involved in this project. The Coordinator-General will declare it as a project of state significance and therefore will be able to have the coordination role of the EIS, which is what he does under his legislation. In a rough sense, the timetable is that we would want it completed—we would want approvals done—within that two-year period.

We will ensure—and I am pleased you asked this—that all environmental concerns identified in the environmental impact statement are addressed through the implementation of a number of stringent measures aimed at minimising environmental impacts. By that I mean that we will look at things like the fish spillway that was built at Paradise. We will ensure that we transport lungfish if they want to go over the wall of the dam. I do not have the details with me—I am going on memory here—but my advice, if I recall correctly, indicates that there are two tributaries or streams where lungfish can breed that are not affected by the dam. I need to double-check that but that is my recollection. So those who are worried about the breeding of lungfish should not be, because those streams will be there, notwithstanding all of the other measures that we will build to move lungfish over the dam, just as we did at Paradise.

In terms of the turtle hatchery, we will build a turtle hatchery if we have to. We will take whatever means are necessary to protect the environment—to protect the fish and to protect the turtles. We believe that we will be able to comply with the environmental requirements of both state and federal law.

Mr SPRINGBORG: I just want to change the topic. Premier, you answered question on notice No. 6 from me regarding aircraft travel in which you indicated the cost and the minister who travelled. You then indicated that for some privacy reason you could not tell us who the authorised persons were who travelled. I find this strange and I want an explanation. If I entertain somebody, I have to provide details to you of the name of that person, so privacy does not apply there. Why is privacy suddenly applying? Surely there is no issue with regard to disclosing the names of those people who are travelling with ministers, in order to be accountable?

Mr BEATTIE: My view about this is really simple. I am quite happy to release all of their names. I sign off on these names; no-one goes on the jet without my approval. So I do not have any difficulty with releasing them. I have said to individual ministers that if they are asked they should release the individual names of people who travel.

Mr SPRINGBORG: That was not the intent of my question. It has just become suspicious.

Mr BEATTIE: There is nothing suspicious about it. If you want me to put it on the public record I am happy to. I am just trying not to embarrass people. I am quite happy to show you a list of the people. If the committee decides that it wants the list, I will provide the list. If you want to publish it, you can. All passengers, as I said, have my approval. Anything I do privately or publicly I am happy to stand by. I do not know how long it will take us to do this, but I will give you an undertaking today that I will provide the committee with a full list of every person who has travelled on the government jet. In the meantime, I will take advice as to whether it is appropriate to release that publicly, but I will provide that to the committee.

I believe that the Leader of the Opposition is entitled to see who is on the jet in the same way that the committee members are. I have no problems with it. They would not be on the jet unless I thought it was reasonable and that they should be there. Therefore, I will provide that to you. I would like to take some legal advice to ensure that I am not breaching some privacy provision of some kind. Based on that advice, if the committee believes it should release it, then it is entirely a matter for the committee. I will give an undertaking to provide that list. All I was trying to do was to avoid any embarrassment to individuals. The advice that I was given by the department was that there were some privacy reasons why they should not be released. They are travelling on a publicly funded jet and I do think that the Leader of the Opposition should be entitled to know who is there to make sure that appropriate scrutiny is given.

I am told that privacy principles state that data collected for one purpose is not used for another. That is the general principle. I am accountable to this committee. I do not think it is an unreasonable question that Mr Springborg has asked. I will provide you with the information, but I will seek further advice. If it is simply that principle, I am happy for you to publish it as you see fit. I do think that we interface with the business community and others and therefore under those circumstances we should be guarded. As I said, I am accountable to this committee and I do not think it is an unreasonable question, so I shall henceforth provide it to you.

CHAIR: If you can provide the committee with that information by 10 o'clock Friday we can then discuss it along with the advice you have provided in conjunction with it and make a decision about publication.

Mr BEATTIE: Of course.

CHAIR: The time for non-government questions has expired. There is 15 minutes left for government members' questions. I call the member for Mansfield.

Mr REEVES: With the population growth that south-east Queensland is experiencing, could you outline the importance of the transit oriented developments as mentioned in the Urban Management for South East Queensland output on page 2-13 of the MPS?

Mr BEATTIE: This is about your buses?

Mr REEVES: It could well be.

Mr BEATTIE: The basic principle of the South East Queensland Regional Plan is to control ad hoc urban sprawl and to consolidate development around sustainable urban centres. To achieve this, urban development in south-east Queensland needs to provide a better balance between infill and redevelopment within the existing urban areas and the orderly development of new greenfield sites. To achieve this balance the regional plan includes a series of dwelling targets for each local government in south-east Queensland. These targets outline how many new dwellings and how many infill dwellings local government needs to accommodate over the next 20 years.

To determine how to accommodate these dwellings, councils in south-east Queensland are required to prepare local growth management strategies by 30 June 2007. These strategies are a tool to assist local government to plan for projected growth in their respective areas in consultation with local communities. As part of this process, individual councils have begun to undertake detailed investigations to determine appropriate densities and built form in different parts of their city or shire.

My government is encouraging higher densities around transport nodes but we recognise that this will require detailed site planning and consolidation of lifestyle impacts and will be as controversial as hell but necessary. The regional plan foreshadowed a transit oriented development task force to advise on how to best achieve this. This task force was established in November 2005. It has met monthly since that time. Its current work priorities include preparation of a transit oriented development resource manual to support practitioners to facilitate this form of development in south-east Queensland.

Through the regional plan my government has also placed an increased emphasis on amenity and good design that responds to our subtropical climate. Existing master planned communities such as Forest Lake and North Lakes are already built at around 15 to 20 dwellings per hectare and provide a very high quality of living that takes account of our natural surrounds.

So while some areas in south-east Queensland will be the focus for additional development, others will remain substantially unchanged. Following consultation with their communities, councils will then amend their planning schemes to reflect these preferred outcomes. The Local Government Planning Scheme will remain the principle tool for managing development. In essence, what it means is that you might be able to live in a development above a railway station or near a bus and walk downstairs and catch the train or bus to work.

The other issue for us is this: we have an additional 1,500 people every week and it is a huge problem because it puts pressure on our resources, whether it is health, transport or water, which is why we have some of the issues that we are dealing with at the moment. That is the heart of it. More important, I guess, in the long term is not just how we deliver those services but how we do it in such a way as to protect our quality of life. Public transport is a key part of that. That is why we are limiting where people can live. That is why we are trying to say that the next million people that come here have to live in these areas. That is why we have said that 80 per cent of the south-east corner has to be free from urban development—the lungs of the south-east corner—because one of the things is our quality of life. If we lose that we will not want to live here. We do not want another Los Angeles.

Mr REEVES: On page 2-11 of the MPS, the Urban Management for South East Queensland output is responsible for the South East Queensland Infrastructure Plan, as you have just discussed. Could you provide an overview of the amendments that have been published.

Mr BEATTIE: Yes, I can. The program outlines infrastructure priorities for the coming 20 years. The plan was updated and I launched that on 24 May 2006. It is now worth \$66 billion. Over the past 12 months 46 projects have been completed at a cost of \$242 million. So this plan is already being delivered. We have had 46 projects that have already been completed. Planning design or construction is currently underway on a further 125 projects with agencies on track to spend more than \$1.5 billion by the end of the financial year. In other words, it is happening.

The Coordinator-General is responsible for the overall coordination of the infrastructure plan. It is monitoring progress with key projects. In addition, the SEQ Plan Draft Amendment 1 was released for public consultation on 2 March. Although significant amendments to the regional plan will not be considered until its formal review in 2009-10, some amendments are required now to accommodate the Mount Lindesay-North Beaudesert study area report finalised after 12 months of detailed investigation and consultation. This report outlined the preferred development pattern for this 42,000 hectares south-west of Queensland.

Other amendments are making minor mapping changes to the regulatory maps to reflect existing committed urban designations and local government planning schemes and amend the regulatory provisions to improve workability of the plan. Public consultation of Draft Amendment 1 closed on 13 April 2006 and around 400 submissions were received. These are currently being analysed. I have been spending a lot of time looking at these. Draft Amendment 1 is scheduled to be finalised in August 2006 after consideration of the upcoming Regional Coordinating Committee meeting of south-east Queensland mayors. A consultation report will be released at the same time to document how the amendment responds to the issues raised during the consultation.

We have a number of councils who do want to make some changes and I spent a little bit of time last week looking at maps and looking at where these recommendations are. There will be some changes. They will not be significant but there will be some minor changes to reflect better planning outcomes, particularly where councils want them. Madam Chair, there are some out your way in Ipswich that I have been looking at because you are in one of the growth areas. I have looked at what the councils have had to say. Public interest, obviously, is the determining factor here, but there will be some amendments. As I say, I do not believe that they are terribly significant when you look at the overall plan, but there will be some amendments made. I am fairly close to finalising in my own mind where they will be. I have just asked for additional information to make sure that any of the decisions I make are in the public interest and if there is any developer or development that favours somebody that that is in the public interest. I want to make sure that we do this appropriately and properly and with some integrity and honesty and that is why it is taking a little bit longer than perhaps would otherwise have been the case.

Mr REEVES: I note on page 2-13 in relation also to the Urban Management for South East Queensland output that further investigations are being undertaken in relation to industry sites for Bridges and Bromelton. Could you provide an overview of these initiatives?

Mr BEATTIE: I can. The investigation of Bridges, which is located on the Sunshine Coast near Yandina, for possible future employment and enterprise purposes emerged as part of the consultation in relation to the SEQ plan. Investigations have commenced and are expected to be completed in April 2007. Again it is led by the Coordinator-General who is currently working on terms of reference. As part of the investigation a major economic analysis of enterprise needs and options available to the Sunshine Coast has been carried out. It is a vital part of the state. We want to get this planning right. Investigation area sites cannot simply be removed from the regional plan; it actually requires an amendment to the regional plan.

In accordance with the Integrated Planning Act 1997, amending the regional plan requires me, as the appropriate minister, to consult with the region as a whole. I also consult with various other bodies including the Regional Coordination Committee and cabinet before I make a decision on if and how to implement the regional plan. Any amendment to the regional plan must then be agreed to by parliament. That was done so that we could actually protect our quality of life, which is what I was talking about before.

The Office of Urban Management's development assessment role focuses on two types of assessment. The first involves the Office of Urban Management as a concurrence agency where they have the power to approve, refuse or place conditions on a development. The second is where the Office of Urban Management provides third-party advice at the request of local authorities or state agencies. The Coordinator-General, through the Office of Urban Management, is the concurrence agency for all applications triggered under division II of the regulatory provisions of the south-east plan. The concurrence role was delegated to the Office of Urban Management and the development assessment team was established in November 2004. The release of the draft plan on 27 October 2004 saw the introduction of regulatory provisions commencing the Office of Urban Management's role as a concurrence agency. This role involves assessing development applications which trigger division II of the regulatory provisions which includes urban activities outside the urban footprint, rural/residential development within the regional landscape and rural production area, and impact assessable development in major development areas.

Since 5 November 2004 the Office of Urban Management has received 104 applications as a concurrence agency. The office has also responded to 123 requests from local authorities. The development assessment tasks also include reviewing the 80 ministerial exemption requests received between 30 June and 30 September 2005. Ministerial exemption recognises that a proposal was being developed at the time the regional plan was released for public comment. To date eight requests have been refused, 59 granted and one withdrawn. Decisions are pending on a further 12 applications. In addition, the Office of Urban Management provides advice on statutory planning matters, advice on the operation of the regional plan as a development assessment instrument, answers all the development queries and provides advice to local and statutory authorities who are implementing the regional plan through the development assessment process.

This is very hard yakka and they do a good job. Inevitably, when you are putting a plan in place, people who missed out the first time want to try to get through the door to change it and I have said no, we are going to do the right thing here. If we do not hold the line on our planning then the quality of life in the south-east corner will be seriously eroded. I am absolutely determined to do that.

Mr WALLACE: The development of the north-west mineral province is driving a lot of the prosperity of Townsville and Thuringowa. I note that page 2-6 of the Infrastructure and Project Facilitation output deals with the establishment of the North-West Minerals Province Task Force. Can you provide an overview of the role of this task force?

Mr BEATTIE: I can. The government understands the important role that the mining and minerals processing industry plays in the prosperity of Queensland—not just north-west Queensland but the state as a whole. Recently a number of proposals have emerged in this region, including the \$240 million Roseby copper project, the \$54 million Lady Annie copper project and the \$50 million White Range copper project. Other proposed mining projects in the region that are at an earlier phase of planning and development include the \$350 million Duguld River zinc project, the \$300 million Lady Loretta zinc project and the Selwyn copper project. Collectively these projects would employ in excess of 750 people and build on the impetus created by Xstrata's \$105 million copper expansions at Mount Isa.

The Coordinator-General has formed this North-West Minerals Province Task Force to be responsible for preparing a north-west minerals province action plan. It is envisaged that this plan shall incorporate requirements for transport, energy, water, skills training and social infrastructure in response to industry growth and assessing opportunities for driving down costs and enhancing service, as well as negotiating a sensible and constructive outcome to a visionary policy called Wild Rivers which we will be in a position to do something about in the next couple of weeks. There are some issues in Wild Rivers

which we need to resolve and we will. We will get the balance of the environment, the pastoralists and the miners in the area right. I indicate today you will be hearing more about that in the next couple of weeks.

Initially the task force will be focused on addressing the immediate electricity supply constraints that exist in north-west Queensland. Successful provision of new electricity infrastructure would provide a solid base for future development of the region. It is expected that this development would create general sustainable positive employment and skills development spin-offs for surrounding areas and contribute strongly to increased rail corridor activity throughout the port of Townsville—it is really Townsville and Thuringowa port. The task force will also coordinate its efforts with other teams in the Coordinator-General to maximise the opportunities for Papua New Guinea gas to be cost-effectively supplied to the region.

Mr WALLACE: Some have called Townsville Thuringowa East.

Mr BEATTIE: I will not say that on Friday night or Saturday.

Mr WALLACE: I note that on page 2-6 of the MPS the Infrastructure and Project Facilitation output is coordinating the coal infrastructure program of actions. Could you please provide an overview of the progress of these initiatives?

CHAIR: Premier, you will be pleased to know that you have two minutes, and that is it.

Mr BEATTIE: Just when I was enjoying myself! The government recognises the importance of the coal industry to Queensland and the need to remain a reliable supplier of coal to the world market. To support this industry, my government has endorsed a coal infrastructure program of actions which identifies \$1.8 billion of coal infrastructure projects already committed, \$2.4 billion of projects required to be undertaken to expand capacity, 215 million tonnes per annum subject to commercial contracts, and strategically planning to cater for a significantly larger increase in demand for coal to 235 million tonnes per annum capacity.

The Coordinator-General has established a coal task force to oversee this infrastructure program for coal to keep current plans on track. This planning remains coordinated between the various infrastructure providers and coalmining companies and the statewide perspective on planning and implementation of this infrastructure development. The program of actions will be driven by market demand and the willingness of users to pay for additional transport capacity. The Coordinator-General has also declared a number of coal infrastructure projects to be significant projects for which an environmental impact assessment is required under the State Development and Public Works Organisation Act 1971. Declared projects include the northern missing link—that is the rail link, and I think we should get on with that—Wiggins Island coal terminal and Abbot Point coal terminal expansion, all of which are really important for our industries.

The EIS for both the northern missing rail link and the Abbot Point coal terminal expansion have been released for public comment. The notification period is closed, with comments received now being reviewed. My government through its various agencies, including the Coordinator-General, is working with industry and infrastructure providers to meet the challenge presented by strong growth of this important and vital sector, which is why we need clean coal technology to work as well.

CHAIR: The time set aside for questioning of the Premier has now expired. Premier, we thank you very much for your assistance to the committee and we thank the advisers who have accompanied you. The committee will resume in order to commence questioning the Deputy Premier at 2 o'clock.

Mr BEATTIE: Madam Chair, I thank you and the committee members for your courtesy.

Proceedings suspended from 12.51 pm to 2.01 pm.

ESTIMATES COMMITTEE A—TREASURY AND STATE DEVELOPMENT, TRADE & INNOVATION

In Attendance

Hon. AM Bligh, Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation

Mr M Watt, Principal Policy Adviser (Deputy Premier's Office)

Treasury Department

Mr G Bradley, Under Treasurer

Mr D Ford, Deputy Under Treasurer

Mr M Sarquis, Executive Director, Portfolio Services

State Development, Trade and Innovation

Mr S Booker, Director-General (Acting)

Mr B Anker, Deputy Director-General

Mr M Bermingham, Deputy Director-General (Acting)

CHAIR: The Estimates Committee A hearing is now resumed, and the portfolio of the Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation will be examined. This session will examine the Treasury department and other Treasury portfolio agencies. I welcome the Deputy Premier and Treasurer and her advisers. The time limit for questions, as with earlier sessions, is one minute for questions, and answers are to be no longer than three minutes. A 15-second warning will be given prior to the expiration of these time limits. An extension of time may be given with the consent of the questioner.

In accordance with standing orders, at least half the time available for questions and answers will be allocated to non-government members. For the benefit of Hansard, if the Deputy Premier refers a question to officers, I ask them to advise us of their name and position. I declare the proposed expenditure for the portfolio of the Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Treasurer, would you like to make an opening statement or do you want to go straight to questioning?

Ms BLIGH: I will make an opening statement. Greetings to Estimates Committee A. The foundation of all we do in government is built on sound finances. If we do not manage our economy firmly and deliver growth, we cannot deliver the services or make the investments that we believe will secure our future. Our government's record in managing finances is second to none. Net debt is the most common measure used to judge overall fiscal strength. Queensland's position is exceptional, with net financial assets of \$5,155 per capita while other states have average net financial liabilities of \$111 per capita.

The 2005-06 budget papers estimate a surplus of \$2.85 billion, with an underlying surplus of \$1.72 billion. The budgeted surplus for 2006-07 is \$245 million, and each of the out years have healthy operating surpluses. In finalising the 2006-07 budget, 16 per cent was used as the estimated actual return on investment assumption for 2005-06. Now that the financial year has finished, I can report that returns at 30 June were 17.19 per cent. The additional increase in investment returns will add approximately \$155 million to the 2005-06 budget result. It is little wonder with this performance that Queensland continues to deliver an unbroken run of AAA credit ratings.

On the one hand, we have proven our ability to manage the economy and drive growth, but we also have a clear track record of spending wisely and making sensible investments in the future. Services being delivered on the back of our sound finances include a doubling of the funding for health and a massive 186 per cent increase on the Disability Services budget since we came to power in 1998. The \$1 billion investment in the Tomorrow's Schools program builds on our record spending in education and skills. In 2005-06 we delivered a Capital Works Program in excess of \$8 billion. This year we step up even further with a \$10.1 billion program.

Our economy has been growing faster than the rest of the country for the past decade. Over the decade to 2004-05, our average economic growth was 4.7 per cent compared to 3.5 per cent for the rest of Australia. For the same period, our employment growth averaged 2.8 per cent while the national average was 1.8 per cent. These trends are set to continue in the 2006-07 year. Business investment is

estimated to surge by 16½ per cent in 2005-06—a level twice that of only five years ago. This result is no accident. It is the result of strong government management and strong business activity. Queensland boasts the country's most business friendly environment, and we need only to look at this year's budget to see that.

Government this year has raised the tax-free threshold for payroll tax from \$850,000 to \$1 million, meaning that up to 90 per cent of Queensland employers will now no longer pay this tax. In a nutshell, that means there is even more incentive for business to cross the border and set up shop. The government also actively attracts new investment, particularly through the Department of State Development, Trade and Innovation under the banner of Invest Queensland. In the past year alone, this component of the Smart State vision was instrumental in attracting 11 significant new companies with projects that will create an estimated 531 new jobs and \$260 million of new capital expenditure. Our investment attraction strategy is also targeting a number of industries to diversify the economy including marine industries, biotechnology, information technology and aviation to name a few.

Similarly, we have invested almost \$3 billion to boost our innovation, science, research and commercialisation capacity over the past eight years—more than any other state in terms of world-leading R&D, first-class research facilities and the growth of highly innovative companies. In turn, Queensland has become Australia's fastest growing exporter of goods, not only because of coal and aluminium but also because of the inroads that are being made by our knowledge-intensive export industries.

The Department of State Development, Trade and Innovation has also played a key role in the provision of major infrastructure in Queensland in the last few years including the Paradise Dam in the Burnett region. Independent economists have predicted that this dam could generate up to \$800 million a year in extra production in the region and create up to 7,000 new jobs. When ownership of the dam passed to SunWater in 2005-06, it was revalued down to the market value of the project. The lower market value reflects the low cost of water for irrigators. As a result, the Department of State Development, Trade and Innovation recorded a one-off operating deficit of \$130 million. I emphasise that this operating deficit has no impact on the capacity of the department to deliver its services. Queensland is the economy's engine room and we intend to keep it that way.

For the benefit of the committee, one of the answers to questions on notice that I tabled yesterday needs a revision. This was a question on notice in relation to workshops. Two workshops listed on the Treasury workshops to be conducted by QSuper actually had more people attending than were listed in the original. I have highlighted those and I am happy to table it.

CHAIR: Deputy Premier, I have given you bad advice and you do need to seek leave.

Ms BLIGH: I seek leave to table the revised answer to the question.

Leave granted.

CHAIR: I call on the member for Robina to commence questioning.

Mr QUINN: Treasurer, could I take you to the Shared Service Initiative on page 1-67 of the MPS. It says that in 2005-06 the initiative returned \$26.4 million in savings to the government. How was this saving calculated?

Ms BLIGH: The savings delivered to government by the Shared Service Initiative have been largely achieved by aggregating the corporate services that are provided to agencies across government. You would be aware that we moved from corporate services and related activity being provided by each and every agency, and not only by departments but by subagencies within those portfolios, to a situation where we now have five corporate service providers. As you will see outlined in this year's budget papers, our intention is to further reduce the number of providers to three in the following year.

The \$26.4 million in savings is a result of the activities of the various service providers—PartnerOne, Corporate Solutions Queensland and CorporateLink. Those savings reflect the cost of delivering services through this structure as opposed to the cost of delivering services under the old structure.

Mr QUINN: Is there a benchmark or a set of criteria you make the judgement by?

Ms BLIGH: What do you mean by a benchmark?

Mr QUINN: Exactly how do we get the \$26.4 million? There has to be some way of doing this. The reason I ask is that last time I asked the then Treasurer and he said, 'Treasury told me so.' I asked, 'How did Treasury know?' and he said, 'Treasury told me,' and that was as far as I got. I am actually after more information about how this \$26.4 million was arrived at.

Ms BLIGH: I might ask the Under Treasurer to give us some further details on the methodology of calculating it, but I repeat my previous statement that this reflects a saving on the cost of delivering those services on the basis of this structure as opposed to the cost of delivering services under the previous structure.

Mr Bradley: The \$26.4 million is actual payments made by the three shared service providers and CorpTech to the consolidated fund by way of actual performance returns. So they are moneys that they have realised out of their operating budgets by way of savings which they have delivered back to the overall budget. So they are actual payments that they have made as a result of reduced cost, including in the case of CorpTech through savings from some of its improved systems which it is putting in place. In particular, it has introduced new whole-of-government arrangements for delivering the hardware and software relating to its major functional areas of HR, finance and so on. So they are actual dollars paid back as a result of savings that they have realised through the year.

Mr QUINN: So the initiative is actually funded by Treasury and the Shared Service Agency, I think it is now, charges the various government departments. On that basis, they make a profit and return the moneys; am I right?

Ms BLIGH: That is right.

Mr Bradley: It is slightly different from that in the sense that we have quarantine moneys which previously each of the agencies had from running the various corporate service activities. Out of those quarantine moneys, these savings have been realised. So they are moneys that previously agencies had in their budgets which have now been transferred to the various shared service providers. It is intended that in another year's time they will go to a charging regime where they do charge for each of their services, so there will be a devolution of budgets at that time.

Mr QUINN: What is the target for 2006-07 in terms of savings?

Ms BLIGH: The performance returns that we are targeting for 2006-07 are calculated at \$18.808 million. That is across a number of the shared service providers.

Mr QUINN: So the savings targeted for 2006-07 are actually less than delivered in 2005-06?

Mr Bradley: The issue there is that CorpTech was not scheduled to make a saving in 2005-06 but has prepaid some of its performance returns so it is ahead of schedule in 2005-06. In 2006-07 we are expecting to return to our expected pattern, but in the case of CorpTech in the initial period while it is rebuilding its systems it is redirecting its savings back into the system's development, and it will start making payments in about another year beyond that.

Ms BLIGH: You might recall that you had substantive questioning last year about the proposal for CorpTech to return a saving. At that stage it was predicted that it would begin to return savings in the order of \$20 million in the 2007-08 year. As the Under Treasurer has outlined, there were some savings realised this year in staff salaries that were not anticipated which will account for the additional savings this year. This year we budgeted for savings of \$14.4 million. So we have achieved substantially above that, but we return to a predicted saving next year, as we anticipated when we first put this in place, of \$18.8 million. In the following out years that ramps up considerably, reflecting things like the growth in savings to be expected from CorpTech as well as other areas of the shared service structure. So in 2007-08 we would be planning for performance returns of \$58.9 million, by way of example. Obviously there will be some fluctuations in those predictions.

Mr QUINN: Has Treasury carried out any evaluation of the shared services initiative? If you have, can you table that evaluation?

Ms BLIGH: The shared services initiative is one of the areas of government activity that has been identified for investigation by the Service Delivery and Performance Commission headed by Dr Leo Keliher. If that work has begun at all, it would be in very preliminary stages. Would that be fair to say?

Mr Bradley: Yes they have not actually started that. I think it will be later this year—about September.

Ms BLIGH: If it has begun at all, it would only be in the preliminary stages. I suspect they are still developing terms of reference for that review. The shared services initiative is one of the major pieces of investigation for that commission in its first round of activities. I would expect that we would have some outcome from that in the lead-up to next year's budget process.

Mr QUINN: Has Treasury been monitoring the growth in Corporate Services office positions across all departments to ensure that some of those positions are not being funded from the non-Corporate Services budget?

Ms BLIGH: As you would be aware, Treasury monitors the performance across agencies in terms of them delivering their budget initiatives. They do not necessarily go down to the level of the exact detail of the allocation of positions. I can assure you that agencies are cooperating with the shared services initiative and the work that is done on a regular basis by CEOs led by the Under Treasurer is regularly focused on delivering the returns to the government that are expected out of this initiative. While, as I said in my last answer, we would anticipate that will fluctuate from time to time—and you might see some savings delivered in one financial year above and beyond what you might have anticipated and that might be reflected in a slight decline in the following year—CEOs are under no illusions that this is an important part of government activity.

The importance of making sure that we attend to the costs of running our own backyard I think were certainly driven home by the decisions made in the special financial statement, or mini-budget, that the Premier as Treasurer outlined in October last year. There is certainly ongoing monitoring by Treasury of the activity of agencies, of the staffing and of the staff costs. But there has not been a specific review, if you like, of those sorts of position descriptions if that is what you are specifically asking.

Mr QUINN: I take you to the MPS again. On page 1-68 under 'Non-Financial Performance Measures' the number of full-time equivalents in the SSA moves from 2,028 in the 2005-06 budget to 2,163. Accounting for the 40 staff of SSIO that come across, there is still an increase of about 100 staff in this particular agency. That is about five per cent growth in the 12-month period—well in advance of growth in the Public Service. Do you have a reason for the growth in an agency that is actually supposed to be driving savings?

Ms BLIGH: If you look at the notes, firstly, attached to the performance statement you will see that there is an outline for the reason for the growth in that area. It outlines that the increase in the estimated actual in the 2006-07 estimate is due to additional volumes associated with the client agencies' funding for new initiatives as well as other new project initiatives as well as the transfer, as you identified earlier, of SSIO staff to the Shared Services Agency. To further outline that growth, it can largely be attributed in approximate terms to 66 staff transitioning from agencies to the shared service provider on 1 July as a result of the service standardisation project including 21 FTEs who transitioned to Corporate Solutions Queensland, seven FTEs who transitioned to CorporateLink and 38 FTEs who transitioned to PartnerOne. As outlined in the note, the additional volumes are associated with the client agencies' funding for new initiatives.

As you would expect when you undertake a whole set of new activities, there is a certain percentage of those activities which then have to be accommodated in terms of corporate activity, whether it is HR, finances or other administrative costs. With the sort of increased spending that you have seen in this year's budget on some significant new initiatives across a number of government agencies, you would expect to see some growth in the corporate allocation. I think it is reasonably modest, given the size of growth in some of those areas.

Mr QUINN: When you mention that transitioning into the new agency, where are they coming from?

Ms BLIGH: They are coming from agencies and moving into those clusters. So some of the—

Mr QUINN: They are coming from the corporate sectors in the other agencies?

Ms BLIGH: Yes. There is still work being done to move and make the transition to these corporate service providers. So they are not necessarily net growth across the sector.

Mr QUINN: At what stage will this initiative be mature in terms of people transitioning and the agency settling down to a pattern so that we can make some judgements about its performance?

Ms BLIGH: I was just asking the Under Treasurer. I would have thought by 2007-08. We aim for a five-year transition process. We are three years into it. So we have another two years. Once we get into the 2007-08 financial year I think we will be starting to feel pretty comfortable about final shapes, if you like. Remember that when we identified the five-year implementation program that was on the basis of the five service providers, and we have just made a decision to move to reduce that again. There may be a bit more fluctuation, but certainly we are aiming to have this tied down within that five-year period.

Mr QUINN: I take you to page 1-18 now before we move on to some other things. Page 1-18 has a little note down the bottom in terms of employee expenses. Note 2 states, 'The increase in the 2005-06 estimated actual and 2006-07 estimate is due to economic modelling staff being transferred to this output during 2005-06.' This is the GOC performance and governance area. Why are economic modelling staff being moved into this particular unit?

Ms BLIGH: These staff are being moved from the OESR. So they are existing Treasury staff being moved into OGOC. These are people who largely do economic modelling around electricity. So their activities are more related to the work of the Office of Government Owned Corporations.

Mr QUINN: That brings us nicely to electricity. Now that the retail arm of Energex and presumably some parts of Ergon will be sold into the private sector by halfway through next year, how will the government collect the ambulance cover next year?

Ms BLIGH: The owners of the new businesses will be required to collect the ambulance cover levy through the current methodology, that is through the billing system, and return that to government. Obviously, as we get to the point of finalising the sale, the exact arrangements for that will have to be negotiated with the new owner and different owners may have different circumstances that have to be accommodated. It will be very clear in the sale documents that that will be an expectation and a requirement of the new owners. I should say, obviously, that is with those areas that are going to new owners. There will still be retail customers through Ergon and nothing will change for them.

Mr QUINN: When the sale of the retail arm of Energex and the contestable parts of Energex are complete—the government has allocated between \$200 million and \$300 million for fast-tracking these two new dams and weirs. From my memory, they have a value of about \$2.2 billion as announced. Has all of this additional money, in other words, the difference between what you get out of Ergon Energex and the \$2.2 billion, been allocated or been included in the forward estimates in the budget documents currently before us?

Ms BLIGH: This is the return from the sale?

Mr QUINN: No, the difference between the return from the sale that you are allocating to the dams and the actual cost of the new dams, in other words, about \$2 billion. I want to know if the \$2 billion extra besides the money from the sale of Ergon and Energex has actually been included in the forward estimates for the construction of the dams.

Ms BLIGH: We anticipate that the sale will generate at least \$1 billion and of that we have identified between \$200 million and \$300 million to accelerate. Other than the amounts that were already in the forward estimates, no additional funds at this stage have been put into the forward estimates for the cost of the dams. As you would be aware, we have only just finalised the sites for the dams. There are significant financial differences between the original proposals. Had we gone with Tilley's Bridge it would have been more expensive. The Wyaralong decision has had a different set of financial implications for us. In addition, the decision at Traveston is now in two phases—or three phases if you count the raising of the existing infrastructure that is there.

Having just finalised those decisions, we are now in a position to begin doing some thorough costing and to also work through the allocation of those costings into predicted and forecast financial years. That is obviously a matter that we will have to look at in both the mid-year review and the 2007-08 budget. We are reasonably comfortable that the funds that will need to be expended this financial year are provided for in this year's budget and further expenditure on what are very significant new pieces of infrastructure obviously will have to be provided for in the out years. But we are in the process of calculating the costs of that and allocating those costs across those years as well as determining how we might also account for a return on the investment in that infrastructure.

Ultimately, the cost of the infrastructure is paid for by water users over a period, unlike other forms of infrastructure, which do not necessarily have a return. Those issues about costs and allocation and budget provisions over the out years will also have to be calculated in conjunction with decisions about the cost of water. That is a matter that we will have to work through collaboratively with the council of mayors for south-east Queensland. There are a number of complex issues that have to be resolved before we could with any degree of precision or accuracy include the cost of that in the estimates.

CHAIR: If you want to ask another one, the Deputy Premier will have a minute to answer it.

Mr QUINN: Go to the forward estimates in the general government sector—indeed, across all government sectors. The forward estimates are pretty skinny. They are in the order of \$200 million, from memory.

Ms BLIGH: This is the predicted forecast surplus?

Mr QUINN: Yes, the surplus of \$200 million—and these dams would be in the order of \$2 billion over the next three to four years. Are you obviously contemplating additional borrowings to underpin that infrastructure?

Ms BLIGH: We would anticipate that the cost of the dams will be met through a combination of both debt and equity as other major pieces of infrastructure have with a return on the costs through the price of water that will assist in servicing that debt into the years beyond the forward years of the budget. We are yet to make final decisions, but we are anticipating that we would be looking at funding this infrastructure through a combination of debt and equity. You understand the basis on which we do forecast surpluses.

For the last number of years we have been in a position where our surplus has more than covered equity into projects for which we had previously budgeted to borrow. Until we get a better handle on that for the out years as well it is not possible to give you anything more detailed than that. We would also anticipate the possibility of local government contributions. When you talk about water infrastructure, there are the two dams but there is also significant other infrastructure on the books at the moment of which you would be aware and there are some local government contributions which will also be funded through debt and equity by those local governments.

CHAIR: The first lot of time for non-government questions has expired. I call the member for Thuringowa.

Mr WALLACE: Treasurer, I refer you to page 1-1 of your MPS which notes that one of your department's major actions for the last financial year was to oversee the review of the energy government owned corporations. Can you please advise the committee of the next stage of implementation of the government's decisions arising from the review?

Ms BLIGH: Achieving competition in the domestic electricity market has been important to us as a government. We have made a decision to move to full retail contestability in the domestic market from 1 July next year. Competition in that market will be further bolstered by our recent decision in relation to the sale structure of the energy retail assets.

We believe that robust competition will mean the best possible prices to consumers. The upcoming sale will now attract stronger interest from energy retailers keen to be part of what is happening here in Queensland. Currently, Sun Retail, formerly Energex Retail, sells electricity to some 1.2 million customers in south-east Queensland. To further boost competition the government has decided to sell Sun Retail's electricity customer base in two parts. This is consistent with the Boston Consulting Group's recommendations into the energy GOCs.

I am pleased to advise the committee that the sale process effectively starts today. The expression of interest documents for the first tranche of the Sun Retail customers will be available on the Treasury web site from this afternoon and advertisements for the sale will be in major national dailies this week. Sun Retail will be sold as a going concern with about 800,000 of its existing 1.2 million customers included in one package along with the Sun Retail LPG business which supplies bottled gas to some 53,000 customers. Sungas, the Sun Retail natural gas retail business, services approximately 80,000 customers. It will be sold at the same time as the electricity retailing businesses.

Bidders will have the option in the first tranche to bid for Sun Retail and Sungas separately or as a combined package. Following the sale of Sun Retail and Sungas a second stage of the sale process will occur. This sale will include approximately \$400,000 of the remaining former Sun Retail customers combined with the contestable business of Ergon Energy. This business will also be sold as a going concern. For ease of sale all businesses will be sold with transitional arrangements, principally with Energex Ltd. Call centre and billing operation details are included in those arrangements. Initially the Queensland government will be seeking parties to provide expressions of interest for both the Sun Retail sale and the Sungas sale.

Mr WALLACE: On the same topic, the decisions arising from the energy review have many implications not least on the employees of the GOCs. Can you advise the committee how this process has been worked through with the employees and their unions?

Ms BLIGH: Yes. The sale of the Queensland electricity retailer Sun Retail and the contestable part of Ergon Energy's retail operations, Energex's gas retail operations and the Allgas network all include protections for the current employees of those organisations. Full retail competition hits the market on 1 July 2007. As a government we felt it was our obligation in the interests of protecting taxpayer assets to sell these retail businesses. But in doing so we are not about to forget those people who work in the businesses. To do nothing in the face of full retail contestability we believe would see us overseeing an asset of declining value. That was not in the interest of the workers of these organisations.

Consultation with energy unions over recent weeks has allowed the government to take on board feedback about staff arrangements during the sale and beyond. I take the opportunity this afternoon to thank all of the unions that represent staff in these retail businesses and the gas businesses for the very constructive way that they have approached the discussions. Asset sales are not an easy pill to swallow for many. I think it would be fair to say that these discussions have proceeded with a great deal of maturity and with all parties focused at all times on the best interests of employees as well as maximising the sale price in the interest of taxpayers.

The government offer is, in my view, fair and attractive. It provides for the protection of existing conditions and entitlements for the staff through until the expiry of the current EBA which is early to mid-2008 depending on the classification of the employees. The new owner will be obliged to match the conditions of the EBA. It also provides for a healthy incentive for people to take up offers with the new owners—that is, a cash incentive to those employees to transfer.

There will also be an option for employees to revert to the respective distribution business or in special circumstances elsewhere in the Queensland public sector if they do not take up the offer of employment being made. The package effectively means that current entitlements are protected as a condition of the sale. It also means that individuals may get an extra payment to keep their current job although with a new owner. Effectively the incentive payments essentially buy out the right to reversion.

If people do not become part of the new arrangements they will be re-employed within their respective distribution businesses. But with full retail competition attracting more retailers to Queensland it is my view that job opportunities for people who work in these industries and the retail sections of them will be expanded. In addition, the full package includes no forced redundancies which is consistent with the EBA provisions and earlier government commitments. As a condition of sale the purchaser will also have to preserve the long service leave accrual rate for the full term of the EBAs. They will have to ensure that existing superannuation arrangements are continued and an industry standard offer made for the buy out of a small number of remaining defined benefit funds.

Mr REEVES: Deputy Premier, I refer to page 1-10 of the MPS. Can you inform the committee of the outcomes of the government's review of its Value for Money Framework relating to public private partnerships?

Ms BLIGH: I am pleased to advise the committee today that the government has made a number of improvements to the processes under which we consider undertaking public-private partnerships. These changes follow a review of the state's Value for Money Framework under which potential PPPs are evaluated. The government has listened to industry and taken on board a number of suggestions which are aimed at improving the industries' understanding of the projects being undertaken by government agencies and the processes that surround them.

Key improvements to the process include much better engagement with bidders during the bidding process and the opportunity for government to actively discuss its requirements with individual bidders on a one-to-one basis. This is put in place in an effort to protect the intellectual property of individual bidders, thereby driving innovation through this process. That will not come at the expense of any of the probity requirements that would be a normal part of this process.

It will also see the government releasing full details of the public sector comparator—that is, bidders will be advised of the public sector costs of doing the project under traditional procurement, effectively meaning that they are in a much better position to know what it is they are bidding against in order to achieve value for money for government. There will be some provisions that protect the state's interest in that regard, allowing the state to withhold that information if it would materially compromise the state's negotiating position. I anticipate that it will be released in all circumstances or in almost all circumstances.

To the extent that it is possible or practicable government will also move to greater standardisation of project documentation to reduce the demands on bidders' resources. I think we all understand the overheated market that the construction industry is operating in at the moment. Anything that we can do to reduce the demands on time and money of bidding for large projects means more time that these resources can be dedicated to actually building the projects instead of bidding for them.

The revised material for the Value for Money Framework will be available on the Coordinator-General's web site. Like governments nationally and internationally, we recognise that PPPs are a possible option for the delivery of infrastructure and non-core services, but we also recognise that they are often quite complex arrangements. Revisions to the Value for Money Framework reflect our desire to continue to get this process right not only for government but also taxpayers and also ensuring that we get the best bids possible from industry when we are looking to use this procurement method to secure infrastructure for the future.

Mr REEVES: I refer to page 1-28 of the MPS and the reference to Treasury's role in distributing funds for community benefit—a very important role that is. Can you inform the committee of any other initiatives to be funded by Treasury that will benefit the community?

Ms BLIGH: I thank you for the question. I am pleased to announce today that Queensland's three major arts foundations will receive a new and significant financial boost out of a recent decision I have taken in relation to the allocation of funds through the Community Investment Fund. You may be aware that each of our major arts institutions—the library, the art gallery and the museum—have a fundraising foundation that work very hard to secure funds from benefactors and philanthropists for acquisitions, particularly for those three foundations.

The art gallery has for a number of years had an arrangement from consolidated revenue that funds raised up to \$250,000 are matched dollar for dollar by government. The library and the museum have not enjoyed the same support and it has been a source of some consternation to them. We are in a position now to ensure that each of those foundations will be able to receive a dollar for dollar matching arrangement up to \$250,000 each. The first payments are expected to be made at the end of this financial year.

The gallery will continue to receive the funding arrangements that it has had until now, but it will now receive it, as will the other two, from SIFF which will be administered by the Queensland office of gaming as part of the community assistance program. It will assist these foundations to continue to leverage further funding and sponsorship from the private sector. We are lucky to have a number of very prominent individuals and organisations in Queensland that actively support the arts. But it would also be fair to say that we have a long way to go before we match some of the southern states in terms of private sponsorship. I would hope that this new assistance to these foundations will help to leverage those funds a little further. I think there is something to be said for, 'If you give us a dollar the government will match it.' That helps to encourage people to make an investment in the arts.

Arts Queensland will be responsible for monitoring the cash donations that are raised by each of the foundations. Obviously they will need to present evidence of the funds raised in order to secure the matching funds. Hopefully they manage to raise way beyond \$250,000 but they will be matched up to \$250,000.

Mr BRISKEY: Deputy Premier, we are all well aware of the ongoing effects of the drought in Queensland. Could you tell the committee what industry, particularly the power industry which is a big water user, is doing to reduce dependence on water?

Ms BLIGH: I thank the member for the question. I am pleased to report to the committee that there are some very good signs that industry is taking this issue seriously. In my role as shareholding minister for the energy GOCs I have found that there are very encouraging signs that energy generators, which are very large users of water, understand that they have a role to play in minimising the use of water, particularly potable water. There is quite a lot of activity occurring in that regard.

I can advise the committee that over the last five years Swanbank power station has reduced its water usage by some 22 per cent. That is a very substantial achievement. I am happy to take the opportunity to congratulate them on that. Kogan Creek power station which, when completed, will be the largest coal-fired power station in the southern hemisphere will use a very high-tech dry cooling technology that will result in it using 90 per cent less water than other conventional coal fired generators. You may not get out to Kogan very often but if you can it is a fascinating piece of technology. It will make a huge difference to the amount of water that Kogan as opposed to other coal-fired power generators use. It will be interesting to see whether others take it up.

Tarong power station is planning a 10 per cent reduction in its water usage by the end of this financial year. Members may be aware that Boondooma Dam is the main water supply for Tarong power station which requires 27,000 megalitres a year. Tarong energy previously had a supplementary water supply agreement with south-east Queensland for up to 15,000 megalitres from Wivenhoe Dam. That represents approximately four per cent of the total consumption of SEQ's water supply. One power station is using four per cent of SEQ's entire water supply. Any efforts they can make to significantly reduce that will have a dramatic impact on water supply in the south-east corner.

Shareholding ministers issued a direction at the end of last year for Tarong power station to cease accessing water from Wivenhoe Dam and for Boondooma Dam to become Tarong's sole water source from March this year. There are, as I have said, some very encouraging signs from our major generators. They, as part of industry, are taking their use of water very seriously.

A number of other power stations are looking at water conservation methods such as the use of recycled water from onsite stormwater and dirty drains, the recycling of treated sewage in cooling systems, the use of recycled water for ash disposal, the installation of shut-off valves to end hand-held water hosing and targeted maintenance programs to identify and repair water leaks. Everyone has to do their bit. I am very pleased to see our energy GOCs doing theirs.

Mr BRISKEY: Deputy Premier, I am interested in Queensland's share of GST revenue and ask if you could outline for the committee Queensland's share of GST revenue and how this affects the federal Treasurer's recent comments that the states are awash with GST funds?

Ms BLIGH: I thank the member for the question. I am frankly bemused at how the federal Treasurer can reach this conclusion, and I am happy to outline for the committee some of the facts. The total GST for 2005-06 collected by the Commonwealth around the country is estimated at \$36.8 billion, about \$100 million higher than the Commonwealth's midyear forecast—that is, around what it thought it would be. However, the 2006-07 GST is forecast to be \$39.2 billion, some \$70 million lower. Queensland's share of that is \$7.612 billion in 2005-06 and \$7.9 billion in 2006-07. That is 20.7 per cent and 20.3 per cent respectively of the total GST. Our population share in 2005-06 was around 19.6 per cent of the country, growing to 19.7 per cent in 2006-07. So we have 19.7 per cent of the population and we are getting 20.3 per cent of the GST. Putting aside Peter Costello for one moment, I think that gives the lie to the constant campaign from some of my interstate colleagues about Queensland receiving some sort of share that is way out of whack and way out of kilter with our population share. It is a relatively small adjustment to help us meet our particular needs.

Of course you would expect governments to continually argue about taxes and spending, but I think a recent article in this week's *Sydney Morning Herald* by Ross Giddens is worth drawing to the attention of the committee. It was based on research by Macquarie Bank. It points out firstly that GST funds have grown a bit faster—just a bit faster—than the guaranteed minimum amount—that is, the revenue that the states would have got if the GST had never been introduced. So the total source of revenue is only marginally above what would have otherwise been expected. In 2005-06 the funds will exceed the guarantee by around \$1.2 billion, and in this financial year the bonus is expected to be about \$1.9 billion. That is nationwide.

As Macquarie pointed out, in an economy of \$1,000 billion a year, that is equivalent to a rounding error. So I do not think we should all get too excited about the amount of money that is being raised. Macquarie estimates that the Commonwealth's net payments to the states were 5.4 per cent of GDP, exactly the same percentage that it was 10 years ago. So regardless of the source of the Commonwealth's money, the percentage of GDP that it is allocating to the states has not changed in a decade. However, the federal government's own revenue collections, excluding GST, have boomed. Macquarie believes that upward revisions to federal revenues since the 2004 budget and projected out

to 2008-09 total some \$123.2 billion. I think it has been said many times but is worth repeating in this context that Peter Costello is indeed the country's highest taxing Treasurer. He should take a leaf out of our book.

Mr WALLACE: Deputy Premier, I refer to page 1-10 of your MPS and the discussion of Treasury's role in infrastructure provision. Can you outline for the committee the major infrastructure to be provided in 2006-07 and how Queensland's infrastructure investment compares to that of the Commonwealth as outlined in its budget of 9 May?

Ms BLIGH: I thank the member for the question. You are correct; the budget does outline in some detail what is a record Capital Works Program for Queensland. The 2006-07 budget sees \$10 billion allocated to water, roads, ports, rail, health and energy infrastructure, training institutes and schools. It is the largest Capital Works Program that Queensland has seen and it is the biggest in the nation on a per capita basis. The program is absolutely crucial to deliver the services needed to service the growing population and to facilitate continued economic growth. It amounts to 5.5 per cent of GSP which compares extremely favourably to the Commonwealth's 1.1 per cent of GDP that it is expending on investment in infrastructure.

CHAIR: I call again on the member for Robina.

Mr QUINN: Treasurer, how many PPP proposals were evaluated by Treasury last year and what were Treasury's recommendations for each of the proposals?

Ms BLIGH: The last one that we made a final decision on, as I recall, was the duplication of the Gateway Bridge. The result of the value for money assessment was that it was in the best interests of taxpayers for that to be secured through a traditional procurement model, and we are currently in the market calling for tenders for that project. The South East Queensland Infrastructure Plan actually lists some 13 projects which will be assessed under the Value for Money Framework, and some of those assessments are currently occurring. In the last financial year—the 2005-06 financial year—I am not entirely sure that any of those assessments were completed.

I should say that the work is done collaboratively with the Coordinator-General because of the nature of the projects. If you go to page 22 in Budget Paper No. 3—and I think these are also outlined in the SEQIPP document—the projects that are listed as potential PPPs are the airport link, the Toowoomba bypass, the Springfield to Darra Road and rail corridor, the Gold Coast public transport project, the eastern busway—that is, Buranda to Capalaba—the Sunshine Coast and western corridor schools and the Gold Coast Hospital. I think there are some others into the future that have been identified in SEQIPP which are not here because they are not part of this year's activities. You can see that there are a number of those which you know. The eastern busway is a good example; I know it because it is in my own area. The department of transport has yet to announce a final preferred alignment for that project, so we are still some way from making a decision on whether it is suitable for a PPP and then taking it to market as either a PPP or through a more traditional procurement.

Mr QUINN: How many valuations were completed last year?

Ms BLIGH: It depends on what you mean by completed, but to the point of project commitment I am not sure that there were any assessments off the Value for Money Framework that were actually completed in that financial year. My recollection is that the Southbank TAFE was in the second half of the previous financial year. It was early 2005, but I can check that for you if you like. My recollection is that the decision was made by government—

Mr QUINN: It was the previous financial year?

Ms BLIGH: Yes, it was in the early part of 2005 and therefore the late part of the 2004-05 financial year.

Mr QUINN: Right. But none from 2005-06 are essentially completed?

Ms BLIGH: Yes. There were some that were begun. Airport link, for example, has begun the assessment, as has the Toowoomba bypass, but there has been no final decision and no conclusion to those assessments. I would expect that they would be completed by the end of this financial year.

Mr QUINN: You mentioned economic modelling staff going over to the GOC and governments area. Has Treasury done any modelling or analysis to determine what will happen to electricity prices when full retail contestability comes into effect in July next year?

Ms BLIGH: We released at the time of announcing a move to full retail contestability anticipated savings to consumers on an average household bill in south-east Queensland. My recollection—and I think we can double-check it—

Mr QUINN: It was \$150.

Ms BLIGH: Yes, it was more than \$100 a year on average. You would expect different households using different equipment and with different household characteristics would have a different savings pattern. It will depend on the arrangements that they come to with their new retailer. I would expect that we will see, as I understand happens in some other states, energy retailers offering

consumers a whole set of packages where the benefits are not necessarily only in relation to the per unit cost of the electricity but there may be other advantages that are offered to consumers which they make a decision to take up. So it is a benefit but may not be a benefit traditionally defined as a price benefit.

Mr QUINN: As electricity prices rise or fall in the area under full retail contestability, what will happen to electricity prices in non-FRC areas under Ergon?

Ms BLIGH: We have given a commitment that the uniform tariff will be preserved. Not only will non-contestable Ergon customers be entitled to access electricity under the current uniform tariff arrangements but we have recently issued a discussion paper to the industry in the lead-up to full retail contestability indicating that we will also put in place a policy framework allowing customers within the contestable areas to revert to the uniform tariff if they are unhappy with the circumstances that the new retailer offers to them. Obviously we would expect them to complete the contract that they have, but beyond that they can return to the uniform tariff. That effectively sets a price ceiling. If every customer can actually access the uniform tariff, then a new retailer is not going to be competitive unless they are offering either a lower price or some other very significant advantages that will overcome that.

Mr QUINN: Let me move to full retail contestability. Is the government still going to have a policy of increasing the uniform tariff by the CPI each year?

Ms BLIGH: Yes.

Mr QUINN: So you could very well see a position where customers, say, in the Ergon area have price rises every year but customers, say, in the Energex area would have reducing electricity prices?

Ms BLIGH: I think it is anticipated that customers that are in the contestable areas will see lower prices. There is no doubt about that. It is important I think in the interests of taxpayers as a whole that the cost of providing the uniform tariff is managed in a reasonable way, and we will obviously have to monitor that. But it is anticipated that the uniform tariff arrangements will continue, and that means it will continue in terms of CPI increases but also we would be looking at maintaining the same level of existing pensioner rebates, for example.

As I am sure the member is aware, the cost of providing electricity into some of the Ergon areas is extraordinarily high. The uniform tariff comes at a very significant CSO, and so it should, otherwise we would not be able to sustain settlement in some of the places that we provide it, and some of those are very important industrial and rural agricultural providers. So we intend to make sure that we look after those people. Will the cost of electricity in those places ultimately be higher than it is in some other parts of the state? Yes, it will. But will it be reasonable and fair in the context of entire national provision? Yes, I think it will be.

Mr QUINN: Has Treasury done any modelling or analysis to determine the cost of water to local governments in, say, the greater Brisbane area to draw water from the southern regional pipeline from the Gold Coast when it is built, and is there a requirement to do that sort of analysis under the National Water Initiative?

Ms BLIGH: Can I just add one small thing to my answer to the previous question—that is, we would also anticipate that some areas that are currently noncontestable may become more contestable over the five- to 10-year outlook. Places in and around Townsville, for example, are a good example and depending on what happens with PNG gas.

In relation to water, there has of course been some preliminary work undertaken. As I said, we were looking at the cost of the dams and we are starting to do that work. There have been numerous discussions with myself and with local government about water pricing. You will have heard the Lord Mayor of Brisbane talk about the need for us to accept that water prices will have to increase, and I do not think that there is any doubt that over time that will happen. You cannot have significant improvements in water infrastructure without some contribution to pay for them. Having said that, we have every intention of managing those costs in a way that is as reasonable as possible to ratepayers.

That will be the subject of extensive discussions with the council of mayors, and there are many things that you can do to ensure that you minimise the impact on ratepayers such as phasing in over a period of time and withdrawing from commercial arrangements so you only get recovery of the cost in some parts of the phasing-in periods. So there is a lot of modelling to be done. There is no complete modelling. There is no report to government. There is no final set of figures or data that is in any position to be discussed with the council of mayors, but there are certainly discussions at a strategic and policy level that will then inform that modelling work which will then form the basis of discussions and long-term arrangements with each of the councils in south-east Queensland.

Mr QUINN: Have you got a time frame for all of this?

Ms BLIGH: For the water pricing discussions?

Mr QUINN: For completion of the modelling and discussions with the councils?

Ms BLIGH: Obviously, we would like to have that finalised as quickly as we possibly can so that we can indicate to people what the cost of water will be over a period of time. But we are currently, as I outlined earlier, in the process of doing all the detailed costing on each of the projects. It is not only the dams but some of the other large projects, such as the desalination plant. That will all contribute to

these costs. Until we have final costs of the infrastructure, it is not possible to determine what will be necessary in terms of passing those costs on through water pricing. But they are all just steps in the process and we would be hoping to get that done as quickly as we can.

I indicated to you earlier that we will have to be in a position, as part of the next budget process, to be allocating capital over the forward estimate period for some of the large water infrastructure. Not all of the costs of that will fall into those out years, but very substantial amounts will. We will need to be in a position to outline, at least in a preliminary sense, what that is likely to do to water pricing. Each council will probably have their own arguments for perhaps differing times of implementation and different methods of phasing in. We will have to listen and work through with the councils what that means for them and their rate base.

Mr QUINN: In the MPS it says that Treasury is responsible for monitoring the progress of the implementation of the Health Action Plan following the review of Queensland Health. How is this to be done? What criteria are you using? What benchmarks are you setting? Will there be a progress report since the mini-budget last year?

CHAIR: I just remind you that there are 10 seconds left.

Ms BLIGH: 10 seconds.

Mr QUINN: I will move an extension.

CHAIR: You cannot. It is our time.

Ms BLIGH: It will be done forcefully and effectively and in Treasury's usual style. I draw your attention to the document that was released with the budget that actually delivers a report on where they are up to on each of the major areas of the Health Action Plan. You can expect to see further documentation of that.

Treasury is constantly working with Queensland Health. It is a very, very significant investment of funds. We have a very direct interest in making sure that not only do they spend it on what they say they are going to spend it on but that it is spent on time and that they secure a value-for-money outcome for all of the investments that they make.

CHAIR: The time for non-government questioning has expired. There are about 12 minutes of Treasury time remaining. I call the member for Thuringowa to start it.

Mr WALLACE: Thank you. Deputy Premier, I refer you to page 2-2 of your MPS and the continued downward trend in CTP premiums resulting from the government's tort law reforms. Can you advise the committee of the impact of the same tort law reforms on the availability of affordable insurance products for Queensland's community groups?

Ms BLIGH: I thank the member for the question. All members would be aware from work with community organisations in their own electorates that a number of years ago many community groups in our areas began to experience serious problems securing public liability insurance. For many very small organisations it was putting them in danger of not being able to continue their operations. The government took a range of actions to assist those groups to access affordable insurance. We introduced a very significant tranche of tort law reforms, many of which are starting to have a dramatic effect on insurance premiums not only in this area but in other areas.

We also introduced a group insurance scheme for community not-for-profit organisations. We have entered into an arrangement with Aon Risk Services to provide insurance advice to small community organisations. Often these groups are doing a lot of good work in our area and have many well-meaning people in them, but these are not necessarily people with lots of experience in the insurance area and this advice has been important. We also have an interactive risk management web site and some exemptions from duty for eligible organisations.

The result is that we are beginning to see stability and a level of competition within the industry returned to the public liability insurance market. Community groups have a range of cover available to them and they are able to exercise some choice in selecting their insurer and are able to benefit from premium competition.

Since January 2003, we have seen some 7,427 not-for-profit groups contact Aon for advice. I have to say that is very encouraging. It means that they are accessing those services. The demand remains high. Aon averages about 50 calls a week. As at 1 June 2006, 581 not-for-profit groups were covered under the group insurance scheme. Suncorp continues to provide cover for some very hard to place groups that are unable to get insurance anywhere else. There are three groups currently covered under that arrangement.

As I said, I think it is encouraging to see that the difficulties that were experienced by a number of very important community organisations, particularly the very small ones that do not have much by way of income and in many cases do not employ staff and do not own assets, are now becoming a thing of the past. That is certainly something that I see in my electorate and it is replicated in the figures.

Mr REEVES: Deputy Premier, I refer to page 1-9 of your MPS. One of the major hurdles faced by business owners and operators relates to the levels of taxation they pay. Can you tell the committee what tax relief was given to Queensland businesses in the state budget?

Ms BLIGH: I thank the member for the question. One of the features of this year's budget was some very significant changes to the taxation arrangements that affect business in Queensland. We are determined as a government to keep Queensland's status as the business friendly state. To that end, as I outlined in my opening statement, we made a number of changes. We made a significant change to payroll tax with the payroll tax-free threshold increasing from \$850,000 to \$1 million. This is the largest single change in the tax-free threshold that Treasury has a record of. It will mean that some 90 per cent of Queensland employers will not pay payroll tax at all.

The payroll tax requirements in Queensland are now the most generous in mainland Australia. The threshold in Queensland is almost double that of South Australia, Victoria and New South Wales and our rate of 4.75 per cent is the lowest. It compares with six per cent in New South Wales, 5.15 per cent in Victoria and 5.5 per cent in South Australia and Western Australia. The cost of this initiative is about \$34.3 million to budget in the 2006-07 year. Six hundred businesses that would have been part of the payroll tax base this financial year will no longer be affected by the payroll tax net and a further 4,000 employers will pay less payroll tax than they would have otherwise. In my view it gives us an even stronger incentive for businesses to cross the border. This is the first increase to the threshold since January 1998.

Further, we have abolished two taxes that predominantly affect business, that is higher duty tax and the transfer tax on unquoted marketable securities. Both of those will cease from 1 January 2007. In addition we have moved to maintain the value of the significant changes to land tax arrangements that were put in place by the Treasurer last year, which is to increase the tax-free threshold for resident individual land tax payers from \$450,000 to \$500,000, which is a saving of \$400 on a block of land valued at \$450,000. It means that more than 5,000 Queenslanders will no longer pay land tax and 15,000 more will pay less than they would have. Queensland has the highest land tax threshold in Australia. We have also moved to make our first home transfer duty concession available from 1 January for the purchase of vacant land valued under \$250,000.

Mr REEVES: I refer to page 1-30 of the MPS and the progress of the Gambling Community Benefit Fund. We have heard in the House that some people want to reduce the funds provided by that fund to the community. Who are the major recipients of the grants awarded under the program?

Ms BLIGH: I am very pleased to advise the member that last month—that is the end of the financial year—the Gambling Community Benefit Fund passed the \$300 million mark in terms of the funds that it has made available into the community. More than 28,500 Queensland not-for-profit community groups have now shared in \$307 million since 1994. So in 12 years that is a very substantial investment into community infrastructure.

The June round of the Gambling Community Benefit Fund was the 50th round—so quite a lot of activity. It was also a record round with \$10 million going to 629 groups. I am sure everybody knows what happens in their own electorates in terms of the groups that are applying for and receiving funds, but in one round alone 629 groups across the state getting some allocation—that is a very big program.

As you would be aware, the grants are provided four times a year and the fund started 12 years ago. I know from the experience of organisations in my own area that these funds, although often relatively small grants, give a huge helping hand to many not-for-profit groups that would find it very difficult to access funds like that any other way. It not only relieves them of the burden of fundraising but spares them valuable time to get on with the job. Many of them, as you would be aware, are volunteers. I regard it as an investment in not-for-profit organisations, which provide very important services in our community and strengthen and enrich those communities.

The fund provides money to projects such as building upgrades and cultural events. It also provides one-off opportunities for organisations to upgrade their technology—to buy new computers—and to invest sometimes in one-off staff development activities; the sorts of things which would not be possible within their normal operating funds.

The fund also illustrates our government's commitment to return something from gambling revenue to this sector of the community. It is often not understood that the Gambling Community Benefit Fund is only a small part of the revenue returned to government from gambling. The overwhelming majority of funds raised through gambling taxes go into consolidated revenue and are a source of funding for roads, schools, hospitals and other very important projects and services. But it is important, in our view, that the not-for-profit sector that would otherwise find it very difficult to get those little extra also have an opportunity and this fund provides them with that opportunity.

Mr REEVES: I want to explore further the gambling sector. I refer to page 1-28 of the MPS. Could you detail the work of the Responsible Gambling Advisory Committee and the success of the state government's responsible gambling initiatives?

Ms BLIGH: I thank the member for the question. I know his interest in the activity of many clubs in his area. Queensland, I can say, is the envy of all other states with what is a very thorough framework of gambling legislation and responsible gaming activities. Before allowing the introduction of poker machines Queensland had in place a very comprehensive regime. Queensland Treasury is the lead agency for the Responsible Gambling Advisory Committee, which is a unique organisation bringing together industry and government to reach consensus on the best way to secure responsible gambling. The committee is an advisory body to government. It consists of representatives of relevant government departments as well as from the gambling sector, that is, those organisations that operate gambling activity. But importantly, it also has people from the community sector that provide services to people who experience problems with gambling.

One of the major initiatives has been the development of the Queensland Responsible Gambling Code of Practice. There have been two very important examples of the contribution that this committee has made to the gambling environment. The first has been, as I said, the gambling code of practice industry training kit and the distribution of the responsible gambling advertising and promotions guidelines. Because this material is developed hand in hand with industry, it enjoys a great deal of respect out there in the industry. I know that clubs, hotels and casinos take it very seriously and that the code of practice is very widely upheld.

You would also be aware that part of the legislative approach included the introduction of an exclusion regime on 1 May 2005. That followed extensive education and training for clubs and hotels. The major changes to the legislation were changes that required gambling operators to exclude patrons who request that they be excluded, that is, people who know that they have a problem and register for self-exclusion. It also provided powers to allow gambling operators to exclude patrons if they believed that the person had a problem.

The first report of the activities under that legislation, the first six months of operation from May 2005 to December 2005, shows that 694 people were either self-excluded or excluded by the operators under the provisions of the legislation. I do not have a precise breakdown but I understand that more than 90 per cent of those were self-exclusions—so people who identified that they had an issue. The figures show an even breakdown between males and females for club and hotel exclusion, while casinos and TABs were predominantly males. Thirty per cent were in the 35 to 44 age group and 39 per cent in the 25 to 34 and 45 to 54 age groups. Geographically, the highest area per capita of such exclusions was Mount Isa followed by Toowoomba, Bundaberg and Gladstone. With almost 700 exclusions in the first six months, you would have to say that the legislation has been a success.

CHAIR: The time available for questioning Treasury has expired. Do not worry, there is still time for State Development and the other areas of your portfolio. We thank those Treasury officers who have joined us.

Ms BLIGH: I thank the Treasury officers who have joined us for the first half of the committee's activities. They have worked very hard not only on estimates but also on delivering what I think has been a very good budget. I would like to put on the record my appreciation for their work and their support to the deliberations of the committee.

CHAIR: The committee will now examine the Department of State Development, Trade and Innovation and the Property Services Group. I ask the member for Maroochydore to commence non-government questions.

Miss SIMPSON: Minister, good afternoon. I table the old organisational structure for State Development which was still on your web site for most of last year. It lists your department as being responsible for infrastructure and project delivery, covering the units of project delivery, infrastructure and development planning, precinct development and land planning, as well as PPP and infrastructure delivery services. I also refer to your web site which still lists infrastructure and project delivery as one of its four divisions. Can you confirm why in your organisational structure issued in March 2006 you are no longer responsible for any of these major infrastructure and project delivery functions?

Ms BLIGH: I guess it is a definitional issue. I still have responsibility for allocation of industrial land, for activities of the Property Services Group, for consideration of projects for PPPs. It is well known that the major responsibilities of the Office of the Coordinator-General have been transferred to the Premier and are now a unit within the Premier's department. I do not think it would be entirely accurate to say that there is no project activity occurring out of the department of state development. Obviously there is a lot of work that happens collaboratively. But the department of state development has the responsibility, along with industry, for issues such as finding suitable land, working with local governments and facilitating industry move within the state and to the state. Some of these are very significant projects.

Miss SIMPSON: Minister, could you clarify at which point projects that your department is working on are handed over to the Coordinator-General and give us a role definition of where the cut-off starts?

Ms BLIGH: Projects that are the responsibility of the Coordinator-General, by and large, are those projects which require the powers of the act administered by the Coordinator-General—that is, those projects that require the state to play a coordinating role across a number of agencies. I would not say that that is the exclusive definition but, in the main, those projects which rely on the powers of the Coordinator-General to be facilitated are largely the responsibility of the Office of the Coordinator-General. There are, however, many other significant projects across the state. Industry moving to Queensland is a good example of where the first contact with the state government is through my department, through the activities of the investment attraction team. They would work with that organisation through the Property Services Group. They would also work with relevant local governments and do what they could to facilitate. If in that example that potential new industry required assistance through the exercise of the powers of the Coordinator-General, there would then be some discussion about the responsibility and where that responsibility would lay.

Miss SIMPSON: You mentioned PPPs before. I take it that that unit, as such, has shifted to Premier's and you have no oversight in regard to projects being delivered through that particular unit.

Ms BLIGH: I was discussing PPPs before in my capacity as Treasurer. Obviously Treasury has a role to play in the assessment that is done through the value for money framework. The projects being considered for PPPs, by and large, are projects that are managed by service delivery agencies. So the majority of projects that are currently up for consideration are through the Department of Transport. They remain the responsibility of the Department of Transport. Treasury, however, and the Office of the Coordinator-General would be working with the Department of Transport firstly to work through the value for money framework to determine whether the project is one that is suitable for a PPP and, if that decision is in the affirmative, then Transport would be working with the Office of the Coordinator-General to ensure that that occurs.

Miss SIMPSON: In regard to major projects that people approach your department to assist with, under the current organisational chart for your department, which unit would they get assistance from?

Ms BLIGH: It would depend upon the basis on which the contact was made. If they were looking for some assistance from any of our grants programs, then they would be working with officers from the department who are involved in the administration of those programs. Often these sorts of possibilities or opportunities emerge because of the work of the investment attraction team. The work of that team is to attract business to Queensland or to attract significant expansions of existing businesses here. It is entirely appropriate at some point that the work of that team sees the responsibility for those projects, where appropriate, pass not only to the Office of the Coordinator-General but also in other cases to other areas of government. The western hardwoods activity is a good example of the work of State Development in pulling that together across a number of agencies. That is now the responsibility of the new Forestry Queensland. The Sugar Industry Innovation Fund was State Development's responsibility, but overall responsibility for the sugar industry rests with DPIF, as it always has. One other thing that might be useful in your consideration is that if a project in order to get to a point of finalisation requires an EIS to be done then it would be passed on to the Coordinator-General for the administration and oversight of the conduct of the EIS.

Miss SIMPSON: Would that be the main differentiation? If a major project does not require coordination and does not require an EIS, would it go to State Development?

Ms BLIGH: Generally speaking, yes. You use the powers under the Coordinator-General's act to declare a project a project of state significance so that you can exercise powers in relation to zoning, development approvals et cetera.

Miss SIMPSON: Minister, I refer you to an answer you supplied to the member for Robina in non-government question No. 3 in which you were asked to fully disclose all consultants utilised by your department. I can also table a copy of the response we have received, for the committee's benefit. Minister, could you please explain why the consultancy paid by the department of State Development to well-known Labor mate Mary Easson of Probit International is not included in the list?

Ms BLIGH: I am happy to clarify. The arrangements with Probit International are that they supply services on the basis of being a contractor. They do not provide services as a consultant. But I think it would be fair to say that there has been ample detail about this. The *Australian Financial Review* has run the story. I have answered questions in the parliament and I am happy to answer further questions now. The answer that I provided on notice in relation to consultancies is accurate. The services of Probit International are services that are engaged on the basis of being a contractor.

Miss SIMPSON: Could you define the difference between a consultant and a contractor and would you be willing to table for the committee all the costs of all of the contracts and who has received those contracts in the last year for your department?

Ms BLIGH: The distinction between a consultant and a contractor is that consultants, generally speaking, are project specific, so they are engaged on a short-term basis to complete a specific project, whereas the services of a contractor are more generalised in nature and are generally engaged over a much longer period of time. That probably describes the difference, in essence. There are probably further specifics in the state purchasing policy, but that is to give you a general understanding of the difference. What was the second part of your question?

Miss SIMPSON: Will the minister provide to this committee a list of all of the contracts that have been issued by your department in the last year and the names of those who have received them and for how much.

CHAIR: I remind the committee that we have every right to ask the minister to table something but an estimates committee, unlike the parliament, does not have the right to require or force a minister to do that. So you just need to be aware of that.

Ms BLIGH: I am happy to table information. I presume that what you are talking about is contractors engaged in the same way that I have described Probity International being engaged as a contractor. When you ask about contracts entered into you do not mean for the sale of land. You do not mean contracts in that sense.

Miss SIMPSON: Not for the sale of land but for services that a contract is entered into.

Ms BLIGH: Yes. I am happy to do that.

Miss SIMPSON: How long has Probity been contracted?

CHAIR: Sorry to interrupt, but I take it you are taking that on notice?

Ms BLIGH: Yes.

Miss SIMPSON: How long has Probity been contracted?

Ms BLIGH: We have just entered into a new contract with Probity International and my recollection is that it is a three-year contract. The contract is the result of an expression of interest process. There was a merit selection process undertaken. There was an offer to tender. There were three offers made and Probity International came through the process and was the recommended candidate. As I said, my recollection of the approval was that it was for a three-year contract but I am just getting absolute confirmation of that.

Miss SIMPSON: How much was that contract that you have just entered into?

Ms BLIGH: For \$70,000 a year.

Miss SIMPSON: For what specific outcomes and how are those measured?

Ms BLIGH: Probity International is contracted to act on behalf of the Queensland government in predominantly the New South Wales market to maintain business links and to secure arrangements with the business community. You would be aware that the majority of head offices in Australia of all of the major big players continue, to my frustration, to be located in Sydney and Melbourne. It is important, in our view, to have somebody on the ground who is providing us with a range of services in maintaining links with those agencies and companies and working with them to secure investment in Queensland.

There are a number of requirements of the contractor. They will be required, as every other contractor is, to be able to demonstrate achievement across those areas. I can understand why there might be some questions about this contract, but can I say that I am convinced, after looking at it in a lot of depth, firstly that a contract arrangement for these services is in Queensland's interest. It comes at a significantly lower cost than if we had a Queensland office in Sydney. You only have to think about Sydney rents alone to know that a total contract value of \$70,000 a year is a bargain in terms of getting the sorts of investment services that we think are important.

As I said, I am not surprised that there might be some questions. Simply because somebody has previously had a role in public life, it seems that they are never entitled to move into a different kind of activity. But having really looked at this, the merit selection process was one which I am satisfied was a completely merit based process. Mary Easson, who is the contractor who has secured the project through her firm Probity International, has played a very key role for Queensland. She has secured a number of investments during the time she has had previous contracts, including the customer contact centre for MBF, which has brought 91 new jobs and retained 95 existing jobs in Queensland. She has been facilitative in bringing the Westpac national customer contact centre here with 289 new jobs; the customer contact centre of the Australian Insurance Group, or NRMA, with expected 70 new jobs; and the relocation of Capral Aluminium's head office and consolidation of a manufacturing facility.

These sorts of roles, the same as our trade commissioners, are not always the sorts of roles where you can pinpoint what leads to what outcome, but I can certainly say that Probity International certainly has runs on the board and we regard it as value for money.

Miss SIMPSON: How long was Mary Easson previously contracted and how much was paid over the life of that contract for her services?

Ms BLIGH: My understanding was that she originally came on, as I have made public before, in September 1999. She originally was engaged to assist Queensland business to maximise opportunities that came out of the Olympics being hosted in Sydney. I should add to the comments I made about the importance of the work that Probity International does in securing investment opportunities into Queensland that this company also has a responsibility to work with Queensland businesses who are looking for opportunities in New South Wales.

In terms of the total outcome, the first contract in 1999 was at \$60,000 a year. It has remained at that until the recent contract was advertised and increased to \$70,000. I think if you do the calculation on CPI since 1999 you will find that she is actually earning less in real terms than she was in 1999 so I still regard it as value for money.

Miss SIMPSON: How much investment has she actually attracted and how do you actually measure what her work outcomes are?

Ms BLIGH: I have listed some examples. I am happy to give you further examples. She has also arranged contacts between major companies, including Pfizer, Coles Myer, George Weston's, ANZ, Credit Suisse First Boston, UBS Warburg, EDS, Blackmores and Nestle. She has provided on-ground follow-up for Qantas in relation to the relocation of the 767 heavy maintenance facility from Sydney, coordinated high-profile investor relations functions for the Premier and assisted in Queensland Business Parks functions in both Sydney and Melbourne. My recollection is that she has also assisted both the Premier and the Lord Mayor in putting together functions in relation to the promotions that they did in relation to promoting Brisbane with the Lord Mayor's campaign in that regard. She has also provided input into and facilitated meetings for the Pacific 2006 Maritime Expo in Sydney with national and international defence and engineering firms regarding Queensland's capacity to provide modules for the \$8 billion naval shipbuilding program.

The shipbuilding program is a good example. That is a contract to be let by the Commonwealth government. There are two major bidders. At this stage both of those bidders have indicated that if they were successful in winning the tender from the Commonwealth government they would bring some part of that project to Queensland. She has been working on behalf of Queensland, as part of the team working with that company, to make sure that we have positioned ourselves very well should the Commonwealth hopefully keep the contract onshore, as opposed to sending it offshore which they are threatening to do, so that Queensland gets a share of that and Queensland is in a position to get jobs out of what will be a very substantial investment. There are many factors that will influence the outcome of the Commonwealth's decision. It is possible that they may decide, as I said, to send the project overseas, but that will not be because of anything that Probitry International does or does not do.

When you ask, 'How do we make an assessment about the outcome?', I am giving an example that indicates that sometimes there are multiple causes that bring a project to Queensland or secure an investment opportunity for a Queensland company, but overall I think Probitry International's benefits to Queensland have been amply demonstrated by the merit process that we have just gone through and the satisfaction of that committee with the work and the recommendation to me as minister to reissue the contract. Politically, the easiest thing would have been to stop it, but I am satisfied that we are actually getting a good service and that we get very good value for money.

We do not have a problem with using the skills of people who have been in public life, whether they are on our side of politics or others. Mike Ahern does an excellent job and so does Sallyanne Atkinson as our trade commissioners, and there would be equally things which I could directly point you to that they have personally secured and others about which they would be the first to say it is impossible to say there is a direct causal relationship, but the work that they have done has no doubt led to an outcome.

Miss SIMPSON: I would like to ask a question in relation to question on notice No. 8, which is to do with grants and other assistance. What specific actions have been undertaken by your department to ensure milestones in grant requirements are met by recipients? Will the minister outline how many such recipients have failed to meet these requirements?

Ms BLIGH: I thank the member for the question. The monitoring of milestone achievements is a very important part of the work that the department of state development does. I share what I think is the underlying assumption in your question that if we are going to make these grants available we need to monitor that people are achieving what they say they are going to achieve and that the benefits for Queensland taxpayers are, in fact, delivered.

In terms of a specific answer to your question about how many companies have failed to meet milestones, I would have to take that on notice and I am happy to do so. I can tell you, however, that I have, in the time I have been minister, regularly considered in relation to a number of companies some variation to the milestones. In some cases there are very good reasons: it has taken longer to settle on the land and therefore it has taken them longer to employ the people who they set as a milestone—a very reasonable reason why you might vary the timeframes or the milestones. But there are equally companies where the grants have been withdrawn because they have not been able to meet their milestones. These sorts of things are considered very, very seriously.

I can advise that in 2005-06 five grants provided under the QIDS program were terminated for failure to meet milestones. The reasons given by the companies for not meeting milestones were inability to secure, in some cases, appropriate specialist expertise, change in their business circumstances and priorities or, ultimately, the results of market or product research that showed—

Miss SIMPSON: Can you table the names of those companies and the grants involved for the benefit of the committee?

Ms BLIGH: My understanding of the current arrangements is that I can certainly name the companies, but the amount of the grant is subject to the provisions of the FOI Act.

Miss SIMPSON: That component is still able to be taken on notice?

Ms BLIGH: The names?

Miss SIMPSON: Yes.

Ms BLIGH: Sure.

CHAIR: The time for non-government members has expired. I call the member for Thuringowa.

Mr WALLACE: I refer to page 3-12 of your MPS. Can you inform the committee of what steps the Department of State Development, Trade and Innovation has been involved in in supporting the residents of north and far-north Queensland whose businesses were affected in the wake of Tropical Cyclone Larry?

Ms BLIGH: I thank the member for the question. There has been a lot of public information about the effects of Cyclone Larry on the dominant industry in the affected areas—that is, the agricultural sector and, in particular, the banana and sugarcane industries. Members would understand that there are many small businesses in this area and if a large part of the industry, such as the agricultural sector, has a knock to it then there is a follow-on effect that is felt by even the local fish and chip shop. There are a number of businesses in this area—small, medium and large—that have been affected by Cyclone Larry either directly or through that domino effect.

To date the government has provided \$174,000 from our \$2 million Regional Business Development Scheme, Cyclone Larry Special, which was a funding program that we put in place out of the regional development scheme to help businesses and regional bodies in that area get back on their feet. Eighteen applications have been approved since the program started in May. The \$2 million that was put aside for the program to further assist businesses and regional bodies affected will be delivered in two stages. The first of those two stages helps eligible businesses prepare a plan to identify the medium- and long-term business prospects, labour availability and ways that they can recommence exporting where that is applicable. The recovery plan highlights the extent of damage and recommends recovery initiatives to pre-cyclone capacity. Stage 2 sees the affected businesses assisted in implementing strategies, and program applications are accepted up to 31 December this year. There are State Development Centre officers in Cairns and Townsville and one-stop shops in Innisfail, Babinda, Tully and Atherton. There is also an SDC Cairns officer working with the operational recovery management group at Innisfail.

SDC officers have assisted with information sessions for CPAs and community industry networking gatherings. As at 30 June SDC staff had assisted 529 businesses making applications for financial assistance and handled 472 other requests for assistance. I should say that we have relatively small numbers of SDC staff in regional offices like this, and the effort that they have put in in addition to their normal workload—they have gone that one step further and worked so hard to help in the recovery of the Cyclone Larry area and the businesses that are part of it, thereby generating further employment—has been exceptional and I would really like to put on record my thanks and the thanks of the government to those officers for the work that they have done.

Mr WALLACE: Can I also record my appreciation, as a member from the north, of the hard work that your officers have carried out in the wake of the cyclone. I refer to page 3-2 of your MPS and the reference to the Burnett Catchment Water Infrastructure Project. Can you outline how DSDTI is contributing to other water initiatives, especially concerning any research and development projects being undertaken to conserve our existing water supplies and develop new supplies?

Ms BLIGH: I thank the member for the question. You would be aware that in the earlier session on the Treasury portfolio I talked about the water-saving activities that are occurring in the electricity GOCs. I am happy to say that DSDTI is doing quite a lot of work to support organisations protect and conserve water and to create new supplies by purifying new water sources. The activities supported by the Department of State Development, Trade and Innovation include Griffith University's Smart Water Research Facility soon to be built on the Gold Coast campus of Griffith University. They have received a \$10 million loan from our recent round of innovation funds. This facility brings together experts to focus on sustainable water supplies, safe drinking water and better water management.

Their work will also be complemented by the soon-to-be-developed Dutton Park ecosciences precinct at the old Boggo Road site. This will be the first precinct dedicated to solving environmental issues. It is a \$200 million investment in a new ecoscience precinct. It is due to be completed in 2009, and it will bring together some 1,000 researchers from the Department of Primary Industries, Natural Resources, Mines and Water, EPA and the CSIRO. Water will be one of those areas of environmental investigation that they will work on.

Other companies assisted by DSDTI to work in this area include Environmental and Energy Technologies, a Bundaberg company that has developed what is called the mixaerator, which purifies recycled water. That company received an \$85,000 grant. Albion's Konia Australia got \$85,000 for a system that creates drinking water by extracting moisture from air. Maleny's Biolytex Technologies received \$99,000 for a waste water system for domestic and commercial use.

Clearly, the question of water is one that not only requires our attention on demand and reducing our use of water but anything that we can do to assist new technologies to make the water that we have, particularly water that could be used better with recycling, more able to be used by different sorts of industries is important.

There are other QIDS funded Queensland companies that are doing their bit including Sharplift, which is commercialising a desalinator; Aquarius Technologies, which is designing and manufacturing control and measuring equipment for use in the water treatment industry; and Clearmake, a company producing a range that is used in the treatment of waste water and stormwater run-off including water recycling systems. These are all good examples of smart companies that not only could assist us in the south-east corner with our water issues but universally, as this is an issue that is experienced across the world and these are potentially significant export activities.

Companies are also able to access QIDS grants for water audits—that is, auditing their own water use to identify areas in which they could be improving their water use and thereby reducing their demand from industry generally on our water supplies.

Mr BRISKEY: Deputy Premier, the state's aviation growth continues to soar—

Ms BLIGH: I'll pardon the pun.

Mr BRISKEY: I was waiting for the laughter. It took a while to come.

Ms BLIGH: Given that it is my bad joke—

Mr BRISKEY: It is late in the afternoon. I have been pretty good. We have been here since 8 o'clock. We are doing well.

Ms BLIGH: And you have Robert!

Mr BRISKEY: Deputy Premier, Boeing Australia has been a catalyst for that growth in Queensland. Do you expect that to continue?

Ms BLIGH: I thank the member for the question. As I am sure he and other members of the committee are aware, the aviation industry in Queensland is going from strength to strength. I am pleased to advise the committee this afternoon of a new initiative that will see Boeing Australia expand its Queensland operations, allowing it to perform major maintenance on Boeing 737 Wedgetail aircraft here in Brisbane. Boeing Australia has purchased a new hangar at Brisbane airport. It is capable of housing two Boeing 737s. It is the first major infrastructure purchase by Boeing since it relocated its headquarters from Sydney to Brisbane in 1998, so it is a very significant milestone in the development of that company here.

This hangar, which is at the eastern end of the airport's Aerotech Park, is ideally suited to Boeing Australia's needs. We have been very conscious of the need by Boeing to find such a facility, as it is scheduled to begin its maintenance on the RAAF's Wedgetail aircraft in 2008, and obviously it needs somewhere to do it. The government concluded an arrangement that it had—that is, that the government had—with National Jet Systems to construct a new hangar at Brisbane airport capable of accommodating aircraft up to B737 size. The Premier officially opened National Jet Systems' hangar in August 2002. It was built for maintenance of the Qantas BAE146 aircraft, then being used on regional routes. These were phased out and replaced by B717s when Qantas acquired Impulse and merged it with Jetstar. This left the hangar under-utilised, and eventually the Adelaide based National Jets Systems ceased operations in this state. Boeing has now bought that hangar, which will be used initially for support of the AWACS for the Australian Air Force.

As a result of what I think can be reasonably described as very robust management of the QIDS scheme, no moneys were paid out to National Jet Systems, and this goes to the question asked earlier by the member for Maroochydore. The net result is that a valuable piece of infrastructure is now in the possession of Boeing at no extra cost to the Queensland government.

Now that Boeing has its own maintenance hangar, it will be better based to perform contracts for third parties and for Boeing globally. I think it is very encouraging growth to the industry. This will literally mean hundreds of new jobs in aircraft maintenance and it will continue to add to what is a growing cluster of aviation related industries in and around the Brisbane airport. It is a great next step in the development of the aviation strategy.

Mr REEVES: Deputy Premier, the response to the Narangba Industrial Estate issues has highlighted the need for change. Can you detail any changes that might be under consideration in relation to sites like this?

Ms BLIGH: I thank the member for the question. I think it is fair to say that there are a number of lessons for both industry and various levels in government, including state and local governments, out of the experience at the Narangba Industrial Estate. I am happy to advise the committee that the state government is investigating the reclassification of industries that require comprehensive management and location regimes because of their hazardous nature and potential off-site impact.

Businesses which store a sufficient quantity of dangerous goods and/or combustible liquids are currently classed as a large dangerous goods location, better known as an LDGL, or a major hazard facility, or MHF, under the Dangerous Goods Safety Management Act. There are some high-impact industries that require a higher classification than the large dangerous goods classification but fall short of being a major hazardous facility. If you are classified as a major hazardous facility, then you are subject to a very strict and comprehensive regulatory regime which can require very sophisticated approaches to risk management particularly for off-site impact. Queensland currently has about 30 sites classified as major hazardous facilities, but that is really for things like oil refineries, major LPG stores, major chemical plants and explosives reserves. It would not normally apply to something like an industrial estate.

I am proposing to take an enhanced regime to cabinet that will put premises which fall some way short of that major hazardous facility threshold under much closer scrutiny than they would receive as a dangerous goods location, so to find an interim category that will provide a better mechanism to move those industries to best practice. My department is working with the departments of environment, local government and planning, and emergency services on this issue. The government understands the economic contribution of these industries and the employment that they provide, and we will be conducting comprehensive consultation with industries in this category and community representatives throughout the process of reviewing the current regulatory standards.

It is also envisaged that we can see improvements to include the clarity of zoning to better flag to potential residents and would-be buyers a clearer understanding of the industries that exist in their area. Currently these sorts of industries are described as special industries or special development, which I am not entirely convinced provides clear advice to potential residents of the sort of facility that is being operated. You would also be aware that the Department of State Development, Trade and Innovation and the office of the Coordinator-General are working together to identify suitable land for the highest impact activities that are on that site.

Mr WALLACE: Deputy Premier, I have a question on an issue that I am fairly passionate about, coming from the north. I refer to page 3-10 of your MPS. Can you please advise the committee of the role of the government's ethanol industry plan in growing this industry in Queensland?

Ms BLIGH: I thank the member for the question. I can understand why, as a member from the north, he would have this interest. This is an industry of great potential interest, influence and impact on the sugar industry, particularly in your part of the world. I advise the member that the Queensland Ethanol Conversion Initiative, which is part of the ethanol action plan, has allocated \$4.8 million over two years from 1 July 2005. This initiative is designed to assist industry to improve the marketability of ethanol blend fuels and to assist diesel based fleets using ethanol.

Fuel outlets that are providing an ethanol blend fuel have risen to just over 140. This is around 10 per cent of all fuel outlets, so we have some way to go, but what has been achieved in just over 12 months is a great credit to the industry. \$1.57 million of assistance has been approved for activities that include cleaning tanks to store ethanol fuel, retrofitting dispensing equipment, and badging bowlers and sites to identify ethanol products. Fuel distribution tankers and new ethanol storage tanks have been purchased under this initiative, and blending plant capacity has been upgraded.

With regard to diesel vehicles, we funded Redland Shire Council to assist in the conversion of their council fleet to diesel as well as the production of media advertising and promotional materials about this product. The promotional materials have been largely targeted at increasing consumer confidence. If you are going to successfully grow this industry, consumers have to have a great deal of confidence in it. For most people, apart from their house their car is the next most expensive thing they will ever invest in, and quite rightly they are going to be very careful about what they put in it. They want to have some certainty that these new fuels will do no damage to their engine or the long-term performance of their vehicle or, importantly, to its resale value. So consumer confidence has been a very important part of the strategy. We have seen the communication strategy work very hard to dispel some of the myths and fears.

We did a four-week pilot in the Darling Downs of the communications strategy around the +e brand. Recognition after the four-week pilot of the +e brand increased by over 30 per cent, and that saw an increase in the use of the fuel. The government fleet has been directed to use ethanol where available, and I am pleased to advise that we have seen growth in the use by the government fleet on a consistent basis. We have quarterly reports, and that has certainly shown a consistent increase. The government fleet in Queensland is now the largest user of ethanol, with about 250,000 litres every month being purchased. So it is good news for ethanol.

Mr WALLACE: Deputy Premier, I hope you do not mind, but I will stay on the sugar industry if that is okay.

Ms BLIGH: I will not make sweet jokes.

Mr WALLACE: I refer to page 3-21 of your MPS. Can you inform the committee of the progress of the government's groundbreaking Sugar Industry Innovation Fund, designed to keep our sugar industry at the forefront internationally?

Ms BLIGH: I thank the member for the question. The \$10 million Sugar Industry Innovation Fund, or SIIF, was established as part of the Sugar Industry Reform Crop Program and as part of the legislative changes that happened in 2004. Members will be aware that the sugar industry was experiencing some very serious issues, largely as a result of dramatic changes in world prices. The Department of State Development, Trade and Innovation was responsible for the delivery and administration of those funds, although the funds themselves are drawn from my department, from the Department of Primary Industries and Fisheries and from the Department of Natural Resources, Mines and Water.

To date, 95 projects with a total funding of more than \$9 million have been approved and a further 16 projects are in the final stages of the approval process. Projects eligible for assistance have included projects which see the adoption of new organisational systems or technologies—for example, the use of GPS technology for crop management as well as harvesting and transport; adoption of new technologies for sugar milling or refining; and the adoption of new technologies for the production of other products from cane such as bagasse, cane juice, raw sugar or molasses; and the improvement of environmental management systems and planning and implementation of value-adding projects. Before SIIF commenced, grants of just over three-quarters of a million dollars were funded under the Regional Business Development Scheme and the Queensland Industry Development Scheme. These are included in the SIIF total.

These projects have been delivered in each of Queensland's sugar region by sugar resource officers. I think it is fair to acknowledge that the sugar industry has had its ups and downs. The changes to the legislation that are about driving reform in this industry have certainly required the active cooperation of growers as well as millers and other interested parties in the industry. It has not been easy, and I would like to acknowledge what I think has been a very creative and willing attitude to the opportunities that funds like this one provided to growers and the industry. As someone who has been signing off on these grants, I can say that I have been impressed by the calibre of the applications and the willingness to change that is reflected in the technologies that are being applied for and a recognition that the industry has to keep moving forward.

Projects assisted under this scheme were due to be completed by 31 December. Given Cyclone Larry, we expect that some projects will now be delayed and we will of course accommodate that due to the circumstances that are beyond the control of those people who receive those grants.

CHAIR: There is not really time for another government question, so I will call the member for Maroochydore.

Miss SIMPSON: I would also like to ask a question about the Narangba Industrial Estate. With regard to the Narangba Industrial Estate, how much has the state government committed to shifting hazardous industries which are incompatible with a local residential area, and where does this appear in the budget?

Ms BLIGH: There have not been any funds made available in this financial year for that activity because at this stage we are still in the process of identifying possible alternative sites. I have to say that it is unlikely that such a site will be secured and all of the development applications and approvals finalised within the bounds of this financial year. I, along with the Premier and other relevant ministers, have met with representatives of the community group involved with this issue and made it clear to them—and they understand the various issues involved—that it is unlikely that we will have land ready for probably at least 18 months to two years. We will do everything we can to get it faster, but it may be that land will need to be cleared or services may need to be put on it. You cannot just identify a block of land and move people there. We will have to put in place water, sewerage and power depending on where the land is located. So it is not possible at this stage to identify what the costs may be. If it is an unserviced site, obviously they will be higher than for a serviced site.

Until we identify where the land is it is also not possible to identify what the relocation costs may be. I should say that it is something that we will have to be talking with the various industries about. It is not intended that we would simply write a blank cheque to relocate these industries. We will obviously be working with them to provide assistance. They currently occupy sites on freehold land. We will be working with them collaboratively to move them over a period. They obviously would be entitled to sell the land that they hold on a freehold basis and some of those funds could then be utilised for some of the relocation expenses.

Until we actually see what all of the components are it is not possible, without sitting down with each and every one of the industries and considering their financial circumstances. There will be some costs associated with some industries because of the nature of the work that they are engaged in. That

will be different with some of the other industries. It is a relatively small number that fall into this category, but each one of them will have to have their own plan.

I should say that there is very active work happening across my agency, EPA and Local Government as well as with the relevant local government offices, emergency services and the workplace health and safety team out of DIR to ensure that all of the businesses that are currently operating at Narangba are fully compliant with all of the legislation that they are required to comply with, and there is certainly a great deal of effort being put in by those companies to achieve best practice in the management of their businesses. Through no fault of their own, these companies bought at a place which was designated for this purpose. Many of them bought a long time ago—before there were residences in the nearby area. We are certainly going to work to ensure that their capacity to run their business and generate jobs is not compromised.

Miss SIMPSON: The MPS on page 3-14 states that the department's role would be to build Queensland's regions by taking a leadership role in regional economic development. Could you please advise the estimates committee whether you have undertaken an economic impact assessment of the impact of the Traveston Dam upon the Cooloola region? Can you advise how much this decision will cost local industry and businesses?

Ms BLIGH: I can advise the member that to date there has not been an economic impact statement as such. The EIS that is required to be undertaken as part of the processes leading up to the final approval of the dam will be required to look at—it is called an environmental impact statement, but the EIS also looks at social, cultural and economic impacts. We will certainly be expecting that will be part of the terms of reference and that will be part of the work that is done in the impact assessment on the Traveston Dam. I am sorry, I did not hear the second part of the question.

Miss SIMPSON: Do you know how much this decision will cost local industry and businesses?

Ms BLIGH: Obviously, that is something that will be done in the assessment of the impact. While we do not have any firm economic modelling on this, I am very aware that business in the south-east corner, including businesses in and around the Gympie and Sunshine Coast area, will continue to need water and their demand for water is set to continue to grow. While there is certainly no doubt that there will be some impact on businesses in the Traveston area, we also need to be considering our decisions in relation to this in terms of the needs of business right across that area as well as the south-east corner.

Miss SIMPSON: Do you have any ballpark figure at all as to what the economic impact is on that region, particularly given that it could be another 30 years before the final decision is taken as to the next stage of the Traveston Dam? Does your government actually do economic impact analysis of any sort before making a decision like this to blight a community for the next 30 years?

Ms BLIGH: I note the member's lack of support for new water infrastructure in the south-east corner. Our government does not share your views. I think it is well and truly on the record that we believe that south-east Queensland needs water.

Miss SIMPSON: With respect, it is responsible infrastructure—

Ms BLIGH: With respect, I need to answer the questions.

CHAIR: Member for Maroochydhore, I would remind you of two things. One is that it is not appropriate to interrupt the minister when she is answering the question. The other thing is that you are here with the leave of the committee, which makes you especially obliged to treat the minister with a degree of respect.

Miss SIMPSON: It is a mutual thing, Madam Chairman.

CHAIR: Member for Maroochydhore, you do not backchat the chair, thanks very much. I would ask you to withdraw those comments.

Miss SIMPSON: My comments were with regard to the minister, who referred to the fact that I was not supporting infrastructure.

CHAIR: Member for Maroochydhore, I ask you to withdraw.

Miss SIMPSON: If the chair finds that offensive I would ask that the minister also withdraw the offensive comments.

CHAIR: Member for Maroochydhore, I ask you to withdraw.

Miss SIMPSON: I withdraw whatever the chairman finds offensive and I ask the minister: what economic analysis has been done of this impact on this community which will occur for the next 30 years?

Ms BLIGH: I think I have answered the member's question in relation to that in my answer to her previous question. All of the details that I think you are asking for will be done as part of the EIS, as it is with all EIS work. I reiterate our determination to provide water not only for the residents of south-east Queensland but also for the businesses and industry of south-east Queensland.

I would also like to advise the member, although I am sure she has probably seen some of the material, that Major General Peter Arnison has been asked to lead a task force that is working with the local community and with local businesses essentially to look at creating futures for many of those businesses within this area. While you are absolutely right that there will no doubt be some impact on businesses, there will be some businesses that may, in fact, in the long term benefit because they will be able to relocate. We are looking at everything from working with the local government to redraft their planning schemes to allowing for higher development in some areas so that some people can actually relocate and stay within the area. We are looking at working with local businesses to ensure that in the short term, the medium term and the long term they can be best placed to ensure long-term opportunities to continue to employ people and have viable businesses.

I can advise that the department of state development, which has centres in Maryborough, Caboolture and the Sunshine Coast, has held discussions with over 20 businesses to collate information related to the effect of the proposed dam on the business community in the Mary Valley. Initial consultations commenced on 6 July and they are expected to continue over the next four weeks. Once the initial consultations with affected businesses have occurred, government will be in a position to clearly identify the areas of need and determine what support might be needed in the immediate and short term to support those businesses. I should say that Peter Arnison's task force will be assisted by representatives at a senior level, including DGs from agencies who have a role to play in creating futures for this community, including the department of state development.

Miss SIMPSON: I refer to page 3-13 of the MPS and specifically the 43 Indigenous businesses assisted under the Indigenous Business Development Grant Scheme. How much taxpayers' money has been placed into these businesses and how many of those businesses have been effectively shut down by your government's wild rivers legislation?

Ms BLIGH: The answer to the second part of your question is that as far as I am aware there are none. In answer to the first part, I am trying to recall. I think there was a question on notice—I will just get the list of the 43. Do you want me to read that to you?

Mr REEVES: I think it was part of a question on notice.

Ms BLIGH: I thought there was a question on notice. Maybe it was an earlier one. I will get you the list. I take that on notice.

Miss SIMPSON: Thanks very much. I have another question following on from question on notice No. 8 with regard to grants and other assistance. What is the full cost of administering all of the grants programs in your department and what is the total amount of grants and assistance administered by your department?

Ms BLIGH: Can I just clarify what you are seeking with the first part of the question when you say 'what is the full cost of administering'?

Miss SIMPSON: The cost of administering grants, the cost of assessing grants—the whole process around that. I am wanting to find out what the on-costs are with regard to actually administering your grants and assistance programs but also what is the total amount of grants and assistance that your department administers.

Ms BLIGH: Obviously, depending on the size of the grants program the actual percentage is going to vary. As a rough rule of thumb, on average you would expect to see the total administrative costs amount to about 10 per cent to 15 per cent of the program. As a percentage it is hard because if you have a very small program you still need one body to administer it. That might make it look like a slightly higher percentage. As a general rule of thumb, administrative costs are in that order in most agencies. I would expect you would see that on average. I am not in a position to give you the entire calculation here. The second part of the question in relation to the total grant funds—

Miss SIMPSON: And assistance, yes.

Ms BLIGH:—across all of the grant programs amount to, I am advised, about \$149.3 million. You will find it on page 3-19 of the MPS in the output statement. That is the industry funding programs. That is just the business and marketing development services and innovation. That is the total. Can I revise my answer to the first part of the question? I am advised by the director-general that the total cost of administering the \$149.3 million of grants is \$4.08 million, which is just under three per cent of the total. It is much better than I estimated.

Miss SIMPSON: With reference to the review of output performance of international trade development outlined on pages 3-20 and 3-21 of the minister's MPS, could the minister please detail the name of each company, the type and value of support or assistance granted and the individual value of contracts secured by seven Queensland companies identified under the Middle East Export Strategy, the four Queensland companies identified under the India East Export Strategy and the Queensland companies identified as securing \$8.8 million in the export sales under the South American mining initiative?

Ms BLIGH: I am happy to take the question on notice and provide you with the names of all of the companies. All of those areas that you identified are emerging markets for Queensland. We have been doing quite a lot of work in each of them. I am very happy to take the opportunity to place on record my thanks to Mike Ahern, who is the Trade Commissioner for the Middle East and India, who I think is doing an exceptional job at identifying opportunities for Queensland companies—both of those for different reasons. They are difficult markets but potentially very important ones. India particularly is a market that is growing in significance. The work that is happening there in all sectors, including the development sector, is work that we are very keen to make sure Queensland companies have access to. You would be aware that we have recently opened a trade office in Bangalore. Equally, the Latin American market, particularly in beef and mining—two very strong traditional strengths for Queensland—is a market in which we are seeing growing relationships between Queensland companies and investment from that sector. I am happy to provide you with a list of those companies on notice.

Miss SIMPSON: Thanks very much, Minister. I think we are really out of time. Thank you very much for your answers.

CHAIR: The time for non-government questions has expired. There are about 15 minutes to go for government questions. I call the member for Cleveland.

Mr BRISKEY: I refer to your Ministerial Portfolio Statement at page 3-11, where it refers to the launch by your department of a three-year fibre composites action plan, and I ask: could you outline how this plan supports the advanced manufacturing industry in Queensland?

Ms BLIGH: I thank the member for the question. He is right. We did launch in April this year a \$2.3 million fibre composites action plan. It was the culmination of a great deal of work and thinking about how we could advance this area of activity in a Queensland context. The plan includes some 50 initiatives that are designed to drive growth in the fibre composites industry. The plan builds on investment by government in what is a very exciting emerging technology. This includes funding for the Centre of Excellence in Engineered Fibre Composites and the supporting Wagners manufacturing facility in Toowoomba.

Applications for fibre composites span a range of very diverse sectors including the aerospace, marine, infrastructure, construction and transport sectors. Specific activities under the plan to date include working with Energex, Ergon Energy, the Department of Energy and the Energy Networks Association to develop a comprehensive business case for the use of fibre composites in power poles. This work is actually occurring in Energex and Ergon. If we can demonstrate the business case for further use of these materials then we expect to see substantial export markets emerge. We are also working with the CRC for Advanced Composite Structures for collaborative opportunities in the aerospace, marine and construction industries.

Further 2005-06 projects include Australian Aerospace's multimillion-dollar high-tech aviation manufacturing facility in south-east Queensland. Smart State funds and collaborative manufacturing grants totalling some \$5 million have been awarded to Australian Aerospace, the Centre of Excellence in Engineered Fibre Composites in Toowoomba, the Queensland Centre for Advanced Technologies and the Centre for Hypersonics at the University of Queensland.

This material gives us the long-term potential to significantly reduce our reliance on timber. Not only does it assist us in preserving extensive forest reserves but it provides a lesser reliance on timber. An increasing ability to use this material means that the maintenance budgets and replacement budgets of large service delivery agencies such as our energy GOCs should over time be significantly reduced. The life of this material in things such as power poles is two to three times higher than the current materials. There are very good reasons for us to be investing in research in this area and very good reasons to be supporting those companies that are doing extensive R&D into further applications for the material. We think about it in a big industrial context. At the launch we saw a violin and a surfboard that had been made from fibre composites. It is the only surfboard in the world that you can put your full weight on when it is on the ground.

Mr BRISKEY: Further down page 3-11 there is mention of business migrants. Could you advise the committee of how the government's business and skilled migration program is benefiting the Queensland economy?

Ms BLIGH: I thank the member for the question. I know the member's interest in the work of creating and sustaining multicultural communities. I take the opportunity to reaffirm our government's commitment to the recognition of the very significant contribution that migrants make to the economy of Queensland not only now but the very significant contributions they make in the development of particularly our major industries.

The Queensland government sponsors migrants with business, professional, technical and trade skills as needed into Queensland. We particularly do a lot of work with local governments to identify regional specific skill shortages. Queensland actively markets to prospective migrants in a number of these areas, including migrants who due to age or financial status or language ability may not have been previously considered under other visa programs.

Skilled migration marketing is vital to ensure that we remain competitive against other states and indeed other countries. I am sure you are aware of the skill shortages being experienced across Australia. Other states are aggressively out there as we are. We need to make sure we are continually working in this area. For example, staff from the Queensland Government Trade and Investment Office recently attended the London Emigrate 2006 exhibition to promote and recruit for specific skill shortages in key industry sectors.

I turn to the numbers sponsored in 2005-06. We saw 1,030 migrants sponsored to come into Queensland, including 346 under the business skills migrants classification and 684 skilled migrants. Those migrants have the potential to address skill shortages in regional areas. Some skilled migrants have chosen to settle in Cairns, Mackay, Maroochydore and Toowoomba. The main occupations that we have seen have included welders, meat workers, engineering tradespeople, general mechanical tradespeople, nursery workers, graphic designers and related areas.

The government provides pre and post arrival support and a comprehensive migration web site to support these relocations. We also provide a range of business support services through the business migration unit. We network overseas and with our regional offices. We will continue to encourage skilled migrants to come to Queensland and make the valuable contribution to our economy and our community that they have made to date in the development of Queensland.

Mr REEVES: I refer to page 3-11 of the MPS. Can you outline to the committee the jobs generated through initiatives and incentives to attract industry to Queensland?

Ms BLIGH: I thank the member for the question. As you would be aware the Queensland government very actively works to attract and promote new investment in Queensland ultimately because we believe it is the best way of supporting job creation. The Department of State Development, Trade and Innovation has worked to raise Queensland's profile under the Invest Queensland banner. In recent years we have seen very strong performance with investment into Queensland surpassing \$20 billion in the 2004-05 year. That is the result of the work of this area.

The government's focus has been to grow Queensland strategically in line with the Smart State vision, but we are not being complacent about the achievements. We are determined to grow them. To that end we have this year launched a substantial upgrade and renewal of the Invest Queensland program.

Some of the work in 2005 included the attraction of some 11 companies. It is estimated that these companies will create 531 new jobs and invest \$260 million of capital expenditure into Queensland. They include the following in the manufacturing sector: Visy, with its Yatala packing plant which is set to create 84 jobs; the Smorgon manufacturing line at Acacia Ridge creating 80 jobs; Boral's new plant at Australia Trade Coast which will create 17 jobs; Ecotech Biodiesel's Narangba plant creating 15 jobs; SI Powders's concrete plant in Toowoomba creating 17 jobs; CMI Water's Bundaberg plant creating 18 jobs; and the Contact 121 Gold Coast call centre creating 100 jobs.

In the aviation sector the Jetstar Cairns flight and cabin crew base has attracted 135 new jobs. In the ICT sector, RSA Security has relocated to Brisbane bringing 20 jobs with it. In terms of head offices, Lihir Gold has determined to locate its Australian head office in Brisbane creating 27 new jobs. The QIIS program has supported five of those 11—Lihir, Jetstar, Visy, Boral and Cement Australia—with a total of 281 jobs. Other sorts of support and facilitation include, as I outlined before, identification of appropriate land, working with local government to facilitate approvals and assisting to access skilled labour.

Mr REEVES: I refer to page 3-3 of the MPS. I think you would agree that the south side of Brisbane is the innovative hub of Queensland. Could you give the committee greater detail on the proposed Boggo Road ecosciences precinct and the health and food science precinct at Coopers Plains?

Ms BLIGH: I thank the member for the question. There is nothing like having a fellow south sider on the committee. In answering your question can I just add to my answer to the last question. It is partly in answer to a question raised earlier by the member for Maroochydore about the effectiveness of milestone monitoring in all of the industry assistance programs. I would like to acknowledge that the commercial advisory services unit of the agency which provides assistance to all of the program management and the quality assurance of those programs was a finalist in the Australian Business Excellence awards held in Sydney in June 2006. We understand that it was one of three public sector entities that were finalists and recognised. When we see that calibre of work it should be recognised. I put that on the record.

Can I turn to the member's question about Boggo Road because it is a very important opportunity on the south side of Brisbane to see further economic development of that part of the city. It is a great opportunity for us to advance through that land the Smart State strategy. What we will see there is a \$290 million investment over four years into the ecosciences precinct and the complementary health and food sciences precinct at Coopers Plains, with \$17 million to be invested in 2006-07 and due for completion in 2009.

In terms of collaborative research facilities we will see some 1,200 scientists employed with researchers from a number of government agencies, including potentially the CSIRO. These new precincts will focus on environmental issues and health and food sciences. It will see the relocation of some existing research groups and bring them all under one umbrella and create some real synergies with a cluster environment.

State employees to be relocated are being regularly consulted and advised of the development through the QPSU. The Department of Public Works is responsible for the Boggo Road urban village project which will complement the ecosciences precinct. There will be some \$335.5 million in projected construction costs for both the knowledge precincts and the Boggo Road urban village. A further \$216.6 million is expected to underpin the Boggo Road busway development. The Department of Public Works lodged a development application with the Brisbane City Council for the future urban village and have contracted Thiess to undertake site preparation work.

Community consultation has begun with a newsletter being distributed and with a public information session to be held in July and August 2006. The sites currently occupied by the government research groups may be vacated after completion. These include Sherwood, Yeerongpilly, Indooroopilly, Hamilton and Deception Bay. We may see further development on those sites when the facilities are relocated.

Mr WALLACE: I was in Beijing earlier this year and had a look at some of the clean coal technology. I refer to page 3-4 of the MPS and the demands on energy production in Queensland which are substantial and growing. Can the Deputy Premier outline what the government is doing to address the issue of emissions associated with our growing energy needs?

Ms BLIGH: I thank the honourable member for the question. I know of his interest in the coal sector generally. We determined as a government to ensure that we are not only in a good position to meet our own energy demands in a way that is environmentally responsible but we are also determined to participate in world activities to develop low emission technologies that ensure the future markets of our coal industry around the world and particularly into Asia.

The clean coal action plan is being prepared and is due for release in December 2006. The centrepiece of that clean coal action plan will be our recently announced intention to invest considerable funds, some \$300 million, through the Queensland Future Growth Fund into supporting the development of clean coal technology. To that end we hope to work collaboratively with the Commonwealth government, which has similarly made funds available, and industry through the Coal 21 Alliance. We believe that this is not only an obligation that we have as a major coal producer; it is also in our interests in the long term to not just secure those long-term markets but, as you identified, to address our growing energy demands.

For the sake of the committee I point out that I indicated earlier in reply to a question from the member for Maroochydore that I would take on notice a question about five companies that had received QIDS grants and failed or not met their targets and had those grants withdrawn. I indicated that I would provide the names of those companies. I am advised by the department that we are referring to a number of small and medium enterprises which are, by their nature, at a higher risk than major companies of becoming unviable.

The advice is that it would potentially have adverse effects on these companies that are already running on a marginal basis for us to come out with what would be very critical information. I am happy to have a look at how to provide some overall statistics and maintain the confidentiality as the ABS does in relation to this. I will come back to the member for Maroochydore with something that I think is reasonable without jeopardising the viability of some pretty small companies. I will do what I can to provide as much information as possible.

CHAIR: Thank you very much for that. The time for questions relating to the Department of State, Trade and Innovation has concluded. Before we let you go, I remind you that you have until 10 am Friday to provide answers to questions on notice to the research director. We thank you very much for your time and for that of the officers who have accompanied you.

Ms BLIGH: Before concluding I take the opportunity to thank the members of Estimates Committee A. I take this process very seriously. I believe it is an important part of the accountability mechanisms of the parliament and of the government. I thank the members of the committee for the work that they have put into ensuring that there is substantial questioning. Can I also thank the officers of the department of state development and the officers of the parliament who have assisted in making this a successful opportunity for me to answer the questions and address the interests of the committee. I wish you all the best for the last sessions and hope you get more jokes.

Sitting suspended from 4.31 pm to 4.43 pm.

ESTIMATES COMMITTEE A—PUBLIC WORKS, HOUSING AND RACING

In Attendance

Hon. RE Schwarten, Minister for Public Works, Housing and Racing

Department of Public Works

Mr M Grierson, Director-General

Mr M Smith, Deputy Director-General, Works

Mr T Waters, Deputy Director-General, Services

Mr T Woodward, Director, Finance

Mr J Fennell, Assistant Director Budget, Finance (Acting)

Mr D Gilbert, Director, Built Environment Research Unit

Department of Housing

Ms N MacDonald, Director-General

Mr I Fulton, General-Manager, Housing Finance

Mr D Short, Manager, Financial Strategy and Performance, Housing Finance

Mr I Jennings, General-Manager, Queensland Building Services Authority

CHAIR: It being 4.43—I note that we are starting two minutes early and therefore will finish two minutes early—the Estimates Committee A hearing is now resumed and the portfolio of the Minister for Public Works, Housing and Racing will be examined. This session will examine the Department of Public Works. I welcome the minister and his advisers.

The time limit for questions is one minute and answers are to be no longer than three minutes. A 15-second warning will be given prior to the expiration of these time limits. An extension of time may be given with the consent of the questioner. In accordance with the standing orders, at least half of the time available for questions and answers will be allocated to non-government members. For the benefit of Hansard, I ask agency officers to identify themselves if the minister refers them a question to answer. Just so you are clear, that needs to be the case each time the minister refers a question for you to answer. I declare the proposed expenditure for the portfolio of the Minister for Public Works, Housing and Racing to be open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, would you like to make an opening statement?

Mr SCHWARTEN: Thanks very much, Madam Chair, and I look forward to the opportunity of putting the Department of Public Works, Housing and Racing before your committee. The 2005-06 year was another big year for the agencies within my ministerial responsibility, especially with Cyclone Larry hitting north Queensland in March. I want to place on the record my appreciation to all of the public servants from Public Works, Housing, the BSA and the RTA who have worked so hard and are continuing to assist with the rebuilding efforts. At the peak we had over 100 Q-Build staff from across the state helping.

The state government's coordinated approach highlights how important it is to retain our Public Works business units, particularly our day labour force in Q-Build. I went to Innisfail the day after the cyclone hit, along with the director-general, and I saw firsthand the emergency response work Q-Build was doing erecting tarpaulins and shifting dangerous debris. What really hit home was how insurmountable the task would have been if we did not have Q-Build, given the current shortage of tradespeople in the construction industry. We know that members on the opposition believe that government businesses like Q-Build and Q-Fleet should be sold off. The Liberals and Nationals think that the government should not be in the business of directly training trade apprentices and maintaining a day labour force. This is not the view of our government. Thankfully for the victims of Cyclone Larry, we understand the invaluable service these business units provide government and Queenslanders across the state every day and in a crisis.

On other fronts, the Department of Public Works is continuing to manage construction on several major capital works projects. Even though the building industry continues to experience resource shortages and price escalations above CPI, projects are progressing well. The \$40 million Gabba stadium redevelopment was completed and we are now focusing on the new \$160 million Gold Coast stadium in the member for Robina's electorate. The Millennium Arts redevelopment at South Bank continues to be a complex project but remains on target for a pre-Christmas opening. The performance

of the business units continues to reflect the pressures facing industry. While Q-Fleet and CITEC have had a tough year in highly competitive markets, SDS has moved from a loss last year into a million-dollar profit this year. Regardless of industry trends, since commercialisation the average annual profit of Public Works's combined business units exceeds \$20 million a year.

Q-Build also took on a further 101 trade apprentices and trainees, helping meet the skills shortage in the industry which is a direct result of the Howard government's failure to invest in training. The Howard government's hands-off approach to Australia's housing shortage continues to hurt thousands of Queenslanders. In booming communities like Mackay and Emerald there are no private rental options for people on moderate and even high incomes. As our population grows, the private rental market is failing to provide enough accommodation. In fact, 15,000 affordable private rental homes have come off the market since 2001. In other words, the Howard government's private rental market is in a state of collapse in Queensland and there has been no response to fix it other than to blame the state. And I am yet to see any housing policy from the Queensland Nationals or Liberals.

In March this year I unveiled a new housing policy proposal, Homelink, which aims to boost the supply of affordable housing in Australia by linking government housing assistance and private property investors. We need a national approach to housing underpinned by a financial and policy commitment from all levels of government. Despite the Howard government turning a blind eye to the housing crisis for the past decade, the new minister responsible, Mal Brough, has agreed to meet with me to discuss Homelink. Once again, I have received no interest or support from the Queensland Liberals or the Nationals about Homelink.

I would like to finish by discussing the poor state of housing managed by Indigenous community councils. The photos on the screen show how dire the situation is. These councils are responsible for more than \$35 million in unspent funds in 2005-06, but at the same time eight councils have accumulated rent arrears totalling over \$100,000. Worse still, some of the largest rent arrears are from councillors themselves. I have been on the record for a long time saying that this situation cannot and will not be tolerated. From this month the Department of Housing will be implementing a new housing service delivery model to improve the standard of housing using Q-Build, improving rent collections and offering councils the opportunity to divest tenancy management functions to the department. I look forward to answering any questions that you have regarding the MPS. Thank you.

CHAIR: Thanks, Minister. I call on the member for Surfers Paradise to commence questioning.

Mr LANGBROEK: Thank you, Madam Chair. I welcome departmental staff and bureaucrats and thank them for their attendance. Minister, my first question is about the commercialised business units. I am a little perplexed that any question in the questions on notice—there were three of them—would be seen as a continued attack on the business units when I think they were pretty fair questions. What are the criteria that the government uses to determine what commercial businesses it should be in? Do you equip them—that is, the commercialised business units—with the necessary materials to enable them to be competitive?

Mr SCHWARTEN: I will answer your first comment first. The bloke sitting next to you is well known on the record in these estimates for criticising us for being in businesses like Goprint.

Mr SPRINGBORG: Robbie, be nice!

Mr SCHWARTEN: It is true! And when he was minister for education—

Mr QUINN: You did not have anything to say when I went through that at the time.

Mr SCHWARTEN: That is true, too. As I said last year, there is a fundamental difference between the honourable member and me on this.

Mr QUINN: True.

Mr SCHWARTEN: It is an ideological difference that we have, and I have always said that that is the case. We will always be at odds on what businesses we should be in. The reality is that I see the businesses in building and training service delivery and in the printing industry as core businesses that this government should be involved in. It is interesting that one of the privatisations that you wanted to go down the path of when you were in government was the privatisation of the home insurance scheme. If you go to Victoria today the National Party is telling the Labor government down there to do what we did in Queensland. So when you ask the question about what businesses we should be involved in, I believe that we should be in the business of running government, and that needs as many and as necessary numbers of businesses as we need to do it—Project Services, SDS, Goprint, CITEC and Q-Fleet particularly. Ask the Western Australian government what it cost them when it privatised that and it is back doing it.

The short answer to your question is: as many businesses as we necessarily have to do and, yes, we provide them with the level of support by way of CSOs where necessary and whatever other support we can to assist them. That does not mean that they can rest on their laurels or that they are in the business of putting anybody else out of work. But the reality is that we need those industries to continue.

As I said in my opening statement, if we did not have Q-Build and we did not have Q-Fleet and we did not have a statutory insurance scheme and we did not have an RTA or a Project Services, then the situation in Innisfail and environs up there would be much, much worse than it is. You only have to go up there to see that the houses that we have had to look after—our own properties—have roofs on them and the ones being looked after by private insurance companies are not in that state. They are not in a state of grace at all. The complaints that I get from madmen like Katter are to blame the state government and blame the federal government for not doing enough when we are doing everything we can and it is the private sector and not the public sector that is letting us down.

Mr LANGBROEK: Thanks, Minister. I am interested to hear you say that you do supply them with the necessary materials to enable them to be competitive, but I note that at page 1-99 Goprint constantly blames for its losses the highly competitive nature of the printing industry and the fact that it is operating with ageing equipment and technology. I note that you have not allocated any funds in the capital expenditure and the capital statement for property, plant and equipment for last year or for this year. Minister, how is Goprint ever going to be able to compete and stop haemorrhaging losses of \$1.8 million this year and \$6.8 million cumulative over five years unless you inject some capital funds?

Mr SCHWARTEN: I agree, and that is exactly what is going to happen. We went through a midterm review and put up a submission, because Goprint has been reviewed and reviewed and reviewed over a long period of time. There is a view out there in the printing industry that we should not be in it. They have lobbied hard and fast to get us out of it. We have worked cooperatively with them, but as a result of the midterm review that we have done more funds are going to be available to Goprint this year. In fact, the decision has been made—and I have it here—about what will be made available. I agree with you entirely: you cannot have a situation where this just dies on the vine, and that is the argument that I put up to CBRC and it has been accepted.

Mr LANGBROEK: It is not in this budget, though, Minister.

Mr SCHWARTEN: No, it is not.

Mr LANGBROEK: So will you release details of that?

Mr SCHWARTEN: It is going to be in the order of \$4.5 million.

Mr Grierson: The equipment that will be ordered will be in fact to replace some 22-year-old presses that are obsolete and are breaking down regularly. We are not replacing all of the equipment. We are concentrating on that equipment that is required to ensure that the reserved services—*Hansard*, budget papers, CMC reports—are able to be produced. So that is the equipment we are concentrating on.

Mr SCHWARTEN: Just to follow that point on, what we have found out of those reviews—and Tony Waters might want to add a little to it as well—is that we are not in the business of trying to grow it out further. We are looking at what it can do and what it should do. I, for one, do not believe that things like the budget should be printed by private enterprise and nor should the *Hansards* that you get every morning. You see the Goprint truck pull up here every morning. I think those reserved services, as Mal terms it, are things that we should not be throwing away into private enterprise. Goprint has never let us down on a budget, ever. It has always had one on time. Every morning you get your *Hansard* and so on which requires an effort. We are not going to be in the business of all of the things we used to print because we simply do not need to do it. There is a private enterprise role. When it is all said and done, Goprint is doing about \$15 million worth of printing. There is probably \$100 million out there in government all over that agencies are not tied to Goprint for. Again I say that the CSO that goes into it is something that I am quite happy with and the extra money that is going to go into the capital investment of it will assist.

Mr Waters: The only point that I can add to that is that Goprint has been hamstrung for some while in being able to process the government work that is available to it simply because it has been trying to operate on very old and antiquated equipment. It has been recognised that it needs essential new equipment so that it can do that government work that is coming to it but has not been able to process at the current time. We could add, Minister, that the Service Delivery and Performance Commission has been appointed by the government to look at the business units and will be looking at Goprint in due course, but we have moved to get some new equipment for Goprint in the short term to keep it through to that time.

Mr LANGBROEK: Thank you. I turn to CITEC now. I note that CITEC lost \$5.1 million last year. It is budgeted to lose \$6 million this year. I just want to refer to the program initiative and project reporting—PIPR—which was implemented by CITEC in 2004-05, a computerised system to monitor and report on ICT and governance projects. I refer, Minister, to your response to question on notice No. 2 for this committee, in particular where you failed to provide information in relation to CITEC or Project Services on the question that I asked about all divisions on how many projects were undertaken in 2005-06, how many projects are running behind schedule and over budget, how far they are behind schedule and how much they are over budget. My question is: why have you not provided the requested information in relation to CITEC or Project Services? Why are you consistently approving failing budgets rather than rejecting them and asking them to do better?

Mr SCHWARTEN: I think in Project Services' case it made a profit this year of about \$15 million. So I do not think that it is struggling. Project Services carries out thousands of projects—4,500 at the moment on the books for Project Services. We had the same issue last year. The amount of time taken to go through all of those projects is just unbelievable and, quite frankly, in my view a waste of public servants' time and a waste of taxpayers' money. That is the reason that that one is applied like it is.

On the other hand, CITEC has been a challenge. It came over to us after the last election. It is another one that has struggled to find its place in government. That is why the performance commission has reviewed it. Last year at estimates the director-general advised that it was going to be reviewed. That review has now been finalised. I am aware the director-general has a copy. I might let Mr Grierson answer because he is on the board of management.

Mr Grierson: Yes, the commission has completed its review into CITEC. It really is a review into ICT governance across the whole of government, not just CITEC, but CITEC obviously is a vital component of that. I am on the steering committee for that review together with a couple of directors-general and the Under Treasurer. The draft report has been completed. I read it over the weekend. There were some changes to be made. It will go to the commission this Friday. If the commission accepts the report, my understanding is that it would go to the Premier within the next week or two. Then I suspect it will be tabled in parliament probably August or something around that sort of date. The review has been completed and has discussed the future of CITEC within government ICT.

Mr SCHWARTEN: What about the number of jobs by CITEC?

Mr Grierson: CITEC is a service bureau providing ICT services to government and to some private sector clients. I do not have a list of the jobs but, like Project Services, there are thousands of jobs that CITEC undertakes for clients. The Confirm system for a start would have tens of thousands of customers and client inquiries every year. I just could not possibly identify every project that CITEC undertakes for you. It would take years.

Mr LANGBROEK: That is fine. Had it just been covered by the description you had for the Department of Public Works I would have been content with that, but it was just that there was no mention of either of them. I am happy to move on then to Q-Fleet. I note that Q-Fleet, which lost nearly \$10 million last year, is now costing nearly \$1 million a month. When I read the 1999 estimates transcript you said that it was costing the Western Australian government \$1 million a month because they got rid of their version of Q-Fleet and that that is why Q-Fleet should be kept in Queensland government hands. How much is budgeted for Q-Fleet to actually spend this year up from the \$150 million in the budget given that it has spent nearly \$50 million more over the last three years than was budgeted for? Does this extra money for cars mean that less money is available for hospitals, schools, police and teachers?

Mr SCHWARTEN: Thanks. You have picked the year that it has had a bad one but you have not picked the one when it had a good one. I invite you to get hold of the Western Australian *Hansard* from the minister who took over from the debacle and actually assess what that ended up costing the Western Australian government. That was the deal that was on the table here which my old mate David Watson was ready to sign up to—a deal with Macquarie Bank. It was exactly the same deal here in Queensland.

Had we gone down that path, we would have lost in the vicinity of \$80 million that we have got out of that business unit that has gone into schools, hospitals and so on because it has been returned back along the way. That money has stayed in government. This year we are going to cop a hit on it. We are not Robinson Crusoe. I read that General Motors is going to cop a \$10 billion hit on their car business. No-one is suggesting that they get out of the car business, and neither should we.

The fact is that over that period of time they lost \$90 million in Western Australia. I am not convinced that governments ought to be out of car fleets and there is none other in Australia, as far as I know, that is not going back to it. I remember the cute statement by the Victorian minister—because they think that the world starts and ends in Victoria and they are only surmounted in that by the New South Welshmen. Both of them have been down this path, both to their regret. In terms of the direct question on the finance, I will ask Tony Waters to answer that.

Mr Waters: As we know, Q-Fleet is in the business of buying cars and leasing them within the Public Service. When those cars are purchased, Q-Fleet needs to determine the residual value—the sale value—at the end of the lease period. If the market shifts during that intervening period from when the vehicle was purchased, then when Q-Fleet resells the car—as the problem has been in the last year—it has not been realising the resale value of the car. There are a couple of things that are happening there to overcome that. In relation to what we are spending in the next year, the government has decided to move a lot of the larger cars to three-year leases. Therefore, there will be fewer purchases of motor vehicles and a slower turnover of the fleet.

On page 1-89 of the MPS under cash outflows, payments for property plant and equipment, you will see that the outflow next year is expected to be \$150 million—down from \$165 million in the current year. That reflects the fact that there will be fewer vehicles purchased as more vehicles are held in the fleet for a longer period.

Mr LANGBROEK: Can I move now to Project Services. In the last financial year the integrated transport planning section of Queensland Transport was moved into new premises in Cromwell House, 200 Mary Street, Brisbane. Can you confirm that the move was botched by your department and that the delays to the project resulted in a \$400,000 blow-out in costs for double rent being paid over a considerable period? Can you also confirm that the building is still not fully operational? What was the total cost blow-out for this relocation job? How many other blow-outs in costs have been there in Project Services and Public Works delivery of departmental relocations?

Mr SCHWARTEN: No, I am not aware of that, but there will be someone here who had better know the answer to it. We will have to take it on notice.

Mr Grierson: This is news to me, too.

Mr SCHWARTEN: Obviously, you have someone leaking you a story there. We will follow it up. I will undertake to get back to you as soon as I possibly can with that answer.

Mr LANGBROEK: My second question is a follow-up to that one. Can you confirm, as a result of the bungling of the defects created by Project Services and Public Works in the 200 Mary Street fit-out, which is still unresolved, the 350 staff still cannot use facilities because the building's owners will not approve use as a result of repeated requests to the department to have these defects to the building fixed? Will you take that on notice as well?

Mr SCHWARTEN: No, I cannot. It is the same as the previous answer. No-one here is aware of that. A roomful of public servants, including him who runs Project Services, does not know about it. I take seriously what you are saying and we will get it looked at as quickly as we can.

Mr Grierson: Can I just confirm that it is 200 Mary Street?

Mr LANGBROEK: Yes, Cromwell House.

Mr Grierson: A private sector building?

Mr LANGBROEK: I have 'moved into new premises in Cromwell House, 200 Mary Street, Brisbane.' I move on to the BSA. Are you aware of claims that the termite product Termimesh is unfit for the purpose for which it was designed due to problems with corrosion which enables a breaching or bridging of the system? Can you provide an assurance that 304 grade stainless steel mesh—a grade that is exceedingly prone to corrosion—has not been used in Queensland homes, schools and government buildings? Are you aware of failures with the Termimesh system in schools in Townsville, Forest Lake, Boonah and Benowa where chemical applications were required to remove termite infestations?

Mr SCHWARTEN: No, I am not aware, and you are not aware that the BSA is under DPW, either. So we are square. It is under Housing, actually.

Mr LANGBROEK: Traps for young players, Minister.

Mr SCHWARTEN: That is all right. We have the BSA here, but there is some application with Project Services as well. I have not received those complaints from anybody. I do not know whether you have, Ian.

Mr Jennings: Termite infestations are down at the BSA. They have not increased over the last 12 months. I am unaware of any Termimesh problems in Queensland with regard to their product.

Mr LANGBROEK: Okay. Thank you.

Mr SCHWARTEN: I have had a local pest controller tell me recently that we are getting the big termites from up in the Northern Territory—of the name about that long—and he was questioning me as to whether Termimesh was appropriate. He was not able to point out to me any failures anywhere, but I know that there is a group of people out there in the pest industry who say that Termimesh does not work. Project Services is not aware? Q-Build is not aware of any? Anyway, you have given specific instances. What were they again?

Mr LANGBROEK: They are in the *Hansard*—Townsville, Forest Lake, Boonah and Benowa.

Mr SCHWARTEN: We will get it out of *Hansard*. It will be right.

Mr LANGBROEK: I have a quick question about racing. I refer to your answer to a question on notice that the government gives only \$2.2 million to racing but you are happy to subsidise the business units to the tune of millions of dollars. I am wondering why you did not devolve responsibility for financial self-management to the business units which lost nearly \$17 million—CITEC, Q-Fleet and Goprint—in this last year as you have done for the racing industry?

CHAIR: It was my fault that you were running out of time so we are happy to extend the time if you need to.

Mr SCHWARTEN: It is a good question. Again, it is an ideological view. The interesting thing about it is that there is something that precludes me from making a business unit out of racing and that is the Australian Racing Board. As you well know, the Australian Racing Board sets the rules for racing.

I have never been able to really point to a good reason why you have a racing minister, quite frankly. I have said that before, because the government does not set the prize money, it does not set the field and it does not set the race dates. It never, ever has provided prize money. It gets a lot of blame and a lot of grief over these things; whereas, in fact, the control body that we have established takes that corporate responsibility and puts it squarely on the shoulders of the industry. We are not going to privatise the business units and racing has never been anything other than privatised. But anyway, it is a good question.

CHAIR: The time for non-government members has expired. I call the member for Thuringowa.

Mr WALLACE: I am personally aware that you spent a considerable time in Innisfail after Tropical Cyclone Larry. Page 1-67 of the MPS mentions some of the activities that your department became involved in at that time. Can you provide details of this involvement?

Mr SCHWARTEN: Yes. I thank the honourable member for the question. As I indicated this afternoon, Cyclone Larry was a real test for all the business units that seem to be the topic of discussion today. We had 100 Q-Build personnel there, including the group director and three regional managers within days. I was on the site the next morning. The Premier was there on the Monday night. We went from the Mackay cabinet meeting. Mal Grierson and I went on to Cairns, along with the police minister and the health minister. We were in there the next day. The place was a shambles.

I want to pay particular tribute to Allen Cunneen, who is the group director and who played a great role. He was able to put together a very good team of people. That is just the Q-Build side of it. It was refreshing to see that. The Q-Build blokes themselves from out of Innisfail, many of whom had their houses blown down, were out there pliering up the windows of the school the next morning. That was really a great effort from those blokes there. I am glad that you were able to shout them a beer at the end of it, Mal.

A total of 156 state schools were closed due to safety considerations. Q-Build staff put tarpaulins on roofs, removed damaged carpets and furnishings and loose debris, replaced windows and cleaned up the broken glass to ensure that students had a safe passage through the grounds and the school blocks, and checked the power supply to each building. SDS supplied 12 classrooms with furniture. Only seven out of the 156 schools remained closed by the following Monday, which is a colossal effort and which would not have happened if we did not have a Q-Build, I can assure you of that.

Innisfail State High School lost its wing. There was a bit of a funny story about that. All the rafters in it were all made of silky oak. When I turned up there I said, 'We need to recycle that.' I turned up there on the Saturday in time to see them there with an excavator ready to knock it with the bucket. They said that there was an old chap—and I use the word 'chap' lightly—who wanted to see it recycled. There were a couple of bits of timber over there. I said, 'I am the old chap.' They ended up recycling it. Through our architecture academy we are going to design something out of it to present to the community. That is just another illustration of what we have.

Over 3,250 state government building assets were inspected and 2,985 Department of Housing properties. As I said, you can pick them out. They are the ones with the new iron roofs on them. Q-Build opened a temporary disaster coordination centre at the QCWA in Innisfail and this facilitated the tasking of work and procurement. A free-call number was established to detail any building trade contractors and individuals who were interested in providing services. Q-Fleet, the mighty Q-Fleet, deployed 78 vehicles, nine of which were purchased at dealers in Cairns. So the Cairns Toyota dealer did all right. Q-Build was responsible for the management and tasking of the volunteers involved in Channel 7's Operation Sunrise, which was a real challenge because they had a heap of tradespeople but not necessarily the sort of tradespeople we wanted. But they all arrived there and they were all coordinated. So Q-Build did a great job.

Mr WALLACE: What is the ongoing role of your Public Works personnel in the region and what impact has the excessive demand for tradespeople had on your and other building workload?

Mr SCHWARTEN: It has been colossal. You just heard Ian Jennings. The BSA played a very good role. It is a bit like after the storm out come the ants and out come the spivs, so we are lucky we have a very strong regime of controlling tradespeople in Queensland. So the BSA played its role there, too.

There has been an enormous amount of pressure placed on our day labour force as a result of the cyclone. I will go through some of the things they have done. Ninety-one school sites have been identified as requiring repairs. Placing accommodation on site for people has been huge. We have located a number of houses out of Townsville from the Department of Corrective Services to move them on site. The block I referred to before had to be demolished. Shade sails need to be replaced at 69 sites. They were probably put there in your days as education minister, Bob. I blame you for putting the shade sails up. They look great but they do not withstand cyclones all that well, although some of them surprisingly did.

Mr QUINN: Did Q-Build put them up?

Mr SCHWARTEN: No, private contractors. We do not have any 'sailees' in Q-Build! Forty-three accommodation units have been placed on 14 sites. The work included the installation of footings, provision of stormwater, sewerage and water services, installation of air-conditioning units and conducting electrical checks. I want to pay tribute to the ETU. I know that you mob hate unions.

Mr Quinn interjected.

Mr SCHWARTEN: Of course you do. You love that WorkChoices stuff. You are just relishing it. The ETU did a great job up there in getting a heap of its contractors together. They went from house to house and wired houses and checked power boxes, which was great. At the same time Q-Build continued to provide general and upgrade maintenance—and you would be interested in this, Bob—on Department of Housing properties and general maintenance at Corrective Services facilities and continued all work for its clients across the state and—one of your pet subjects—by 25 June had replaced 341 asbestos roofs on 122 schools across Queensland. So eat your words and hush your mouth about the mighty Q-Build. Q-Build was able to achieve this by mobilising Q-Build field staff to the areas impacted by Cyclone Larry and outsourcing work—yes, we do outsource, Bob—in other areas to the private sector, which put the sails up. Seventy-five per cent of the work has been outsourced to the private sector.

Mr REEVES: I note on page 1-15 of the MPS under the Building Procurement and Asset Management output, the Department of Public Works has established the Government Buildings Water Conservation Program. What action has been undertaken by the Department of Public Works to save water?

Mr SCHWARTEN: That is a good question. Water is the topic of the day. For a start, I come from a city that only last year got water meters. You cannot believe that the Rockhampton City Council has survived all this time without even thinking that it needs to meter water. That shows how we have all taken this issue for granted and we have a bit of catching up to do.

The Department of Public Works is complying with the level 3 water restrictions now in place in south-east Queensland. The department is also developing and trialling water consumption auditing processes for commercial buildings, schools and police stations and is retrofitting cost-efficient water-saving technologies to these buildings as a first step towards developing comprehensive water efficiency plans and encouraging agencies to undertake their own water auditing.

A water monitoring program and trials have commenced at 80 George Street and 111 George Street, which includes retrofitting water-saving technologies to obtain comparative data. Water meters and data loggers have been installed in selected areas of 80 and 111 George Street, and background data has been collected up to the end of June 2006. The trial project includes testing new water-saving fixtures and fittings, which are being installed in these buildings at the present time. Comparative data will initially be collected over a six-month period.

The program has also commenced retrofitting facilities with high water use including government office buildings, schools and police facilities initially in the Brisbane CBD, Rockhampton and Toowoomba areas. Retrofitting of water-efficient showers, tapware, toilet systems, vandal-proof taps and bubblers will be undertaken and maintenance, including adjustment to urinals and checking for leaks, will continue. The department is also developing, trialling and implementing water efficiency management plans for 10 high water use government office buildings. A retrofitting program for high water use office buildings owned by the Department of Public Works will be ongoing.

The department is also investigating medium- to long-term water-saving solutions—for example, waste water or effluent reuse for government owned buildings and facilities. Opportunities to reduce water use in cooling towers are also being investigated. Shadow minister, you will recall that at the Millennium Arts Project we are using river water for cooling in air conditioning. We are getting better at designing all the time, but we also have to go about the business of retro-fitting.

The department is also considering the development of financial models for government departments to finance retro fits, incentive and user-pays schemes to encourage departments to adopt water-saving practices. The department is also developing strategies and trials for water recycling and alternative waste water use in new government buildings, facilities and parks. Pumping facilities installed at the Roma Street Parkland allow for the use of stored lake water instead of Brisbane's drinking water.

Mr REEVES: Minister, page 1-24 of the MPS mentions the Queensland Maritime Museum dry dock project. While driving along the freeway I recall seeing the old warship in the river near the Goodwill Bridge for some weeks. Just what did this project entail?

Mr SCHWARTEN: You are right about seeing it on that occasion. It was a grand occasion but also a sad occasion in that it had been allowed to get to that stage of corrosion. None of us can be really happy about that. In April 2004 we were able to get \$2 million in our budget to fix that problem. That meant getting a new caisson to make sure that water did not get inside, which is what had happened over time. It was not an easy project because there were not too many people who wanted to do it. JF Hull Pty Ltd was finally given the go-ahead with additional funding in September 2005. Part of the

reason for the hold-up was that we had to deal with South Bank in the first instance. There was a thought of getting a different aspect there. That negotiation went on, but we really struggled to get someone who wanted to do it.

The caisson could not be retrieved in the end. It had to be broken up and the *Diamantina* floated out, which surprisingly she still did very well. The caisson was removed and then on 28 March the *Diamantina* was moored under the Goodwill Bridge. So that is the day the member for Mansfield would have seen her in all her glory parked under the bridge. You will be an old man before you ever see that again. I do not think anyone will ever see it parked under there again. It was towed back in on 10 May 2006. The Deputy Premier, Treasurer and local member, the Premier and I, Mal and a few others were there to see her put in her final resting place.

It is a proud piece of our history. The *Diamantina* fired one of the last shots in the Second World War. It was built by Walkers in Maryborough. It was a River class frigate. It had one of the surrenders of Japan on its decks. It is now going to be part of our history. It is not going to deteriorate. The volunteers at the Maritime Museum do a great job. I am delighted to have been associated with this project. There is an old saying that little fish are sweet. That was a little project and it was a really good one.

Mr BRISKEY: Minister, I refer you to page 1-37 of the MPS. The introductory paragraph states that the Queensland State Archives is the custodian of the largest and most significant documentary heritage collection in Queensland. It seems obvious that through Queensland State Archives you have responsibility for not only Queensland's oldest paper records but also the latest digital technology documents. Could you outline for the committee how Queensland State Archives deals with such a broad spectrum of material?

Mr SCHWARTEN: Thank you very much. I congratulate the honourable member on his forthcoming retirement and his last estimates. I remember his first. I was in a different position in those days. It does not seem that long ago.

Mr BRISKEY: No, it does not. I am looking forward to it.

Mr SCHWARTEN: Unfortunately, it was a long time ago! Back to the question. One of the quirky little stories that has come out of what has been a terrific act of bastardry—that is, the poisoning of our birth tree, the Tree of Knowledge—is that the State Archives has done some research and dug up the story of Hoffmeister, who it is believed in 1894 is the person about whom Banjo Paterson wrote the story of *Waltzing Matilda*.

I know from spending—or some might say misspending—my youth around the McKinlay-Kynuna area the well-known story of the Combo waterhole area, where the strikers were camped at that time. There was a fierce battle between the station cockies and the unionists, resulting, as I recall it, in a shearing shed being burnt. Hoffmeister was found by the troopers with a bullet wound to his head and the police magistrate found that it was self-inflicted. Whether or not that is true, that is what the court records say and that is what they have dug up at the archives. That shows the benefit of our forefathers protecting all of those records and us making sure that we take seriously our responsibility to do so. It is, as I said, a quirky little story. I invite people to go out to the State Archives and have a look at a lot of the court records there. Up to 500 linear metres of archival public records go out there each year. That is why we are going to spend \$50 million on stage 2 to protect these records.

The reality is that no-one can verify that that is who Paterson wrote the *Waltzing Matilda* story about, but he was staying at Dagworth Station at the time. That bit of history is well-known folklore in the west and in the union movement in particular. The AWU in the west knows that story very well. It is good to see that that history has been revived. I was out there one day last year when I came across a little .22 revolver with a bullet still in the chamber. It was used in a case in 1917 when a bloke had shot his next-door neighbour with it, over a woman. The whole evidence was just there in that little revolver. The State Archives is a treasure trove for people who are history buffs like I am.

Mr BRISKEY: If I could take you to page 1-43 of the MPS wherein it advises that you hosted the 2006 Australian Racing Ministers conference in Brisbane. Could you provide the committee with information regarding the major issues facing the racing industry that could have an impact upon our local scene?

Mr SCHWARTEN: I did host that with a great deal of enthusiasm; the same enthusiasm that I had for grasping with both hands the Racing portfolio when it was generously given to me by the Premier. The reality is that for my sins I ended up chairing it. There were some good outcomes. I notice a bit of a wry smile from a former minister about some of these ministerial meetings. You wonder where they lead you.

Mr QUINN: Both of us.

Mr SCHWARTEN: Both of you, yes, would have some experience that going to some of these meetings would not be all that fruitful. But the one that I was interested in is that nationally there is more interest now in drug detection in racing. As far as I am concerned, as someone who loves animals, I am all for that. Animal welfare issues are up there with all of them nationally. My mate over here, the shadow minister, had a terrible go at me in the parliament recently because I did not—

Mr SPRINGBORG interjected.

Mr SCHWARTEN: No, no, of course not—nor do anything to cause it to occur in the first place. He had a go at me because I did not take up the issue of Betfair in the legislation that he brought into the parliament. I said at the time that doing legislation by fax and photocopy is not the right way to go and you all got up me about that and said how I had let the state down and all the rest of it but, aha, guess what? Those ministers that came here, as I said to you, were all of a view that Betfair was the scourge of the earth and all the rest of it. But what have we got lately? We have the Victorian government rolling over and saying that we are going to let Betfair in here. Just for your information, 'Mr Shadow Minister', Racing Victoria states—

'We do not support a model that allows wagers to lose', Mr Allenson said yesterday. The approval was made because of our obligations and responsibilities under Victorian legislation.

In other words, being the first marine up the beach like they were, they were the first ones to get shot, which is exactly why I did not want to be the first marine up the beach, and neither should you have, and I vindicate my stand on it. The reality is that Betfair is a scourge, we all agree with that, and as far as I am concerned we need to prevent it as best we can, but you could not.

CHAIR: The time for government questions has expired and I call the member for Surfers Paradise again.

Mr LANGBROEK: We can talk about Betfair another time. I thought the Victorian government were getting some revenue from Betfair because of its legislation.

Mr SCHWARTEN: You oppose Betfair.

Mr LANGBROEK: I know. I wanted us to do something to stop it from being allowed to publish race fields. That is not my question. I want to turn to MPS 1-34 in respect of the government's Technology Survival Skills Training Program which is two-thirds of the way down the page under the heading 'Quality'—something called the Technology Survival Skills Training Program. I would like to know what was the estimated cost to run this program in 2005-06, how many people were trained in 2005-06 and in what geographical areas, how many people in total have been trained under this program and what are the future plans for this program?

Mr SCHWARTEN: I will hand over to Mal Grierson. He can read the briefing note as well as I can.

Mr Grierson: The funding allocated to the Technology Survival Skills Training Program was \$1 million over four years and so \$250,000 was notionally allocated for each of the four rounds of grants. The aim of the program is to increase the level of information and communication technology skills across Queensland, particularly focusing on those disadvantaged groups in ICT knowledge, for example—not limited to these groups—income level, location, age, gender or disability. We received 150 applications in August 2003 for round one of the technology survival skills grants and 23 organisations were allocated funding to a value of \$249,000. Round two was launched in May 2004. There were 120 applications received with 29 organisations allocated funding of \$248,000. Round three of the grants was launched on 24 February 2005. There were 113 applications received with 28 organisations allocated funding.

The sort of organisations we are talking about are organisations like Seniors On the Net which is an organisation which provides voluntary services to aged people who are wishing to learn how to use email, how to pay bills by the internet, how to communicate with their children and grandchildren overseas by email and so forth. It is a very good program. We are now into the fourth round at the moment. It has not closed yet; it closes on 17 July and so we cannot give you the figures for that one yet.

Mr LANGBROEK: I refer to the departmental financial summary on 1-11 of the MPS. The Department of Public Works had a predicted surplus of \$116,000 in 2005-06 but ended with an estimated actual loss of \$5 million. Why should we have any faith in your prediction in this year's budget that the operating surplus will be a paltry \$133,000 when you were over \$5 million out last year?

Mr SCHWARTEN: It is better than being \$500 million out like you lot were when you were in government. I will hand it over to the guru, Tony Woodward.

Mr Woodward: The actual \$5 million deficit in 2005-06 relates to a write-off for assets associated with the Island Watch program and it was transferred to the communities and, of course, it also included a write-down of client assets associated with the shared service provider and those assets were also taken up in books of another client.

Mr LANGBROEK: I would now like to turn to Queensland Purchasing at 1-29 of the MPS. I note that it has identified opportunities to realise cashable savings of over 10 per cent in some areas. How much in monetary terms of these savings has been achieved in 2005-06 and how much will be achieved in 2006-07? How does the government ensure that the savings are actually received?

Mr SCHWARTEN: I will refer that to the DG.

Mr Grierson: These are the whole-of-government procurement savings. These eventuate because Queensland Purchasing within our department manages 13 whole-of-government standing offer arrangements. These are for commonly acquired products and services across the government: fuel, disposal services, office furniture, photocopiers, tyres—it goes on and on. There is a whole range of items that we buy as one government contract rather than having individual departments doing it. Two good examples are fuel, where we buy more than \$100 million worth of fuel, and travel. We do not have every department negotiating with the airlines for travel; we negotiate and get the best deals for travel, domestic and international, for all of the government. That includes the Parliamentary Service, your own airfares and so forth. We do research into what the retail costs would be by analysing each of the markets as to what we would pay if we did not have those whole-of-government deals in place. That is how we calculate the sort of savings that we make.

If you look at the cost of photocopiers, what we pay for photocopiers and what you would pay if you went down to a normal store and bought a photocopier, we work out the savings. This year it is in the order of \$40 million to government and those savings, of course, are distributed not in one total amount of money; they are distributed across all of the agencies. So as the agency buys their photocopiers, air travel and fuel they get the savings. So it is a saving across the whole of government from our standing offer arrangements.

Mr LANGBROEK: I would like to move now to a part of Public Works called corporate planning and external relations which I understand coordinates and manages export development activities. In the 2004-05 report it said that one of the major achievements was the department's total exports of \$895,776. I would like to know what the exports were for 2005-06, how many people were involved in these export development activities and what was the total cost of undertaking these activities in 2005-06?

Mr SCHWARTEN: We have been in the business of exporting Project Services over the years. Max has been involved in that, but I do not think it was in that year.

Mr Smith: Not in recent years.

Mr SCHWARTEN: Not in recent years. We have exported our expertise in that regard and been paid for it. Supply of school equipment to the Nauru Department of Education, for example, \$85,000; supply to Papua New Guinea of cork boards and furniture for health clinics; supply of educational consumables to Port Vila International School. This is all out of our SDS area, by the look of it. Supply of classroom equipment to Vanuatu. You can have this list.

Mr LANGBROEK: Thank you.

Mr SCHWARTEN: The total revenue for SDS was \$687,000. There was the Queensland Purchasing software user licence development agreement that we licensed to the Irish government for \$15,000 and we licensed some software to Denmark for \$10,000. To the United Kingdom we sold 500 copies of the Third Commonwealth Youth Parliament book, a print job by the mighty Goprint, for \$11,160. To New Zealand we sold information technology services provided by CITEC, and we sold intellectual property to the Department of Public Transport, Roads and Works in South Africa. I guess it shows the diversity of what we do. The total for the year is \$1,338,937. Again they are our business units that are providing that. Some of those deals have been tied up, obviously, with international aid, from my recollection of it. I remember a couple of years ago we were doing stuff in East Timor with the World Bank.

CHAIR: Are you tabling that list?

Mr SCHWARTEN: I am happy to. I can see why you asked the question because it looks a bit quirky as to why the public works department would be involved in exports.

Mr LANGBROEK: Exactly. Thank you for clarifying that. The MPS generally has a whole lot of new sections with new measures. The government is always talking about how open and accountable it is and we seem to constantly have new measures with no baseline measures in place so that we can assess performance. As I looked at the MPS at Asset Services, Building and Procurement Services, ICT, Q-Build, they all have a whole lot of new measures. I am concerned that the government is changing the goalposts each year to hide achievements that they do not necessarily want to have exposed any more and just saying we will have new measures.

Mr SCHWARTEN: I can assure you we are not hiding anything. There is nothing to hide. They are administrative matters that the DG would be able to inform you about.

Mr Grierson: The fact of the matter is that the Queensland Auditor-General undertook a major review of performance indicators across the government over the last 12 months. They selected I think it was 11 departments as pilots. They went through the strategic planning documents, the corporate planning, the MPS documents and produced a report which I think has come to parliament—in fact, I am sure it has been tabled in parliament by the Auditor-General—which recommended, amongst other things, that all agencies review stringently their performance indicators.

They were insisting that the indicators not only reflect the business of the department or, in our case, the business units, but also they must be in terms that would be easily understandable by the public so that they can see we are not putting fancy statistical information in there which is hard to verify. The Auditor-General insisted that we put in performance indicators that can be measured, so more quantifiable rather than qualitative measures. What we have done, as you will find all agencies have done this year, is gone back and followed the instructions of the Auditor-General and amended our performance indicators to meet their requirements. These performance indicators have been discussed with the Auditor-General and these are what his officers have agreed we should have in our MPS.

Mr SCHWARTEN: This is the independent Auditor-General telling government this is how he wants the figures presented.

Mr LANGBROEK: I am on the Public Accounts Committee, as I see the secretariat is as well, so I probably should have known that.

Mr SCHWARTEN: You had better talk to the Auditor-General.

Mr LANGBROEK: I want to move to page 1-14 of the MPS, where it talks about the Government Energy Management Strategy. It says that the government has been undertaking implementation of its Government Energy Management Strategy. Where has the strategy been implemented to date? What is the proposed implementation plan? How much energy has been saved in dollar terms and in physical terms through implementation of the Government Energy Management Strategy?

Mr SCHWARTEN: We have a resident expert Dale Gilbert here, who runs the Built Environment Research Unit. He might want to have a word about it. This is one of his babies.

Mr LANGBROEK: It is like *The Price is Right*: 'Come on down!'

Mr SCHWARTEN: He could talk the leg off a wooden chair if he gets going on this subject.

Mr Gilbert: The fundamental objective of the Government Energy Management Strategy is to save \$22 million per year by the year 2008. Its first target was a year ago, in 2004-05, for \$2 million. We exceeded that. That has been done by a range of things. It has been done by tariff review; contestability, looking at particular areas that have come into the new electricity tranche; and also by energy performance contracts. There is a range of energy performance contracts rolling out. By the way, this program covers the whole of government. So the energy performance contracts cover Queensland Health. To give you an example, I think there are about nine buildings—I have a list here—that are rolling out in Queensland Health. The contracts have been signed.

We expect that we will get definite savings from energy performance contracts because the buildings are audited and then energy plans are set down. Contracts are signed and the contractors have to be able to deliver the savings for those particular projects. To give you one example, in the Queensland Cultural Centre building the contract not only saves energy but also saves water and maintenance costs. So it covers those three areas.

For 2005-06, the last financial year, we do not have the reports, but to give you an example this is the report that we are putting up for GEMS. This is the one for 2004-05. We have an independent verifier that verifies the actual savings.

Mr SCHWARTEN: Give the shadow minister a copy of it.

Mr Gilbert: A similar one will be done this year. The program is independently audited in two ways—by a financial auditor and also by a process called measurement and verification protocols. This is independently audited, so if the energy performance contractor shows that, for instance, they cannot deliver the savings they have to pay back money to us. For the Queensland Cultural Centre we had to prepare the business plans that went to Queensland Treasury, so they obtained a loan. On that basis, it is a full business case all set out. I am very happy to go through that in detail.

Mr SCHWARTEN: I do not think he wants to ask a supplementary question, do you?

CHAIR: I just want to clarify, before we lose Mr Gilbert, are you providing that document to the member rather than tabling it?

Mr SCHWARTEN: Whatever you want to do.

Mr LANGBROEK: I am happy to do whatever is appropriate.

CHAIR: It is probably better if it is tabled through the committee, if you are okay with that.

Mr SCHWARTEN: Okay. I am in your hands to officially table it.

CHAIR: Thank you very much. The time for non-government members' questions has expired. There are 10 minutes remaining for Public Works. I call the member for Cleveland.

Mr BRISKEY: Minister, in your opening statement you referred to the Millennium Arts Project. You mentioned that you expect to complete this significant project by Christmas this year. Could you give the committee an overview of the complexities of such a large project?

Mr SCHWARTEN: There are a number of them, notwithstanding the fact that it is probably in the most visible location in Brisbane, so everybody has a view on it. The shadow minister accompanied me to have a look at it. It is a very complex building, the Gallery of Modern Art, particularly as it has a cantilevered roof. For those people who know anything about building, it is a very complex building to build, but it is looking great at the moment. It has taken six years to get it to this stage. It was a partnering contract with Bovis Lend Lease. That did not go without its glitches. It arrived at a time when the building industry was overheating. As you all know, we had to go back to Treasury to get another \$48 million for it. When it is completed, however, it will give the people of Queensland a new Gallery of Modern Art, for which we held an international design competition, as you will recall, and a new rebuilt State Library and extensive site redevelopment works with a new grand plaza to finish off the whole precinct.

What you all may think is a one Millennium Arts Project is really three complex major projects going on at the Cultural Centre. You do not usually take on building something as complex as a major state art gallery and a State Library plus a whole new precinct area all at the same time. However, to deliver the best result cost wise for the people of Queensland, we had the builder, Bovis Lend Lease, working on all three at once. On top of this, we have already undertaken work for the Queensland Museum, the Queensland Theatre Company and the existing Queensland Art Gallery.

The committee may not be aware of the number of stakeholders with whom the department has been working. Along with its main client, Arts Queensland, there have been two arts bodies, their respective boards, the central agencies, the two different architectural companies engaged for the gallery and the library, plus our managing contractor, Bovis Lend Lease, and all of their consultants and subcontractors. So it was a very straightforward easy group of people to deal with! Project managing this number of people to get a good result for all concerned is not easy. The department is good at that—and I challenge anybody to say otherwise—and the proof will be in the result in December.

In addition, as you all know, across the construction industry, particularly in Queensland, economic impacts resulted, and still are resulting, in escalating building costs of between 20 per cent and 30 per cent and even up to 45 per cent in some trades. We went to tender for this construction right at the wrong time, as I said, and as a result of that we had to go back to Treasury and get some more dough—something for which we were criticised, I might add, by some people who should have known better.

There are 27,000 cubic metres of concrete, 15,000 square metres of glass and 46,000 square metres of plasterboard. The engineering activity alone highlights the complexity of this project. I draw your attention to the new river water cooling system, which I mentioned earlier.

Mr REEVES: Minister, as you know, one of my joys in life is to watch live sport. We are blessed by having the great Suncorp Stadium in Brisbane. As you said at the last estimates committee hearing, it was delivered on time and on budget. You expected to complete the Gabba upgrade later that year, which you did, and then commence the Gold Coast Stadium. I wonder if you could advise the committee whether the Gabba was delivered on time and on budget. What has happened with the Gold Coast Stadium, which is referred to on page 1-6 of the MPS?

Mr SCHWARTEN: Yes, I can. Being a loyal south sider, as I heard you referred to before, I know how thrilled you were to have the Gabba in your neck of the woods. We are getting quite good at stadiums. I would not like to guess at how much it would cost to build Suncorp today, but you would not get any change out of \$400 million, I would think.

Stage 6 of the redevelopment of the Gabba essentially completed the enclosure, or the missing tooth as they call it. The project increased the stadium's capacity by 5,000 seats to a total capacity of 42,000. The Department of Public Works was responsible for project management and contract administration services for the design and construction of the project. Watpac was the managing contractor. Those of you who were around at the time will remember Watpac rebuilt the original one.

The budget allocated for the stage 6 development was \$40 million, and a further \$10 million was funded from the major sports facility levy for venue-wide enhancement projects. I am pleased to say that both stage 6 and the venue-wide enhancement projects were completed within the approved budgets. Construction of stage 6 was very complicated, as the project was programmed around the scheduled Brisbane Lions at-home games. Commitments were also given regarding the staged increase in available seating for the games. In all, the 13 programmed temporary handovers were successfully achieved, and practical completion was issued on 14 October 2005.

Currently, the department is project managing the new \$160 million 25,000-seat stadium in the member for Robina's electorate. This will become the home ground of the 16th NRL team, the Titans. The Gold Coast City Council has provided funding for the purchase of the five-hectare site which is located adjacent to the Robina Railway Station. A stunning stadium design prepared by architects HOK and its consultant team is currently being developed and documented through the managing contractor, Watpac. Although it is early days, earthworks have commenced on site and the project programmed for completion and commissioned for the start of the 2008 NRL season.

This is the first time we have gone to a single tender. I am very encouraged by the way we went about this. We have gone from selecting four tenders down to one tender, which I think in times where we are struggling to get contractors is a sensible way to go. It is a value for money option, and we have the confidence of the building industry now to show that we are not favouring one person over another. We have come a long way from the days where there was rotting in contracts and there was no public faith in the capacity to do single tenders. It is in the industry's interests that we align with them as closely as we can. It is in the government's interest to get value for money for them in that way.

Mr REEVES: Minister, I am aware that your Department of Public Works is responsible for the design, construction and ongoing maintenance of many of the modern state-of-the-art buildings. However, in reading the MPS I also saw a reference to the many old heritage buildings within the government's portfolio. How does the department deal with the complexities of maintaining these old buildings while at the same time ensuring that they have a useful life?

Mr SCHWARTEN: The Registry of Births, Deaths and Marriages in our building used to be the original Goprint. It is marvellous how you can recycle a building. One of its attractions was that it had fully reinforced concrete floors to hold the old printing presses which now hold those big compacters that have all the births, deaths and marriages apparatus. It is ideally located. It was the science centre for a period of time, and my kids went there and no doubt other members' kids have also visited. One of my favourite projects was the Woolloongabba Police Station, which was a pigeon roost when I became the minister. We found a use for it through Sports House. I know that you are a keen follower of the Sports House concept, so it is yet another example of it. The Thomas Dixon Centre at West End is leased to Queensland Ballet.

My view on heritage is that the only way you can preserve it is to find a use for it. That is the reason we struggle with the old museum. It was purpose built as a museum, not as anything else, and it is very difficult to convert it into something else. That is not so with the Commissariat building, our oldest building—a convict building in Brisbane which we were able to restore as a government building.

We have had many opportunities at restoration but the most challenging one at the moment appears to be Lady Bowen House. We are going to turn an early 20th century nurses quarters into a homeless shelter, which I announced last year. Hasn't that created some dramas, by dealing with the Heritage Council and all the rest of it over a period of time and dealing with other departments. I know at the end of the day it is ideal for that purpose, but it just shows the difficulty and why it is that private enterprise shies away from heritage projects and trying to make them work. We have been on that project now for nearly 12 months. I was there the other day and, for things such as getting the newel posts recast, there are no contractors around who do that work anymore. We have to source the right rendering and so on.

Another example is the Rockhampton courthouse. The best thing we ever did with that was to give it to the university. It now looks after it, the same as with Government House next door. Again, they have to preserve them in good condition. That was the courthouse that the shearers were tried in, so there was no way in the world that was going to get demolished, although there are a lot of Labor people who wish it was.

CHAIR: The time for questioning in the Public Works area has expired. We thank those officers who have accompanied the minister for this period of questioning. In a moment we will move on to Housing. So we will change personnel.

Sitting suspended from 5.59 pm to 6.06 pm.

CHAIR: The committee will now examine the Department of Housing and other Housing portfolio agencies. For the benefit of Hansard, I ask those agency officers who are sitting with the minister if you are invited to answer a question to please identify yourself—both your name and your title. I call the member for Surfers Paradise to commence questioning.

Mr LANGBROEK: I welcome the departmental staff. It is very late and I thank you for being the last ones on Estimates Committee A today. Thank you for attending and thank you also to the bureaucrats who are departmental staff, of course; they are not other beings. Minister, I would like to first of all turn to Aboriginal and Torres Strait Islander housing on page 2-8 of the MPS. I refer to island councils such as Badu Island council which set tenancy management policies that comply with the Housing Act 2003 and regulations. Part of these arrangements include the allocations of houses. In fact, you told me recently at question on notice No. 826 that only Badu Island council could tell me who is in the houses for which you have given them the money. This suggests that when funding for Department of Housing is outsourced, for example, to island councils, the Department of Housing does not even monitor if housing is given to foreign nationals. Is this prudent use of Queensland taxpayers' money, and how do you explain this to the 35,038 Queenslanders on the waiting list?

Mr SCHWARTEN: It is a very valid question and one that has exercised my mind over the past eight years. The problem we have is that the system of self-determination warrants that sort of approach—the land on which those houses are built is the land of those people. We have provided them with housing according to their needs—the needs that they have applied to us to meet. Any reasonable

person visiting those places can see that there is a huge need for a variety of reasons. You can see with your own eyes that there is a huge need there. There is certainly an established need. What there is not is a commensurate understanding by those communities that housing is an issue that requires a serious amount of application of policy such as collecting rent, maintenance and allocation. That is absent from most of the communities—the 34 DOGIT communities. The recent assessment that we did of 3,500 houses—I think we have done 3,200 to 3,300—tells me that nine out of 10 of those houses are in a state of disrepair in one way or another. For example, one in three taps on those communities runs unfettered. That is by any stretch a problem.

So I do take seriously the bit about the taxpayer because what I am seeing is current stress in housing in all of your electorates, only to go to places like Palm Island where since 1999-2000 we have spent \$23 million and the feds have spent \$12 million. In 2005, we started with 325 houses and now we have 320. We cannot keep doing what we did. We cannot keep accepting at face value the self-determinate model. It is not going to work. It has not worked.

I am encouraged by the new system that we have put in place whereby places like Hammond Island have contacted the call centre and have gone around the council. The council is saying that they do not want to do any of this, but the people living in these houses do, and that is who we must help. I get no joy out of talking like this. I do not think any of us do. I recently spoke with Mal Brough at the housing ministers conference. I actually believe that the only way forward is for the Centrelink benefits that go to these communities to be diverted into housing as of right now and for them not to have a choice about where they might spend it. We have the Mayor of Yarrabah who owes \$23,000 in back rent. It just cannot keep going and it is not going to.

Mr LANGBROEK: Thank you. I note that because I wanted to quote from your letter to the *Morning Bulletin* on Saturday in which you said that the rent arrears in Aboriginal communities are horrendous, with one mayor owing over \$24,000. You stated that this can only be cured by the federal government sending the relevant Centrelink payments to the housing authorities, as you just said. I would like to ask: will you outline in ATSI housing who owes what; how long they have owed it; what are you doing to recover it; what are the steps you are going to take, given that previous measures obviously have not worked; are you going to write off debts to let them live rent free, considering there are so many thousands on the waiting list; and why do you expect the federal government to do your work for you, as stated in that letter to the *Morning Bulletin*?

Mr SCHWARTEN: I am not asking the federal government to do anything more than what it is supposed to do and that is that an amount of those Centrelink payments is set aside for rent. That is not going towards rent and it has not been going towards rent. The \$23,000 that is owed is owed to the council. It is not owed to me or the government; it is owed to those communities. So they are in effect stealing from themselves. That is the bit that gets up my nose more than anything else. They are actually misusing their positions and not paying rents, and these are elected people. They are elected on the basis of who they can rot a house to in a lot of cases. It just cannot continue.

As I say, I do not get any joy talking like this at all. If you said to me five years ago that I would be talking like this I would have said no. I am the longest serving housing minister in the country. I have seen firsthand every effort that we have made to try to make this work fail. We have now gone to the intervention model where we say, 'If you want to keep going down this path of us saying you own those houses and you can treat them however you like, then so be it; you will get no more of them.' We simply cannot do this to the communities that want to do the right thing and get a proper rent policy and an established allocation policy. In one circumstance you have 15 people living in one three-bedroom house and you have two people living in a four-bedroom house simply because they are allocating them inappropriately. We do not do it in public housing. We do not allow community housing as of now to do it, either. There were a few rorts going on there, too. We do not allow mainstream ATSI housing to do it and we should not bloody well allow them to do it, either.

CHAIR: Minister, I have let a bit of unparliamentary language slip through.

Mr SCHWARTEN: Sorry, I keep forgetting that it is actually a sitting of parliament. My apologies.

CHAIR: Withdraw?

Mr SCHWARTEN: I withdraw absolutely and unequivocally and I apologise. The reality is that I do get a bit angry about this subject because we have spent \$265 million. I am happy to let you have the list. We did have it somewhere. I am quite happy to have it published. I do believe that the federal government—this is not scapegoatism. This is about saying to them, 'You can currently do it. Through Easy Pay you can have an amount of money taken out directly.' We do it in mainstream public housing. The problem with it—in Woorabinda in my case—is that they get them signed up to do it and then they come to Rockhampton for three months and live in the park and all the rest of it. The house then gets no rent whatsoever because they stop the payment. We have got to find a better way and we can only do it with the federal government's assistance.

Mr LANGBROEK: This is my final question on ATSI housing and I know it is a vexatious issue. I note that customer satisfaction levels are decreasing from 85 per cent to 71 per cent for ATSI housing—this is at page 2-11 of the MPS. Average administration costs per household assisted were \$1,887

compared with the same costs for public rental housing, which were \$967 per household assisted and community housing, \$606 per household assisted. It seems to me that it keeps costing the state more; you are not keeping them satisfied; you do not collect the rent; and you do not even care who lives in them. How can Queenslanders be confident that you are supervising wisely the use of \$44 million of taxpayers' money?

Mr SCHWARTEN: I think they can be fairly confident that I am doing the best under the circumstances that we have with a model where we cannot have direct control over it. As I said to you, we have now reached the end of the road. Having failed with all else, we are on a direct collision path with some of those communities. Just recently at Yarrabah there was enormous resistance against what we were trying to do. They were telling all who would listen, every journalist in Australia, that they were doing the right thing by their people. When we lifted the lid on it we found that the mayor owed a lot of money—more than we would ever tolerate in public housing.

I would invite you to make a comparison with those that we have direct control over in public housing and mainstream public housing and, to a lesser extent, community housing. I would invite you to make the comparison with those where we do have it within our grasp to do something about. You will see what I say. We are putting more into it than the feds are and we are the only state doing that. We have had some good outcomes. There is no doubt about that. It is not all bad. If you go to Hope Vale, for example, you will find horses living in houses and people living in the streets. It is just a shambles.

Quite frankly, they are set up to fail. You would not ask a small community of 1,800 people to project manage, to run their own program and all the rest of it. I am saying to those communities, 'Give the houses back to us and we will run it for you.' We have already intervened on Palm Island and in Doomadgee. We have gone in there and constructed the houses because they simply did not have the capacity to get them up and running. Some communities welcome that because they say it is beyond them. They do not see it as paternalism, racism or all the other things it has been called as a result. Doing more of the same is not an option. It is not going to be.

As of 1 July there is a new system in place. We will match every dollar that they raise in rent. That is the incentive. We are saying to the feds, 'Do the same.' Brough is a breath of fresh air. He seems to want to do something in this regard. So far I have had a very good relationship with him in trying to resolve this issue. This is not about just tipping it on the back of the federal government. Unless we control the money flow we should forget about it. The member said that it costs more. That is obvious. We have a new product on the market. They are factory-built homes. We are putting another \$5 million into that this year.

Mr LANGBROEK: I refer to the strategic direction at page 2-1 of the MPS. How many years in advance past the Commonwealth-State Housing Agreement, which expires in June 2008, does the Department of Housing plan for its various programs like ATSI housing, public rental housing, HACC and community housing, and what variables do departmental officers look at in these future plans?

Mr SCHWARTEN: We can only plan to the extent of the Commonwealth-State Housing Agreement because if that were to go we would find ourselves in a dire situation. The CSHA is up for review at the moment. If it were to go then we would find ourselves in an even worse situation than we are currently in. I hope you are not giving me some sort of insider line on this that you might have picked up from the feds—that is, that they are actually going to give it the spear.

The problem we have now is the reliance of the feds on the private rental market. I looked up the RTA site and your electorate has one of the highest number of private rentals in Queensland. I do not know whether you knew that. That is the market that has collapsed. That is the one that the feds have been propping up. I brought in Homelink to try to get around that. If the feds were to walk away from the CSHA tomorrow we would lose \$192 million, which equates to about 500 houses. Given that we put 900 new houses into the market in one form or another this year and the waiting list continues to grow, if they walked away from the CSHA it would be disastrous.

I know that previously the feds have looked to get out of it, but I do not get a sense that they are going down that path at the moment. You are closer to them than I am. You might know, but I certainly do not. All our planning is based on an ongoing agreement. If it ceased it would mean that whatever plans we have taken account of in our next five-year plan would have to be limited. Either that or we would have to go back to the state and say, 'Make up where the feds have robbed us yet again.' I do not think that is fair on the Queensland taxpayers. I do think it is fair on the other agencies like Education, Health and Police that do not have those ongoing relationships with the federal authorities as we do with the historic Commonwealth-State Housing Agreement, which dates back to Chifley during the Second World War. It has been a cornerstone of housing in Australia all that time and through successive Labor and tory governments. As far as I am concerned, it should never be taken away. If I could get my hands on \$4 billion then we would not be worrying too much about our waiting lists.

Mr LANGBROEK: I want to refer to your policy of Homelink. Considering you just said that you cannot plan beyond June 2008, I wonder how you expect the Australian government to contribute up-front a grant of 10 years rent assistance at existing rates.

Mr SCHWARTEN: I did not say that we cannot plan. What I said was that we would have to cut back on the things in our five-year plan. What we are saying to the federal government is, 'Do not commit any more money than you have to.' We are not asking them to put their hand deeper into their pocket and take more money out. The advice I have is that if they were pay the 10 years in advance it would be cheaper for them. It is cheaper to dispose of it in a grant than to administer it over 10 years. The Leader of the Opposition would know as a former minister that grant funding is easier than recurrent funding.

What we have to try to do in this country is get off the merry-go-round—and it was a Labor government that started it; Howe started it back in the 1980s—of rent assistance. In my view, the money is going into the pockets of landlords. It is not regulated. It is not in any shape or form fairly applied. So if I want to invest in a good product I have to compete against the bloke at Sandgate who burnt people to death in his hovel—and he was subsidised by the taxpayer. If Medicare were like that it would not work at all.

It would be easier to say to the feds, 'You pick up the majority of the cost of it. You put your hand in your pocket deeper than ours.' What we are saying is that this is how much is already in the system. For us to build 1,000 houses it will cost about \$370 million. With \$30 million from us and a \$17 million investment from the Commonwealth we can get more houses. If we get a private investor to invest in a place and a family in there for 10 years and the investor does the maintenance, then after 10 years that family is more likely to never need that assistance again. The only stumbling block I can see is if that person is no longer eligible for rent assistance after six or seven years and they then go into a general private rent. My view is that there is a way around that. There must be a way to solve that problem. You could either convert it back to a normal rental or go into a home ownership product in another property. There is a way to keep that house.

The investor gets 10 years of certainty. It is a low return—it is around six per cent over 10 years—but it is a pretty solid investment. It would put 1,000 new houses into the market in Queensland right now. There are plenty of people out there who are interested. I reject your assertion that I am asking them to not plan for 10 years time. What I am saying is: the amount of money that they are committing to over the next 10 years they can dispose of by way of a grant rather than recurrent expenditure. That is where the debate should be, as far as I am concerned. I hope you will have another look at it.

Mr LANGBROEK: I want to turn now to page 2-13 of the MPS, Public Rental Housing, where it mentions that the government ensures tenants live in safe and suitable housing. My question refers to the asbestos register that you mentioned in 1998. I notice in Public Works that there is mention of an asbestos strategic management plan. I would like to know the current status of the audit and the removal processes that you said started in 1994. I have had people in public housing telling me that they are having difficulty getting Housing to respond to their concerns. I rang one person from Carina today just to check. They told me that their bathroom was falling in. I wrote to you about this and you told me on 22 June that it was being investigated. I rang the fellow and asked what happened. He said that Housing said it was not a problem and that a lick of paint would be fine. He said an electrician will not have anything to do with it because it is asbestos.

Mr SCHWARTEN: I am happy to follow that one up. I do not know the details of that. I am aware that you wrote to me about it. This asbestos scaremongering has to stop somewhere. You are on the public record, and rightly so, saying that asbestos is not the problem that people make it out to be. I think that what Flegg has done on this issue is disgraceful, quite frankly.

I am sorry that Bob is not here, because he made a similar statement about asbestos. I have it here somewhere. I spent my early working life nailing up above my head. If you saw the bloke who worked for James Hardie on the TV last night you would agree that nobody in their right mind would expose people to that. I am unconvinced that anything we are doing in public housing would affect people. That is certainly not our policy. Our policy on asbestos management right across government is to treat it according to what the law demands of us.

Where are we going to end up with all this? There are probably 65 or 70 per cent of houses in Queensland that have asbestos sheeting throughout them. Those people are terrified. I made a speech in parliament when I first came into parliament—that is a long time ago—about a mob going around door to door in Rocky, knocking on old people's doors telling them they were asbestos removal agents and they were running the risk of asbestosis if they did not get rid of the fibro out of their walls.

I just say that the political point scoring has got to stop on this issue and we have to actually get to a position on it. I am not suggesting for one moment that that is what you are indulging in, but I think the roof replacement program in our primary schools was scaremongering at its worst. Funnily enough, I was at a school the other day looking out and there were all of these houses across the road with super six fibro roofs on them. We are not suggesting for one moment—certainly in the Labor Party we are not suggesting—that those private owners should remove it. I hope you are not.

We will take up that individual case. I am happy to ring the gentleman concerned if you want to give me his number or we will get the director-general to do it. I do not want anybody exposed to asbestos materials. I happen to be of the view that it is okay unless—and I have never been corrected

on this by any scientist—people tamper with it. I agreed with the new legislation that we have brought in about how much you should shift yourself and all that sort of stuff, but I know from my own family's case with my dad's place with contractors. He is blind now, unfortunately. They came and they cut the super six fibro roof with a power saw. He had no knowledge that they were going to do that to put in an air conditioner. They are the rogues that we have to stop—the people who go into houses who treat them. With regard to the electrician who would not deal with it or whatever, I would like to know the reasons behind it. But we will have a thorough investigation into that. As I say, we value our tenants. We certainly do not want to put them at risk. In a long-winded way, that is about all I can say about it.

Mr LANGBROEK: Thank you, Minister. I am sure that these people from Carina will be very thankful, because this is a case of obviously disturbed asbestos. I concur with your feelings—that is, if it is undisturbed I certainly do not have concerns—that it really will lead to a lot of panic. I agree with you.

I move on now to community housing in the MPS at page 2-17. I refer to the Gatton Self Help Housing Group, which has been mentioned for the past two years of estimates. It has 25 per cent of its dwellings vacant. At last year's estimates in July the director-general said that the group was meeting all requirements in the improvement and development plan, but by February this year the department outlined nine matters which were considered serious and required immediate attention. Minister, will this group now be subject to another compliance audit? Will you fill the vacant dwellings? How many compliance audits were carried out last year—that is, 2005-06?

Mr SCHWARTEN: I will get all of the details of that. I get no joy in hearing that. I said to the director-general today that the Gatton one was up last year and I wondered if it would get a run again tonight. Sure enough, here it is. However, it highlights to me the need for going down the path of a single social housing system where we put in the parameters. I know, Leader of the Opposition, in your particular council they had grave concerns about us going down this path, and I am not for one moment saying that that will happen. But there is a lack of accountability in these organisations where you leave it to individuals to house—that is, who they will house and who they will not. If they have a blue in the community they will not house Lawrence's relations because they do not like them and on the other hand get my relations and put them in there. Those are the things that have happened over the years. It is self-help, all right—the Gatton Self Help. It is about time they were not self-help anymore, and perhaps we need to do something a bit stronger. I will get the DG to answer further. Our one social housing system is aimed at giving people access to the whole arrangement of what we have, from community housing right through to public housing, and making it fairer and making it transparent and making sure that we do not have vacancies in places like Gatton, where there must be people who need that housing.

Ms MacDonald: In last year's estimates I think we talked through the fact that an improvement plan was in place as a result of the audit, and that improvement plan was due to be implemented over a 12-month period. Further concerns were brought to the department's attention in October 2005 about the operations of that group. Officers met with the cooperative on 17 November to go through the concerns and requested a written response from the cooperative. There was a further meeting with directors on 13 February 2006, and all four directors agreed verbally to return the properties to the department for inclusion back into the social housing portfolio, if you like. But to date this action has not occurred. We have attempted to meet with the organisation on a number of occasions. The organisation has tried to generate considerable media attention in relation to this process. We are still attempting to work with that organisation to effect the hand-back of those properties to get action on the matter which was agreed by the directors at that meeting in February.

Mr LANGBROEK: Thank you. I will move now to the matter of water efficiency and the \$87 million that the government is talking about with water efficiency initiatives. Minister, do you have plans to make the Queensland Department of Housing part of this \$87 million plan such as with storage tanks and waterwise mechanisms? Where in the MPS is the money allocated, because I understand there is none? How is the government displaying the same enthusiasm for conservation of water that it is encouraging private citizens to embrace when public housing tenants want to do their bit but cannot afford to and your government is not prioritising it?

Mr SCHWARTEN: There will be \$5.2 million made available—the Premier announced that last week—for water-saving devices. The department will install water-efficient shower roses and water flow inhibitors to the 34,600 social housing properties located in the local government areas included in the scheme at a cost of \$5.2 million. The department will repair, maintain or replace unserviceable rainwater tanks where they exist. There are a number of existing rainwater tanks—approximately 742—in public housing. Rainwater tanks, however, are not a feature, as you know, in Brisbane. It is, however, something that we are looking into. It is not quite that simple, I do not think, in terms of what we are doing and it is very expensive. It guess it comes down to this point—spending \$96 million on water tanks at the expense of providing \$96 million worth of housing. So it is a tough one.

Having taken a submission to the Premier and the Treasurer that allowed us to get the water-saving devices in is the start of it. We will see how we go with it. But I would have to say in all honesty that I would feel less comfortable going and asking for nearly \$100 million to put water tanks in people's

yards when at the same time we have people living in cars. If I was going to ask for \$100 million, I would be asking for it for that purpose rather than for tanks. I guess that is open to review as the situation gets further serious. But, as I say, I find it difficult to say to people, 'Well, you can have a water tank and people down the road can't have a house.' I think the \$5 million that we are putting into the restricting devices is the way to go at this stage.

Mr LANGBROEK: Thank you, Minister. My next question relates to page 2-3 of the MPS relating to responding to homelessness. I refer to the statewide call centre for homeless people on which the government is spending over \$4 million. I would like to have an idea of the number of calls that have been made by homeless people to this statewide call centre.

Mr SCHWARTEN: That is the Department of Communities. I know we mentioned it in our MPS, but it has a note beside it that says that that money was to go to Communities.

Mr LANGBROEK: Okay. Thank you.

Mr SCHWARTEN: I got confused on that myself, by the way. I had a look and asked that question myself. I said, 'What do we do with that? How did we end up with that?' and then I read the fine print.

Mr LANGBROEK: I move, then, to page 2-22 of the MPS which has the 2005-06 figures for Home Assist/Secure funding and page 2-24 which has the 2006-07 figures. I note the decrease across the state of five per cent in this funding. It has decreased by 30 per cent to my office at the Isle of Capri. I want to know why this budget has decreased by five per cent, given that it is to assist older people and people with a disability to remain living in their home. If you take this money away, Minister, won't more people end up on our public housing waiting lists?

Mr SCHWARTEN: I cannot work out where the decrease was, because we gave them \$5 million extra—\$3 million for water-saving devices and an extra \$2 million. I have been informed that it was a one-off payment. The \$3 million was a one-off payment for the water-saving devices in the houses. So it is not being cut back. It was just a one-off capital payment. The \$2 million extra has been added on top of it. But it is a very good scheme. I am sure that you would see it in your own electorate, as all members would and as I do. I would like to have more money in it. It is something that we will continue. Wherever we can find extra money, we will continue to put it into that. With an ageing population, you are dead right that we want to keep people out of hospital beds, we want to keep them out of nursing homes, we want to keep them out of public housing; we want to keep them in their own homes. For the most part this is where they are, and they would not be entitled to public housing in the most part anyway. But it is in the community's interest to keep them in their own homes.

Mr LANGBROEK: I now refer to one of the answers to questions on notice—I think it is question No. 4—about the selling off of land in 2006-07 relating to revenue received from land and public rental dwelling disposals. I note with concern that the amount of money the government is going to receive from land block disposals is going from \$11.6 million in 2005-06 to \$67 million. I am just concerned at that sort of amount—that is, there is land on which potentially public housing could be built and that is not going to happen.

Mr SCHWARTEN: That is a fair enough question. Just by way of example, one of those parcels is the Rode Road parcel of land where we wanted to build public housing. There was a huge outcry over many years dating back to David Watson's day. We have tried, I think, on two or three or possibly more occasions to get a development approval on that site through both councils—both Labor and the Labor-Newman council now—to no avail. Councillor Norm Wyndham, one of yours out there, campaigned staunchly against it saying that it should be green space. Campbell Newman decided that that was going to be the case. We said, 'Okay, you buy it from us if you don't want public housing there,' and the rest is history. It is Blue Care tied up. It is with the minister for local government.

I use it to highlight the problems that you have in trying to build on land that we have in en globo parcels. We are far better off doing what we did last year, and that is spot purchase. That is not without its challenges, either, because the houses that are coming on the market now—refurbished sixpacks and the like which are ideal for our circumstances—come with air conditioning, ensuites and dishwashers. That is not without its problems, as I say, but we are far better off to get rid of the large parcels of land and reinvest the money into suburbs. We will never go back to building large estates like the Fitzgibbon land. We will never, ever go back to doing that. But the money that comes out of that land is going back into housing. I have to say that, for the most part, Campbell Newman has been very good in dealing with this stuff, but we really have been at loggerheads over the Rode Road and Richmond Street land.

CHAIR: The time for non-government questions has expired. I therefore return to government questions and I call the member for Thuringowa.

Mr WALLACE: Minister, I refer to page 2-1 of the MPS under 'Key Challenges' for the department. From time to time I become aware of concerns by tenants and other people that the department is selling off social housing properties. You will especially recall the fine work you are doing in the Upper Ross area of my electorate. Given that there are long waiting lists, why has the department been selling some of these assets?

Mr SCHWARTEN: That is a fair enough question that leads on from the previous question. When I came into this portfolio eight years ago there was something in the vicinity of 400 or 500 houses out at Inala that were vacant, uninhabitable and not intended to be inhabitable simply because no-one wanted to live there.

We had a very ageing stock of housing that was not meeting the needs. When you look at what our demand is now, the demand for singles and two-bedroom accommodation far outweighs that of the three-bedroom traditional housing that we have to offer. So for that reason over the last eight years we have gone about the business of realigning our stock. Basically, what we have done is that we have sold a house that is a liability and invested that money back into new housing which is less of a liability. The assets that we now have are around \$10 billion worth of assets, but really we are not realising \$10 billion of assets only because we are renting the houses for 25 per cent of what people earn.

Since we have realigned our stock—it comes back to a matter of conscience, I suppose, a bit like the previous question about water tanks—I have made the decision that we are far better off struggling along with some of our older stock and putting people in it rather than selling it off. When I accompanied you in your electorate, I saw that we had sold a house and some private investor bought it and put exactly the same family in it. We are better off keeping the house and managing it ourselves in that regard.

Long term, it is not sustainable to keep doing that. As any property manager will tell you, you have to keep turning your stock over. This year we sold about 90 houses and we have added 900 all up from one tenancy to another to the stock in Queensland. So it is no longer the issue that it was.

But I know that each one of you at some stage have raised with me the issue of us disposing of public housing in your electorates. I understand that. I have the same concerns in my own. But we have spent over \$1 billion on basically painting and stuff like that. Long term, it is not sustainable to keep doing that, either. So it is a struggle. This is why we have gone down the path of the Brisbane suburbs improvement scheme, which we support. Caltabiano stands condemned for what he did out at Chatsworth. We have a really good relationship with the Brisbane City Council out at Stafford. We have been able to keep those communities together. The older folk in those communities want to stay in them, understandably, but we do not have housing to put them in. Hopefully I will have another question to follow that up.

Mr REEVES: With reference to pages 2-8 and 2-13 and 2-18 of the MPS, I understand that the department has undertaken a spot purchase program as a result of the difficulties and costs associated with the construction of accommodation. Can the minister advise what type of properties the Department of Housing is purchasing from the private market?

Mr SCHWARTEN: Thanks for that question. It leads on from what I said before. If you want to continue to have public housing in all communities, which I aspire to, then you really run up against some problems that are emerging in the building industry. What spec builders put on the market today is a three- or four-bedroom house with air conditioning and with a Tuscan look about it. A real estate agent in my own electorate the other day said to me, 'Schwarto, you don't even know what is going on over there. You are knocking back these houses for \$360,000 or whatever. Come out and have look at one.' So I went out and had a look at this house. It has a bathroom in it that we would have to pull out because a disabled family is going in it. So there is 10 or 12 grand there. It has an air conditioner in the wall, which we know the people who go in there will be poor and will struggle to be able to afford, let alone maintain. It has shag pile carpet in it for a very large family and it is coloured white. The house looked lovely from the outside, but we would have to spend another 20 grand or something on that house to get it to a stage where it is suitable for the disabled family that we are trying to buy it for.

I had a meeting last week with HIH to talk to them about the products that they are putting on the market. We do not want these things that everybody aspires to have. One of our biggest problems in housing affordability in Australia is that there are all these must-haves that people have in housing that were not around once. They have added volumes to the cost of housing. We have been caught in a bit of a pincer movement in that the trade shortages have escalated the building costs. The availability of land in the places where we want to build is not there. These refurbishments have taken place. We bought a set of units. We put older disabled people in them. But all these units had ensuites and air conditioning. If you are the person down the road who is struggling on a low income and you are paying off your own house you look up the road you say, 'Look at that.' It is a real policy challenge and one that is not made easy by people who would choose to misrepresent what we are trying to do.

Where we can get in at the bottom level with the refurbishments just starting, we can advise builders what to do. So we are trying, through that system, to make the case so that the industry has a better understanding of what we are trying to pay for. But at the moment it is cheaper to go and by a house with the air conditioning and the ensuite and all the rest of it in than it is to go and build one. As I say, when we are buying the best house in the street, I do not have to tell you as members of parliament the next thing that happens after that.

CHAIR: To ask the last question of the day I now call on the member for Cleveland. I ask members to note that this will also be his last question at an estimates committee after many years.

Honourable members: Hear, hear!

Mr BRISKEY: I do not know who will be more pleased: the departmental staff or the ministerial staff. This is the last question of the evening.

Mr SCHWARTEN: Or your good self.

Mr BRISKEY: I am very pleased that this is the last question of the evening and, in fact, I am very pleased that this is the last estimates hearing that I will be attending in this capacity at least. I have the MPS open at page 2-13. The first thing I notice on this page is that it states that the outcome is for 'a fair, socially cohesive and culturally vibrant society'. Would it not be wonderful if we could actually get that.

Mr SCHWARTEN: Yes.

Mr BRISKEY: I fear that under the present federal government we will never achieve a fair, socially cohesive and culturally vibrant society. So I look forward to the day when the current federal government goes. As referred to on this page of your MPS, would you kindly outline how you are planning to manage the delivery of appropriate social housing for low-income earners in Brisbane given the Brisbane City Council's issues with development and redevelopment in suburbs such as Carina?

Mr SCHWARTEN: Thanks very much.

Mr BRISKEY: The end.

Mr SCHWARTEN: I congratulate you on a long and distinguished career in estimates committees. You are probably the most experienced person in estimates committee over those years. As I said earlier, I wish you well. It is fitting that your last question is about something that has been very dear to your heart since you have been in parliament and that is caring about other people who are less well off than yourself. Your dear old father, who was a great friend of my family, would be very proud of you terminating your estimates committee career with that question.

I have been around this game for a long time but it is hard to find a more self-serving and destructive process than we have been through out at Chatsworth. I just find it appalling that we can sit down with the Lord Mayor and the Labor councillors and develop a strategy that aims to keep a community together. We have 50 per cent of people who live there who have lived there for 50-odd years in some cases. They are living in three-bedroom homes, overoccupying—or underoccupying, however you want to define that. We come up with a strategy to deal with it, as we have done at Stafford. It is no big surprise—we only want to be treated like a developer—only to get the word 'slum' written in the local paper. The member for Chatsworth, as I have said in the parliament, stands condemned for this. It is disgraceful. It is inciting. It does nothing to better his name or dignity in the community at large.

Worse for him and his side of politics is that it runs a shiver up the spine of every developer in Queensland. We are seeking to be treated no better or worse than any developer. I think it is very limiting in terms of making taxpayers' dollars count where they should. If we are sensible people and people of compassion, then we know the merit of keeping communities together—keeping older people with young people. We can achieve that by amalgamating blocks, by building seniors units and by working with the council to do that. But what have we got out of this? We have political grandstanding to stir the people up out there into a fear that their standard of living as they know it is going to dissipate. I think it is terribly, terribly wrong for someone to engage in that type of behaviour. I know if it occurred in any of your electorates I would not have any problems, as I did not have any problems in Terry Sullivan's area. But it shows how destructive a local member can be when you see older people writing to you saying, 'Please don't put those people in' and then you find out that the person who wrote to you is one of those people who live in public housing and who is frightened that they are going to be pushed out of their homes, they are going to be pushed out of the community. As I say, it is an attempt by us to do the right thing by all concerned and he stands condemned.

With your indulgence, we had a question earlier by the shadow minister in relation to Project Services having botched and delayed in regard to Cromwell House. The questions were: can you confirm the building is not yet operational? What is the cost blow-out? How much? How many other blow-outs and fit-outs by Project Services as a result of works relocation et cetera? Can you confirm as a result of bungling and the defects in the 200 Mary Street fit-out that 350 staff cannot use these facilities as a result? The answer is that the tenants have occupied the building for some months. The original Queensland Transport project budget was approximately \$700,000 and additional funding of approximately \$140,000 for various reasons has been requested from Queensland Transport. The majority of the additional funds can be attributed to scope changes and relocation costs. Project Services has over 4,500 projects on the books and would respond to any specific inquiries, including office fit-outs. As previously mentioned, the tenants are occupying 200 Mary Street. It is understood that the defects are minor in nature and are being attended to by a private sector contractor. Completion is targeted for 14 July 2006. On the matter of double rent, it is quite normal for rent to be paid on vacant premises while the fit-out is being constructed. In terms of minor defects, I have something handwritten here—10 something on switchboards and temporary—I thought my writing was bad. I am happy to table that, complete with illegible writing. I trust that that answers the question.

CHAIR: Thank you very much,

Mr SCHWARTEN: Thank you everyone,

CHAIR: There being no further questions, that concludes this session. Before we let you go, I am pretty sure there were other questions that you had taken on notice as well. If so, whatever questions on notice there are are due with the research director by 10 o'clock on Friday.

Mr SCHWARTEN: There was one about Termimesh. I think that is the only outstanding one.

Mr LANGBROEK: Yes.

CHAIR: We thank you very much for your time and efforts. We understand that your officers have gone to a lot of trouble both today and in preparing information for estimates. So we thank them very much as well.

Mr SCHWARTEN: I thank you for your professionalism, chair, and for the good humour with which people have been here tonight. Again, Darryl, I wish you all the very best.

CHAIR: In closing, I thank all members for the quality of the hearings that have been conducted. I think it has been a really cooperative process. So thank you. I declare the hearings closed.

The committee adjourned at 6.58 pm.