



Estimates Committee A

2006

Report No. 2 to the Legislative Assembly

Introduction

1. The Legislative Assembly, by Order of Appointment made on 21 April 2006, referred the proposed expenditure contained in the *Appropriation (Parliament) Bill 2006* and certain proposed expenditures contained in the *Appropriation Bill 2006* to Estimates Committee A for examination and report. The order allocated the following organisational units and ministerial portfolios to the committee:¹
 - Office of the Governor
 - Legislative Assembly
 - Queensland Audit Office
 - Commissioner for Children and Young People
 - Public Service Commissioner
 - Premier
 - Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation
 - Minister for Public Works, Housing and Racing.
2. The *Appropriation (Parliament) Bill 2006* provides for appropriation funding for the outputs and equity adjustment of the Legislative Assembly and the Parliamentary Service. In accordance with standing order 186(2), the committee will report separately on this Bill.
3. A public hearing was held on 11 July 2006 to take oral evidence from the Premier; the Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation; and the Minister for Public Works, Housing and Racing. A verbatim transcript of the committee's hearing can be accessed online at:
<http://www.parliament.qld.gov.au/Hansard/>.

4. Prior to the public hearing, the committee put 20 questions on notice to the Premier and each minister. Responses to all questions were received.
5. The committee has considered the estimates referred to it by examining information contained in the:
 - Budget papers
 - answers to pre-hearing questions on notice
 - oral evidence taken at the hearing
 - documents tabled at the hearing
 - answers to questions taken on notice at the hearing
 - additional information provided.
6. Answers to questions on notice and questions taken on notice at the hearing, together with minutes of the committee's meetings, are included in the additional information tabled with this report.

Premier

7. The Premier's Ministerial Portfolio Statement (MPS) includes the following departments and agencies:
 - Office of the Governor
 - Queensland Audit Office
 - Commission for Children and Young People and Child Guardian
 - Office of the Public Service Commissioner
 - Department of the Premier and Cabinet
 - The Coordinator-General
 - Service Delivery and Performance Commission
 - Queensland Events Corporation Pty Ltd
 - South Bank Corporation.

¹ The Order of Appointment was amended on 10 May 2006 by deleting Ombudsman from the organisational units.

Office of the Governor

8. The MPS states that the Office of the Governor exists to provide personal, administrative and logistic support to the Governor and to manage the Government House Estate.
9. The following table sets out details of the appropriation for 2006-07 compared to the previous financial year.

	2005-06 \$'000	2006-07 \$'000
Departmental Outputs	3,676	4,226
Equity Adjustment	(114)	-
Vote Total	3,562	4,226

Source: Premier, Ministerial Portfolio Statement 2006-07, 3-3

10. The MPS states that in 2006-07 the office will continue to support the official and public responsibilities of the Governor.

Queensland Audit Office

11. The Queensland Audit Office (QAO) is an independent statutory office established to assist the Auditor-General audit the public accounts and over 800 public sector entities. The Auditor-General may also conduct audits of a public sector entity's performance management systems.
12. The following table sets out details of the appropriation for 2006-07 compared to the previous financial year.

	2005-06 \$'000	2006-07 \$'000
Departmental Outputs	4,315	4,930
Equity Adjustment	250	(92)
Vote Total	4,565	4,838

Source: Premier, Ministerial Portfolio Statement 2006-07, 5-3

13. The office delivers the output *Independent Public Sector Auditing Services and Reporting*. Estimated expenditure for 2006-07 is \$27.640 million and this will be primarily funded by audit fee revenue of \$22.617 million.²

14. Priorities highlighted in the MPS for 2006-07 include:
- implementing phase 2 of the audit methodology toolset
 - increased funding of \$0.407 million to expand the program of performance management systems audits
 - investing in graduate recruitment and development programs.

Commission for Children and Young People and Child Guardian

15. The Commission for Children and Young People and Child Guardian is an independent statutory body that promotes and protects the rights, interests and wellbeing of children and young people in Queensland. The Child Guardian oversees services for, and decisions about, children in the child safety system.
16. The commission delivers the non-departmental output *Promotion and protection of the rights, interests and wellbeing of children and young people in Queensland*. Estimated expenditure for 2006-07 is \$29.135 million.
17. Priorities highlighted in the MPS for 2006-07 include:
- extending and improving the efficiency and effectiveness of the employment screening services, including strengthening the monitoring and enforcement of the blue card system
 - raising awareness of critical factors which affect the vulnerability of children in Queensland
 - implementing an effective Child Guardian function to oversee the child safety reforms.

Office of the Public Service Commissioner

18. The office delivers the output *Administration of the Public Service and the Management and Employment of Public Service Employees*. The output appropriation includes funding for the Office of the Integrity Commissioner, who provides advice to Queensland Government public officials on conflicts of interest.

² Premier, Ministerial Portfolio Statement 2006-07, 5-10.

19. The following table sets out details of the appropriation for 2006-07 compared to the previous financial year.

	2005-06 \$'000	2006-07 \$'000
Departmental Outputs	4,760	6,756
Equity Adjustment	-	-
Vote Total	4,760	6,756

Source: Premier, Ministerial Portfolio Statement 2006-07, 4-4

20. The MPS indicates that increased funding for the output reflects machinery of government changes affected in 2005-06. These changes incorporated public sector industrial and employee relations services in the output, previously delivered by the Department of Industrial Relations.

21. Estimated expenditure for 2006-07 is \$6.956 million.³

22. Priorities highlighted in the MPS for 2006-07 include:

- implementing initiatives from the Talent Attraction Project
- refining and marketing the senior executives and senior officers mobility program
- finalising departmental guidelines on the application of the Public Service Act requirements in relation to public service employees mental or physical incapacity.

Department of the Premier and Cabinet

23. The department supports and advises the Premier and Cabinet on constitutional, legislative and intergovernmental matters. It has a leadership and coordinating role in responding to social, environmental and economic issues. The department also administers ministerial offices and the offices of the Leader of the Opposition and the Leader of the Liberal Party.

24. The following table sets out details of the appropriation for 2006-07 compared to the previous financial year.

	2005-06 \$'000	2006-07 \$'000
Departmental Outputs	108,205	80,076
Equity Adjustment	(407)	13
Administered Items	109,904	90,616
Vote Total	217,702	170,705

Source: Premier, Ministerial Portfolio Statement 2006-07, 1-5

25. The MPS indicates that appropriation funding in 2005-06 included the output *International Trade Development*. This output transferred to the Department of State Development, Trade and Innovation in 2005-06 following machinery of government changes.

26. The following is a summary of the estimated output costs for 2006-07.

Departmental Output	2006-07 Estimate \$'000
Policy Advice, Coordination and Cabinet Support	24,564
Government and Executive Services	41,823
Multicultural Affairs Queensland ⁴	7,188
Legislative Drafting, Advisory and Information Services	6,865
Total	80,440

Source: Premier, Ministerial Portfolio Statement 2006-07, 1-6

27. Priorities highlighted in the MPS for 2006-07 include:

- developing recruitment strategies to address areas of critical skill shortage in Queensland's public and private sectors
- revising the counter-terrorism strategy and developing whole-of-Government procedures for the management of national security information
- working with the Great Barrier Reef Marine Park Authority in determining the priorities and directions for the park
- developing a program of events for Queensland's 150th celebrations in 2009

³ Premier, Ministerial Portfolio Statement 2006-07, 4-13.

⁴ The Minister for Small Business, Information Technology Policy and Multicultural Affairs has ministerial responsibility for this output.

- leading the development of a new whole-of-Government alcohol diversion program for Indigenous offenders.

The Coordinator-General

28. The Coordinator-General was established as a separate agency in July 2005 to coordinate and deliver major projects and infrastructure planning across Government. The outputs it delivers have been formed by outputs previously delivered by the Department of State Development, Trade and Innovation and the Department of Local Government, Planning and Recreation.

29. The following table sets out details of the appropriation for 2006-07.

	2005-06 \$'000	2006-07 \$'000
Departmental Outputs	-	36,078
Equity Adjustment	-	100,000
Vote Total	-	136,078

Source: Premier, Ministerial Portfolio Statement 2006-07, 2-4

30. The following is a summary of the estimated output costs for 2006-07.

Departmental Output	2006-07 Estimate \$'000
Infrastructure and Project Facilitation	39,367
Urban management for South East Queensland	5,548
Total	44,915

Source: Premier, Ministerial Portfolio Statement 2006-07, 2-5

31. Capital expenditure budgeted by the department (excluding the Property Services Group) for 2006-07 is \$119.633 million.⁵

32. Priorities highlighted in the MPS for 2006-07 include:

- additional funding of \$100 million to facilitate implementation of a recycled water pipeline in south east Queensland's western corridor
- funding for cruise shipping infrastructure projects including continued development of the Brisbane Cruise Terminal and planning

for the Gold Coast Marine Development project

- \$6 million to establish a Program Management Office to manage the coordination of the implementation of the South East Queensland Infrastructure Plan
- progressing the Rural Futures Strategy outlined in the South East Queensland Regional Plan.

Service Delivery and Performance Commission

33. The commission was established in November 2005. Its role is to review government departments to identify potential cost savings, waste or inefficiencies and to assess how well government services are meeting needs within the community.

34. The commission delivers the non-departmental output *Service Delivery and Performance*. Estimated expenditure for 2006-07 is \$3.087 million.⁶

35. The MPS indicates the commission will complete seven review projects in 2006-07.

Queensland Events Corporation

36. The corporation delivers two non-departmental outputs *Major Events Securement and Support* and *Queensland Events Regional Development Program*.

37. Estimated expenditure for 2006-07 is \$15.330 million.⁷

38. Priorities highlighted in the MPS for 2006-07 include:

- progressing Brisbane's bid for the 2011 World Championships in Athletics
- securing an international television broadcast platform for the Asia-Pacific Screen Awards
- maintaining and growing a diversified portfolio of sporting and non sporting events.

South Bank Corporation

39. The corporation is responsible for developing, managing and promoting the leisure, business and residential precinct known as South Bank. It

⁵ State Budget 2006-07, *Capital Statement - Budget Paper No.3*, 140.

⁶ Premier, Ministerial Portfolio Statement 2006-07, 6-5.

⁷ Premier, Ministerial Portfolio Statement 2006-07, 8-9.

also owns and operates the Brisbane Convention and Exhibition Centre.

40. Estimated expenditure for 2006-07 is \$60.590 million.⁸ Budgeted capital expenditure is \$8.766 million.⁹
41. Priorities highlighted in the MPS for 2006-07 include:
- upgrading and expanding the playground facilities, including a new water play park that incorporates a low water use function
 - investigating the potential for berthing facilities

Issues raised at the public hearing

42. The following issues were canvassed with the Premier at the public hearing on 11 July:
- role of the Integrity Commissioner and the office operating costs
 - role and functions of the Commissioner for Children and Young People and Child Guardian
 - performance targets of the Commission for Children and Young People and Child Guardian
 - access by Aboriginal and Torres Strait Islander children to the services of the Commission for Children and Young People and Child Guardian
 - blue card system
 - Queensland public service staff numbers for police officers, teachers and health workers
 - whistleblower protection system
 - QAO visits to regional centres
 - performance management systems audits by QAO
 - government advertising
 - role of the Co-ordinator General and capital works projects
 - southern regional water pipeline
 - Bundaberg Claims Management Committee
 - recovery assistance for Cyclone Larry victims

- Brisbane north-south bypass tunnel
- implementing outcomes from the Queensland road safety summit
- 2006 Australian beef exposition held in Rockhampton
- role of the Service Delivery and Performance Commission and its review of ICT governance
- western corridor pipeline
- construction of the Traveston Dam
- Aurukun bauxite resource development project
- national level water reform initiative
- proposed dam at Connors River
- upgrade and expansion of the South Bank playground facilities
- Fitzroy River development plans
- Springbrook land conservation
- travel on government aircraft
- transit oriented developments
- amendments to the South East Queensland Infrastructure Plan
- industry sites at Bridges and Bromelton
- role of the North-West Minerals Province Task Force
- coal infrastructure program of actions.

Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation

43. The Deputy Premier's portfolio statement includes the following departments and agencies:
- Treasury Department
 - Shared Service Initiative
 - Motor Accident Insurance Administration
 - Department of State Development Trade and Innovation
 - Property Services Group.

Treasury Department

44. The MPS states that the department provides policy advice, strategies and financial services to assist Government in achieving sustainable

⁸ Premier, Ministerial Portfolio Statement 2006-07, 9-5.

⁹ State Budget 2006-07, *Capital Statement - Budget Paper No.3*, 129.

economic outcomes and fiscal strength for Queensland.

45. The following table sets out details of the appropriation for 2006-07 compared to the previous financial year.

	2005-06 \$'000	2006-07 \$'000
Departmental Outputs	116,066	103,290
Equity Adjustment	4,487	3,125
Administered Items	1,390,859	597,193
Vote Total	1,511,412	703,608

Source: Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation, Ministerial Portfolio Statement 2006-07, 1-6

46. The following is a summary of the estimated output costs for 2006-07.

Departmental Output	2006-07 Estimate \$'000
Financial and Economic Policy	33,593
GOC Performance and Governance	5,819
Economic and Statistical Research	13,561
Taxation	48,272
Gambling	38,287
Superannuation	53,209
Total	192,741

Source: Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation, Ministerial Portfolio Statement 2006-07, 1-8

47. Capital expenditure budgeted by the department for 2006-07 is \$13.543 million.¹⁰

48. Priorities highlighted in the MPS for 2006-07 include:

- implementing the outcome of the energy review
- establishing the Queensland Future Growth Fund through the investment of proceeds from the sale of certain energy assets
- monitoring implementation progress of the Health Action Plan
- improving and expanding duty and payroll tax self-assessment through e-business initiatives

- completing the review of the gaming machine reallocation scheme for hotels
- reviewing the Queensland Responsible Gambling Strategy
- developing products which focus on core superannuation and marketing QSuper.

Shared Service Initiative

49. The MPS states that this initiative is a whole-of-Government approach to corporate services delivery. Under the model, agencies have joined together to share corporate services and resources through shared service providers.

50. From 1 July 2006 the hosting arrangements for the shared service providers CorporateLink, PartnerOne and Corporate Solutions Queensland will be consolidated to become the Shared Service Agency hosted by Treasury Department.

51. Estimated expenditure by the Shared Service Agency in 2006-07 is \$227.567 million.¹¹

52. CorpTech is the technology centre of skill established under the shared service initiative. It provides information and communication technology (ICT) applications, infrastructure and ICT solutions to shared service providers and Queensland Government agencies.

53. Estimated expenditure by CorpTech in 2006-07 is \$99.738 million.¹² Budgeted capital expenditure is \$39.113 million.¹³

Motor Accident Insurance Administration

54. This non-departmental output is delivered by the Motor Accident Insurance Commission (MAIC) and the Nominal Defendant. These statutory bodies provide a framework for determining premiums and levies and meet the cost of claims involving unidentified and uninsured motor vehicles, as well as claims against insolvent compulsory third party (CTP) insurers.

55. Estimated expenditure by the MAIC in 2006-07 is \$8.590 million and \$51.262 million by the Nominal Defendant.¹⁴

¹⁰ State Budget 2006-07, *Capital Statement - Budget Paper No.3*, 160.

¹¹ Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation, Ministerial Portfolio Statement 2006-07, 1-70.

¹² Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation, Ministerial Portfolio Statement 2006-07, 1-62.

¹³ State Budget 2006-07, *Capital Statement - Budget Paper No.3*, 161.

¹⁴ Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation, Ministerial Portfolio Statement 2006-07, 2-6 and 2-10.

Department of State Development, Trade and Innovation

56. The MPS states that the department is the Government's key economic development agency and has a lead role in maintaining Queensland's economic performance and to accelerate further growth opportunities.
57. The following table sets out details of the appropriation for 2006-07 compared to the previous financial year.

	2005-06 \$'000	2006-07 \$'000
Departmental Outputs	279,419	222,571
Equity Adjustment	7,221	22,454
Administered Items	59,514	34,315
Vote Total	346,154	279,340

Source: Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation, Ministerial Portfolio Statement 2006-07, 3-8

58. The following is a summary of the estimated output costs for 2006-07.

Departmental Output	2006-07 Estimate \$'000
Business and Market Development Services and Innovation	209,143
International Trade Development	29,407
Total	238,550

Source: Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation, Ministerial Portfolio Statement 2006-07, 3-9

59. Capital expenditure budgeted by the department for 2006-07 is \$24.126 million.¹⁵

60. Priorities highlighted in the MPS for 2006-07 include:
- developing the facilities approved within the Knowledge Based Research and Business project scope
 - continuing funding for the Institute for Molecular Bioscience, the Centre for Native Floriculture and the Indigenous Business Development Program
 - implementing a marketing campaign to boost public confidence in ethanol blended fuels
 - developing a business case for the Amberley Aerospace Park
 - implementing the Invest Queensland investment attraction strategy in interstate and overseas markets
 - implementing the Western Hardwoods and Recycled Timber Industry Plans
 - expanding the Queensland Capital Raising Pipeline into regional Queensland
 - continuing implementation of the Biotechnology Commercialisation Pipeline
 - focusing on the growth markets of China, India, Russia, Latin America and the Middle East
 - pursuing export opportunities from the implementation of Free Trade Agreements with Thailand, Singapore and the United States.

Property Services Group

61. This is a commercialised business unit of The Coordinator-General. The MPS states that the group provides funding for both property-related and other industry development functions aimed at encouraging the location and expansion of business and industry in Queensland.
62. Estimated expenditure for 2006-07 is \$55.410 million¹⁶ Budgeted capital expenditure is \$115.129 million.¹⁷

Issues raised at the public hearing

63. The following issues were canvassed with the Deputy Premier at the public hearing on 11 July:

¹⁵ State Budget 2006-07, *Capital Statement - Budget Paper No.3*, 138.

¹⁶ Deputy Premier, Treasurer and Minister for State Development, Trade and Innovation, Ministerial Portfolio Statement 2006-07, 4-7.

¹⁷ State Budget 2006-07, *Capital Statement - Budget Paper No.3*, 141.

- shared services initiative
- staff numbers in the Shared Services Agency
- collection of the ambulance cover levy
- Ergon and Energex sale proceeds
- infrastructure investment and funding
- review of energy GOCs
- public private partnerships and the value for money framework
- community benefits funding
- energy GOCs water conservation measures
- GST revenue
- full retail contestability of electricity
- analysis of water pricing
- monitoring implementation of the Health Action Plan
- insurance products for community groups
- tax relief for Queensland businesses
- Gambling Community Benefit Fund grant recipients
- responsible gambling initiatives
- Department of State Development organisational structure
- consultants and contractors arrangements
- monitoring milestone achievements by grant recipients
- support for businesses affected by Cyclone Larry
- water conservation initiatives
- aviation industry
- Narangba Industrial Estate
- ethanol industry plan
- Sugar Industry Innovation Fund
- Traveston Dam economic impact assessment
- Indigenous Business Development Grant Scheme
- administration costs of grant programs
- Middle East and India East export strategies and the South American mining initiative
- fibre composites action plan
- business and skilled migration program
- industry attraction initiatives and incentives

- proposed Boggo Road ecosciences precinct and the health and food science precinct at Coopers Plains
- initiatives to address energy emissions.

Minister for Public Works, Housing and Racing

64. The Minister's portfolio statement includes the following departments and agencies:

- Department of Public Works (including six commercialised business units)
- Department of Housing
- Queensland Building Services Authority
- Residential Tenancies Authority.

Department of Public Works

65. The MPS states that the department is the Government's lead agency in the design, construction, fitout and maintenance of government buildings; information and communication technology; procurement; and public sector record keeping. It also provides a regulatory framework for the State's racing industry.

66. Most services are provided through the department's commercialised business units, namely:

- QBuild - building construction, maintenance, security, horticultural and cleaning services
- Project Services - building and property consultancy
- QFleet – motor vehicle fleet management
- CITEC - information and communication technology provider
- Goprint - printing and information services
- SDS - warehousing and distribution of general supplies and furniture.

67. The following table sets out details of the appropriation for 2006-07 compared to the previous financial year.

	2005-06 \$'000	2006-07 \$'000
Departmental outputs	72,697	59,501
Equity adjustment	107,716	168,573
Administered items	18,023	19,352
Vote Total	198,436	247,426

Source: Minister for Public Works, Housing and Racing, Ministerial Portfolio Statement 2006-07, 1-11

68. The following is a summary of the estimated output costs for 2006-07.

Departmental Output	2006-07 Estimate \$'000
Building Procurement and Asset Management	285,111
Procurement Services	8,545
e-Government and Information and Communication Technology (ICT) Strategies	22,517
Public Records Management and Advisory Services	8,012
Racing Industry Services	6,014
Total	330,199

Source: Minister for Public Works, Housing and Racing, Ministerial Portfolio Statement 2006-07, 1-13

69. Capital expenditure budgeted by the department and the commercialised business units for 2006-07 is \$323.862 million.¹⁸

70. Priorities highlighted in the MPS for 2006-07 include:

- completing 33 units of government employee accommodation in Weipa
- funding of \$21.250 million to continue construction of stage 2 of the Queensland State Archives facility at Runcorn
- funding of \$31 million to progress the refurbishment of the former Health and Welfare Building at 63 George Street, Brisbane
- \$6.5 million towards the construction of a new government office building on Palm Island
- progressing the refurbishment of the heritage-listed Old Museum building at Bowen Hills
- refurbishing and upgrading existing office accommodation throughout the State
- \$4.988 million for progressing the redevelopment of the riverbank in Rockhampton.

- \$38.976 million to progress the Boggo Road Precinct redevelopment
- commencing construction of the new pedestrian/cycle bridge from Tank Street to Kurilpa Point, South Brisbane
- planning and design of the Gold Coast Stadium
- administering the capital grant to the Mackay City Council to construct the Mackay Convention Precinct
- continuing to manage the Millennium Arts Project at the Queensland Cultural Centre on behalf of Arts Queensland
- rolling out the Queensland Government Travel Management System to all departments
- placing 30 graduates from the Government ICT Career-Graduate Development Program in jobs in public sector agencies
- continuing to support the development of the Brisbane Racing Precinct.

Department of Housing

71. The department provides various forms of housing assistance to Queenslanders and develops strategies aimed at improving people's access to safe, secure, affordable and appropriate housing.

¹⁸ State Budget 2006-07, *Capital Statement - Budget Paper No.3*, 136.

72. The following table sets out details of the appropriation for 2006-07 compared to the previous financial year.

	2005-06 Estimate \$'000	2006-07 Estimate \$'000
Departmental Outputs	113,879	127,804
Equity Adjustment	56,950	77,805
Total	170,829	205,609

Source: Minister for Public Works, Housing and Racing, Ministerial Portfolio Statement 2006-07, 2-6

73. The following is a summary of the estimated output costs for 2006-07.

Departmental Output	2006-07 Estimate \$'000
Aboriginal and Torres Strait Islander Housing	135,737
Public Rental Housing	345,664
Community Housing	55,419
Private Housing	87,950
Home Purchase Assistance	5,605
Community Renewal	19,316
Total	649,691

Source: Minister for Public Works, Housing and Racing, Ministerial Portfolio Statement 2006-07, 2-7

74. Capital expenditure budgeted by the department for 2006-07 is \$481.172 million.¹⁹

75. Priorities highlighted in the MPS for 2006-07 include:

- supporting the implementation of one social housing system to assist over 250,000 households, including 64,000 with long-term social housing, 13,000 with time-limited social housing or crisis accommodation and over 173,000 to remain in or access private rental or home ownership
- \$20 million for providing additional accommodation solutions for people with mental illness
- \$37.9 million to implement initiatives to deliver a range of services to people who are homeless or at risk of homelessness
- commencing stages 2 and 3 of the Lady Bowen Complex redevelopment

- continuing to support the housing recovery effort for areas affected by Cyclone Larry
- funding procurement of up to 70 units of accommodation in support of the whole-of-Government Spinal Cord Injuries Initiative
- implementing new service delivery arrangements in 34 Indigenous communities.

Queensland Building Services Authority

76. The authority provides a licensing regime and regulatory function for the building industry. It delivers the non-departmental output *Building Industries Services*.

77. Estimated expenditure for 2006-07 is \$42.447 million.²⁰

Residential Tenancies Authority

78. The authority is a non-departmental output that regulates general tenancies, boarding houses, supported accommodation and aged rental accommodation.

79. The authority is self funded through income earned from the investment of rental bonds. Estimated expenditure for 2006-07 is \$20.254 million.²¹

Issues raised at the public hearing

80. The following issues were canvassed with the Minister for Public Works, Housing and Racing at the public hearing on 11 July:

- budgets and operations of commercialised business units
- management of departmental relocations
- termite product Termimesh
- Cyclone Larry restoration assistance by business units
- water conservation measures
- Queensland Maritime Museum dry dock project
- Queensland State Archives collection management
- financial management of the racing industry

¹⁹ State Budget 2006-07, *Capital Statement - Budget Paper No.3*, 91.

²⁰ Minister for Public Works, Housing and Racing, Ministerial Portfolio Statement, 3-6.

²¹ Minister for Public Works, Housing and Racing, Ministerial Portfolio Statement, 4-8.

- drug detection in the racing industry
- Technology Survival Skills Training Program
- public works departmental financial results
- purchasing procurement savings
- export development activities
- departmental performance indicators
- energy management strategy
- Millennium Arts Project
- sports stadiums redevelopment and construction
- maintenance of heritage buildings
- Aboriginal and Torres Strait Islander housing
- strategic planning for housing programs
- asbestos management
- Gatton Self Help Housing Group
- Home Assist/Secure funding
- purchases and disposals of public rental properties
- housing for low-income earners.

Recommendation

81. The committee recommends that the proposed expenditure, as detailed in the *Appropriation Bill 2006* for the organisational units and portfolios allocated to it, be agreed to by the Legislative Assembly without amendment.

Rachel Nolan MP
Chair
27 July 2006

Committee Members

Ms Rachel Nolan MP (Chair)
Mr Lawrence Springborg MP (Deputy Chair)
Mr Darryl Briskey MP
Mr John-Paul Langbroek MP
Mr Bob Quinn MP
Mr Phil Reeves MP
Mr Craig Wallace MP

Estimates Committee A

2006

Statements of Reservation

Lawrence Springborg MP, Leader of the Opposition

Bob Quinn MP, Member for Robina

John-Paul Langbroek MP, Member for Surfers Paradise

Lawrence Springborg MP

Leader of the Opposition

Leader of The Nationals



27 July 2006

Ms Rachel Nolan MP
Chair
Estimates Committee A
Parliament House
BRISBANE QLD 4000

Dear Ms Nolan

I refer to the report of Estimates Committee A.

I would express the following general reservations in relation to the Estimates Committee Process that led to that Report.

- The whole Estimates Committee process does not enable the detailed scrutiny of the expenditures provided for in the Queensland Budget
- The inappropriate grouping of Departments for each Estimates Committee limits the capacity to pursue whole of government issues
- Insufficient time is devoted by each Committee to the performance of its allocated task of reviewing expenditures
- Insufficient time is devoted by each Estimates Committee to the consideration of Individual Ministerial Program Statements
- The limit on the Number of Questions on Notice able to be asked on each Ministerial Program Statement prevents the pursuit of important issues
- The receipt of replies to Questions on Notice less than 24 hours prior to the actual commencement of Committee hearings limits the capacity to understand the answers and research their failure to provide adequate answers to the questions posed
- The structured nature of Committee proceedings into blocks of questions from Government and Non Government Members which prevent Members being able to follow a line of questioning in a logical and consistent manner to finality
- The limiting of each block of questions to 20 to 30 minutes generally thus preventing detailed consideration of particular issues because of time constraints
- The break-up of time within particular Ministerial Program statements to particular areas of Departments or Agencies thus limiting consideration of particularly important elements of a particular Department or agency
- The capacity of Ministers to answer questions in such a manner as to avoid the issue being investigated

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- The capacity of Ministers to be provocative, misleading or dissembling in answering questions with an inability of the questioner to challenge such action due to rulings that any challenge constitutes a further question.
- The inability of Estimates Committees to ask questions directly of senior public service administrators
- The use by Government Members of questions to Ministers that enable those Ministers to utilise the time of the Committee to make propaganda statements, grandstand and undertake media stunts instead of addressing issues in relation to proposed expenditures

Whilst noting the Report that has been prepared I would also express the following Specific Reservations in relation to that Report

THE LEGISLATIVE ASSEMBLY

- The failure of Mr Speaker to report to the Queensland Police Service the apparent theft of silverware from the Parliament
- The failure of Mr Speaker to ensure that adequate and up to date First Aid Kits are available throughout the precincts of Parliament
- The failure of Mr Speaker to ensure that appropriate emergency evacuation assembly points are available in the Parliamentary precinct
- The failure of Mr Speaker to ensure that appropriate water conservation measures are applied in the Parliamentary precinct

DEPARTMENT OF PREMIER AND CABINET AND ASSOCIATED AGENCIES

- The failure of the Premier to consult the Integrity Commissioner in relation to his introduction of legislation that legitimated lying to the Parliament by his Ministers and himself
- The failure of the Premier to ensure that Former Minister Nuttall consulted the Integrity Commissioner in relation to land dealings at Sippy Downs whilst Minister for Health
- The failure of the Premier to adequately justify the removal of accountability targets in relation to the operations of the Commissioner for Children and Young People and Child Guardian
- The failure of the Premier to adequately explain the reasons why his Government and the Co-ordinator General failed to meet Capital works expenditure targets for 2005/06
- The failure of the Premier to adequately explain what Budget provisions were made for the proposed Southern Regional Water Pipeline
- The failure of the Premier to adequately explain what contracts have been let to date for the proposed Southern Regional Water Pipeline

- The failure of the Premier to adequately explain ownership of the water and the costs of supplying water for the Southern Regional Water Pipeline
- The failure of the Premier to adequately explain what the Service Delivery and Performance Commission had achieved in 2005/06 and to outline the costs and staff employment savings targeted to be achieved by the Service Delivery and Performance Commission in 2006/07
- The failure of the Premier to adequately explain what Budget provisions were made for the proposed Western Corridor Water Pipeline
- The failure of the Premier to adequately explain what contracts have been let to date for the proposed western Corridor Water Pipeline
- The failure of the Premier to adequately explain the decision of his government to build a dam at Traveston
- The failure of the Premier to explain what is the true anticipated cost per megalitre of water to be potentially generated by the Traveston Dam
- The failure of the Premier to adequately explain the impact of the construction of the proposed Traveston Dam in stages on surrounding areas including flood control and water release
- The failure of the Premier to adequately explain the time table for preparation of the Environmental Impact Assessment in relation to the proposed Traveston Dam.

Yours faithfully

Original signature deleted.

LAWRENCE SPRINGBORG
Leader of the Opposition

KM/mh



BOB QUINN MP

Leader of the Liberal Party

Member for Robina

Shadow Treasurer | Shadow Minister for Finance

Ms Rachel Nolan MP
Chair
Estimates Committee A
Parliament House
BRISBANE 4000

Dear Ms Nolan

I refer to the report of Estimates Committee A.

I would express the following general reservations in relation to the Estimates Committee Process that led to that Report.

- The whole Estimates Committee process does not enable the detailed scrutiny of the expenditures provided for in the Queensland Budget
- The inappropriate grouping of Departments for each Estimates Committee limits the capacity to pursue whole of government issues
- Insufficient time is devoted by each Committee to the performance of its allocated task of reviewing expenditures
- Insufficient time is devoted by each Estimates Committee to the consideration of Individual Ministerial Program Statements
- The limit on the Number of Questions on Notice able to be asked on each Ministerial Program Statement prevents the pursuit of important issues
- The receipt of replies to Questions on Notice less than 24 hours prior to the actual commencement of Committee hearings limits the capacity to understand the answers and research their failure to provide adequate answers to the questions posed
- The structured nature of Committee proceedings into blocks of questions from Government and Non Government Members which prevent Members being able to follow a line of questioning in a logical and consistent manner to finality
- The limiting of each block of questions to 20 to 30 minutes generally thus preventing detailed consideration of particular issues because of time constraints
- The break-up of time within particular Ministerial Program statements to particular areas of Departments of Agencies thus limiting consideration of particularly important elements of a particular Department or agency
- The Capacity of Ministers to answer questions in such a manner as to avoid the issue being investigated
- The inability of Estimates Committees to ask questions directly of senior public service administrators
- The use by Government Members of questions to Ministers that enable those Ministers to utilise the time of the Committee to make propaganda statements, grandstand and undertake media stunts instead of addressing issues in relation to proposed expenditures

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BOB QUINN MP

Leader of the Liberal Party

Member for Robina

Shadow Treasurer | Shadow Minister for Finance

Whilst noting the Report that has been prepared I would also express the following Specific Reservations in relation to that Report.

TREASURY

The Shared Services Initiative was the subject of comment in my Reservation Statement to Estimates Committee A's Report last year and continues to be a program of concern this year. The fact that this program is the subject of investigation by the Service Delivery and Performance Commission after only a short period of operation underlines my view that the claimed savings are not being delivered, despite the Minister's and Treasury's statements to the contrary.

The non-inclusion of costs for the new water infrastructure initiatives, particularly the dams at Traveston and Wyaralong which were announced less than a month after the Budget was brought down is a politically convenient but financially irresponsible approach to the financial accounts of the state. Had these costs (approx. \$2 billion) been included in the Budget, then the surpluses and forward estimates would have changed substantially, possibly taking the 09/10 Operating Surplus to a deficit and/or increasing the borrowings of the state.

The admission by the Treasurer that the Government has yet to engage with local authorities in discussions relating to the price of water delivered by the proposed Southern Regional Pipeline indicates that the government has not seen the urgency in constructing water infrastructure and working with councils to ensure a reliable and adequate supply of fresh water for south east Queensland.

R J Quinn

Leader of the Liberal Party

Shadow Treasurer

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28 July 2006

Ms Rachel Nolan MP
Chair
Estimates Committee A
Parliament House
BRISBANE 4000

Dear Ms Nolan

I refer to the report of Estimates Committee A.

I would express the following general reservations in relation to the Estimates Committee Process that led to that Report:

- The whole Estimates Committee process does not enable the detailed scrutiny of the expenditures provided for in the Queensland Budget
- The inappropriate grouping of Departments for each Estimates Committee limits the capacity to pursue whole of government issues
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- Insufficient time is devoted by each Estimates Committee to the consideration of Individual Ministerial Program Statements

To use the portfolio of Public Works and Housing as an example, the time allocated in the past was longer for this portfolio. It is extremely disappointing to note the steady decline of time for this portfolio. In 2000, 3 hours and 45 minutes was allowed; in 2001, 2 hours and 34 minutes; in 2002, 3 hours and 11 minutes. The two and quarter hours provided this year wasn't long enough. An adequate time period allows for better and proper scrutiny. In the earlier years of the Beattie Government this was provided, but as its budgetary outcomes have become worse, so to has the time allowed to scrutinise those numbers.

- The limit on the Number of Questions on Notice able to be asked on each Ministerial Program Statement prevents the pursuit of important issues
- The receipt of replies to Questions on Notice less than 24 hours prior to the actual commencement of Committee hearings limits the capacity to understand the answers and research their failure to provide adequate answers to the questions posed
- The structured nature of Committee proceedings into blocks of questions from Government and Non Government Members which prevent Members being able to follow a line of questioning in a logical and consistent manner to finality.

The inflexible nature of the structure was again evident in the portfolio of Public Works and Housing. It was very disappointing that Government Members elected to finish their examination of the Housing portfolio early. As Shadow Housing Minister, I would have asked more questions if given the opportunity.

- The limiting of each block of questions to 20 to 30 minutes generally thus preventing detailed consideration of particular issues because of time constraints
- The break-up of time within particular Ministerial Program Statements to particular areas of Departments of Agencies thus limiting consideration of particularly important elements of a particular Department or Agency
- The capacity of Ministers to answer questions in such a manner as to avoid the issue being investigated
- The inability of Estimates Committees to ask questions directly of senior public service administrators
- The use by Government Members of questions to Ministers that enable those Ministers to utilise the time of the Committee to make propaganda statements, grandstand and undertake media stunts instead of addressing issues in relation to proposed expenditures.

Whilst noting the Report that has been prepared I would also express the following Specific Reservations in relation to that Report:

- An apparent general lack of respect to the Estimates process and indeed the members of Estimate Committee A. Most disappointed by the Premier's disrespectful attitude, evidenced by the fact he didn't even turn off his phone. The Premier's phone didn't ring once, but twice, during the hearing. This persisted through the day, with Ministers and/or their staff having electronic equipment switched on which interfered with the sound system. The same disrespect would not be tolerated in other parliamentary committees and it was a shame the Premier and some of his Ministers and their respective staff did not recognise this was in fact a committee of the Parliament.
- Baffled by the Premier's blame shifting exercise in regard to the current water crisis. The Premier blamed Sir Joh Bjelke-Petersen for the State not taking over control of water from Councils. These comments are a true stretch. Sir Joh left the Queensland Parliament 19 years ago and Labor has been in power for 15 of the last 17 years. The Premier's Labor Government has been in power for 8 years. It is the State that is responsible for building dams and it is irresponsible to divert attention away from this.
- Also, it should be noted that the Deputy Premier and Treasurer doesn't have a complete grasp of the billing procedures of the Shared Service Initiative and was corrected by the Under-Treasurer.

With more specific reference to the portfolio of Public Works and Housing:

- Perplexed by the Minister comments in answers to some Advance Questions on Notice. On two occasions, the Minister stated, “I note the continued attack upon the business units of this department which has become a yearly event...” These dismissive answers aimed to divert attention away from the fact the answer wasn’t properly answered and the disgraceful loss of taxpayers money in these units that the Beattie Government is responsible for. For example, CITEC, that lost \$5.1 million last year and is budgeted to lose another \$6 million this coming financial year. Furthermore, because these Advance Questions on Notice were not answered properly, I had to then re-ask the questions which wasted time which could have been used to cover other areas of concern. This hindered the ability to properly scrutinize the portfolio.
- Interested to hear of approximately \$10 million announced which was not announced in the budget only one month before. Namely, 4.5 million dollars for GoPrint, which has had no capital expenditure granted in two budgets, but keeps losing money, and another 5 million dollars for water efficiency measures for public housing. Confused as to why this money should be announced only one month after the Budget and indicates poor planning. Announcement may also have been given at this time to act as a smokescreen for the failings of the Beattie Government in this portfolio.
- Highly concerned to hear confirmation of money wasted, rent not collected and other issues in ATSI housing. The Minister acknowledged that his position had changed, “If you said to me five years ago that I would be speaking like this I would have said no...”, but the Minister has now had eight years to change things.
- Concerned, but not surprised, that the Minister continues to publicly query why we have a racing minister at all. This demonstrates the lack of regard for the portfolio and the issues within it. Every other state has a similar ministry.

I would like to thank Leanne Clare, the secretariat and the Parliamentary staff for the smooth administration of the day.

John-Paul Langbroek MP
Member for Surfers Paradise