



ESTIMATES COMMITTEE D

REPORT – 2006

1. INTRODUCTION

Estimates Committee D was appointed on 21 April 2006 to examine and report on the proposed expenditure set out in the Appropriation Bill 2006 for the organisational units within the portfolios of:

- the Minister for Energy and the Minister for Aboriginal and Torres Strait Islander Policy; and
- the Minister for Emergency Services.

The committee conducted a public hearing on Friday, 14 July 2006 to take evidence from these Ministers. A copy of the transcript can be downloaded from the Hansard website (under 'latest Hansard') <<http://www.parliament.qld.gov.au/Hansard/>>.

Prior to the public hearing, the committee put 20 questions on notice to each minister. Responses to all the questions were received.

For the purposes of examining the proposed expenditure for the organisational units allocated to it, the committee considered information obtained at the hearing, in conjunction with:

- budget papers and ministerial portfolio statements;
- written responses provided by ministers to questions on notice prior to the public hearing;
- oral evidence taken at the hearing; and
- the minister's written answer to a question taken on notice at the public hearing.

During the inquiry the committee examined a wide range of issues, including those listed in this report.

Accompanying this report is a volume of 'Additional Information' presented by the committee to the Legislative Assembly.

The additional information includes the ministers' answers to questions on notice asked before and during the public hearing, documents tabled at the hearing, and the minutes of the committee's meetings.

2. MINISTER FOR ENERGY AND MINISTER FOR ABORIGINAL AND TORRES STRAIT ISLANDER POLICY

2.1 DEPARTMENT OF ABORIGINAL AND TORRES STRAIT ISLANDER POLICY

2.1.1 Introduction

The 2006-07 appropriation for the Department of Aboriginal and Torres Strait Islander Policy is \$70,586,000.

The department delivers a single output: Aboriginal and Torres Strait Islander Policy and Engagement.

2.1.2 Budget highlights

The MPS lists the following budget highlights for 2006-07:

- Continue the implementation of Partnerships Queensland, including the development and implementation of cross-agency Response Plans for each of the two Partnerships Queensland priority action areas and overarching risk and protective factors, and provide funding for appropriate initiatives under the Partnerships Queensland Budget Strategy.
- Continue to establish sub regional government coordination and service delivery plans focusing on interventions to address the priority areas of child safety, family violence and alcohol and other substance use and misuse, across the 19 Meeting Challenges, Making Choices communities.

- Continue the implementation of a range of initiatives to manage demand for alcohol and other substances under Meeting the challenges of substance misuse – A strategy addressing the misuse of substance, including alcohol, in Aboriginal and Torres Strait Islander Queensland.

2.1.3 Issues considered by the committee

During the course of its inquiry the committee examined a range of issues including:

- recommendations presented by the Palm Island Select Committee;
- alcohol management plans and implementation;
- finalising the Indigenous Wages and Savings Reparations process;
- Aborigines Welfare Fund;
- the development of the Happy Valley facility in Townsville;
- non-sniffable Opal fuel trial;
- development and implementation of alcohol and other substances demand reduction programs in the 19 *Meeting Challenges, Making Choices* communities;
- apprenticeships and traineeships available under the *Partnerships Queensland* corporate engagement strategies;
- Commonwealth-state bilateral agreement on Aboriginal and Torres Strait Islander service delivery;
- departmental audits undertaken during 2005-06;
- reductions in staffing levels;
- refurbishing of the Jimaylya Topsy Harry Centre at Mt Isa;
- further development of the Child Safety Policy Framework;
- provision of community housing to reduce overcrowding;
- removal of liquor licences and responsibility for licensed canteens from local councils;
- implementation of divestment strategy for retail stores managed by DATSIP; and
- establishment of partnerships through the Partnerships Queensland Corporate Engagement Strategy.

2.2 ENERGY

2.2.1 Introduction

The 2006-07 appropriation for the Department of Energy is \$405,989,000.

The department delivers a single output: energy services.

2.2.2 Budget highlights

The MPS lists the following budget highlights for 2006-07:

- \$2.1 million allocated to continue the development and implementation of full retail competition in the Queensland electrical and gas markets.
- \$1.9 million allocated for Queensland's contribution to the Australian Energy Market Commission which undertakes rule making and market development in the national electricity market and in the near future, the national gas market.
- \$0.85 million allocated to contribute to the continued development and implementation of national programs for energy efficiency through the National Framework for Energy Efficiency.
- \$1 million has been committed to a Solar Cities Trial which will explore opportunities to maximise economic and environmental benefits from the use of solar technologies in grid connected areas.

2.2.3 Issues considered by the committee

During the course of its inquiry the committee examined a range of issues including:

- electricity supply infrastructure affected by the Traveston Dam proposal;
- consultation undertaken and cost implications relating to the Traveston Dam proposal;
- department's role in increasing the gas pipeline capacity into south-east Queensland;
- improvement of Ergon Energy's capital works program;
- mandatory renewable energy targets for Enertrade;
- developing and managing Queensland's role in the national electricity and gas markets;
- departments response to energy disruptions caused by cyclones Larry and Monica;
- government approach to power purchase agreements;

- use of water supply from Wivenhoe Dam by Tarong Power Station;
- gas-fired air-conditioning trial on the Gold Coast;
- Guaranteed Service Levels for electricity supply reliability;
- strategic options for developing and monitoring end-use energy efficiency;
- continuing regulation and administration of the 13% Gas Scheme
- renewable and sustainable energy strategies;
- planning and proposed expenditure for future regional pipelines;
- proposed planning for future network infrastructure;
- Somerville report recommendations on workforce skills;
- summer preparedness plans outlining actions to be completed prior to the summer storm and peak load period to ensure continuity of supply to customers;
- managing community service obligations to deliver the government's policy of uniform electricity tariffs to customers who have not entered the contestable market;
- completion of eight community infrastructure designations for PowerLink Queensland;
- Solar Cities Trial Program;
- impact of using recycled water on the cost of competitiveness of energy supplies;
- policy on undergrounding electricity lines; and
- sustainable energy development.

3. MINISTER FOR EMERGENCY SERVICES

3.1 INTRODUCTION

The 2006-07 appropriation for the Department of Emergency Services is \$414,383,000.

The MPS provides the following output summary for the department:

Output	Total cost 2006-07 \$'000
Ambulance Service	355,737
Emergency Management	64,322
Fire and Rescue Service	324,054
Total	744,113

Source: 2006-07 Queensland State Budget, Ministerial Portfolio Statement, Minister for Emergency Services, page 9.

3.1.1 Budget highlights

Budget highlights, listed within the MPS for 2006-07, include:

- Commitment to build the structures required to ensure safe and secure communities;
- Enhance community safety and prevention capability through: CPR for Life Program; Neighbourhood Watch; Indigenous Australian Service Delivery Enhancement Package; and Community Bushfire Awareness.
- Strengthen operational service delivery through:
 - capital investment in ambulance and fire stations, replacement ambulance, urban and rural vehicles and helicopters
 - continued implementation of the Strategic Information Management Initiative and improved operational and communications equipment, and information technology;
 - upgrade of aeromedical and air rescue services in the Torres Strait and northern peninsula area and increasing grants to community helicopter providers;
 - funding for Counter-terrorism Initiatives;
 - additional paramedics to address growth in demand and maintain emergency response times;
 - funding for the Emergency Services Computer Aided Dispatch System to improve support for QFRS and QAS response services;
 - additional communication officers for QAS to meet increased demand for call-taking;
 - enhance bushfire response capability in urban-rural interface zones (iZones), enhanced training and communications infrastructure, increase rural operations staff, improve facilities in Highfields and Palm Island;
- Develop and support the departments staff and volunteers through: improved working conditions and facilities; new equipment and improved training.

3.1.2 Issues considered by the committee

During the course of its inquiry the committee examined a range of issues including:

- construction of ambulance station at Carindale;
- replacement of auxiliary fire station at Forest Hill;
- new ambulance station at Nerang;
- capital expenditure and vehicle purchases;
- Queensland Fire Service fire fighters pay structure;
- CPR for Life Program;
- Queensland Ambulance Service budget;
- smoke alarms;
- Emergency Services helicopter replacements;
- Queensland Ambulance Service and Fire and Rescue Service community education programs;
- Enhancement of bushfire response capability in urban-rural interface zones (iZones);
- Emergency Services response to cyclones Larry and Monica;
- expenditure from the director-general's reserve toward the construction of a basketball court at Coen;
- work cover for emergency services volunteers;
- Binary Chemicals fire in August 2005;
- baby capsule hire services;
- emergency services volunteers;
- Queensland Fire and Rescue Service response time targets;
- Counter-terrorism emergency strike team and preparedness;
- Community safety and awareness programs;
- Queensland Combined Emergency Services Academy;
- Volunteer Marine Rescue craft;
- Queensland Ambulance Service patient transport service officers;
- Emergency services facilities at Highfields and Palm Island;
- Emergency Services staffing at Kedron;
- acquisition of emergency service vehicles;
- training and education qualifications achieved by Queensland Ambulance Service staff;

- Queensland Fire and Rescue Service capital investments;
- Indigenous Australian Service Delivery Enhancement Package;
- Rural Fire Service staffing levels;
- Bronto skylift vehicle;
- budget accommodation fire safety compliance;
- Queensland Ambulance Service rosters;
- Pandemic Influenza Taskforce;
- strategic information management initiative; and
- hospital bypassing.

4. RECOMMENDATION

Estimates Committee D recommends that the proposed expenditures, as set out in the Appropriation Bill 2006, for the organisational units within the portfolios allocated to the committee, be agreed to by the Legislative Assembly without amendment.

5. ACKNOWLEDGMENTS

The committee thanks the ministers and their departmental officers for their cooperation and assistance throughout the estimates process.

Dianne Reilly MP
Chair

August 2006

MEMBERS

Mrs Dianne Reilly MP (Chair)
Hon. Kevin Lingard MP (Deputy Chair)
Mr Don Livingstone MP
Ms Carolyn Male MP
Mr Ted Malone MP
Mrs Dorothy Pratt MP
Mrs Desley Scott MP

SECRETARIAT

Mr Ian Thompson, Research Director
Ms Tania Jackman, Executive Assistant

The transcript of the committee's public hearing is available on the Hansard web page at:
<http://www.parliament.qld.gov.au/Hansard/>

STATEMENT OF RESERVATIONS EMERGENCY SERVICES

Ms Reilly MP
Chair
Estimates Committee D
Parliament House
BRISBANE 4000

Dear Ms Reilly

I refer to the report of Estimates Committee D.

The process of Estimates Committee hearings in relation to the Ministerial Program Statement for the Department of Emergency Services highlights yet again the weaknesses in the operations of Estimates Committees in Queensland as a mechanism for scrutinizing expenditures by government Departments.

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 capacity of Ministers to answer questions in such a manner as to avoid the issue being investigated;
- 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 inability of Estimates Committees to ask questions directly of senior public service administrators. This failure to permit statutorily independent officers and organizations to be directly responsible to and answer questions directly by Members of Parliament undermined their independence from Executive government.
- 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;
- The failure of Ministerial Program Statements to contain comprehensive, consistent and readily understandable performance standards that are consistently applied on a year by year basis.

Whilst noting the Report that has been prepared I would also express the following Specific Reservations in relation to that Report that intense questioning by the Member for Mirani highlighted a number of matters on which the response of the Minister was unsatisfactory during Estimates Committee D:

- The inability of the Minister to answer the question raised by the Member for Mirani in relation to the standard that the Department was now accepting as replacement fire stations and ambulance stations – instead the Minister just talk about old stations throughout Queensland and failed to address this matter of building standards in relation to the temporary buildings and tin sheds.
- The inability of the Minister to provide feedback on the Forest Hill station after estimates – as he indicated that he would be going out to have a look at the Forest Hill station and stated that it had better not be a tin shed – I am aware that the following week after estimates the Minister did visit the area and was able to view the tin shed in question and did not provide feedback to the Member for Mirani about the matter.
- I am appalled at the Minister's refusal to answer the Question as to why it is necessary for local communities to support the emergency services by running local chook raffles and accessing the Gambling Community Benefit Fund, when the growth tax fund for the fire service and the community ambulance cover is paid for already by the community. Instead he commented on his role in LAC's and that completely ignored the issue that LAC's and local communities should not have to raise money for essential equipment as the Government already is taxing them for the equipment that is an essential part of their core activities. The question is where is the money that the Government is taxing them on GOING, obviously not Emergency Services?
- The misleading tactics utilised by the Minister to explain how the ambulance levy funds where to be utilised.
- The inability of Minister to recognise that the essential core activities of Emergency Services does not include providing a \$41,000 Basketball Court for the Coen Community from the Director General's Reserve, which is only one example of many that highlights the inability of the Department to focus on its Core Responsibilities.
- This funding should come out of the Premiers Department, Aboriginal Affairs or the Department of Sport. It is a tragic waste of money that could have brought an essential piece of equipment for an ambulance or a fire truck. As such the Minister completely failed to answer the question and provide an answer as to why this wastage occurred and is still occurring.
- The failure of the Minister to provide resources and funding, to assist rural fire volunteers to access suitable work cover compensation and the Minister's failure to provide suitable support packages for these volunteer's.
- The inability of the Minister to provide a complete breakdown of the funding for the community helicopters, despite the Minister's funding announcement proposal for the next three years due to the fact that there was only an agreement to run for 18 months – as the Minister had not been able to reach a funding agreement for 3 years despite his promises.
- The failure of the Minister to provide a comprehensive details on the concerns of the fire crews that attended the Binary Chemicals fire, that they were not fully informed as to the hazardous situation that they were attending and the lack of follow-up on the fire fighters concerns by providing them with health briefings for Dr Keith Adam and as to what long-term monitoring plan of their health was to be implemented – this is simply not good enough.
- The inability of the Minister to provide a complete and concise answer in relation to the Palm Island joint facility in relation to cost and accommodation.
- The inability and failure of the Minister to consider alternatives earlier in relation to the acquisition of ambulance vehicles – the Mercedes Sprinter ves the Iveco or the VW Caravelle. That is waste of resources and monies that could have been used elsewhere in Emergency Services.
- The inability of the Minister to provide the necessary staff to crew the Bronte Sky Crane – instead of relying on ghost crewing to meet the staff shortages.
- The consistent failure of the Minister to be forthcoming regarding the QFRS rostering system and its problems.

Regards

Ted Malone MP
Member for Mirani

STATEMENT OF RESERVATIONS ENERGY AND ABORIGINAL AND TORRES STRAIT ISLANDER POLICY

Mrs D Reilly
Chair
Estimates Committee D
Parliament House
BRISBANE 4000

Dear Mrs Reilly

I refer to the report of Estimates Committee D.

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

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

During the examination of the estimates for the Department of Energy a number of questions were directed to the Minister as a direct consequence of the Governments recent decision to proceed with the construction of the Traveston Dam.

The Minister's responses exposed the lack of adequate and transparent planning associated with the provision of water infrastructure. Questioning of the Minister and the relevant electricity GOC CEO's revealed significant flaws in the costings provided in the GHD report. A price tag of \$5m has been identified for the moving of infrastructure affected by the Traveston dam. Evidence provided revealed that no estimates of the actual costs of this relocation had been provided by the relevant authorities.

This evidence raises concerns about how the government can validly claim to have comprehensive project costs for this major project when the experts who own the infrastructure have never been consulted to determine the feasibility or costs of what the government is proposing.

Subsequent evidence also revealed that no provision has been made for the energy infrastructure that will be necessary to power the pumping of water through the so called "water grid". The Government proposal to interlink the South East's water supply infrastructure through the water grid will require a significant use of power. Questioning however revealed that this demand is yet to be taken into consideration for either generation or distribution.

The responses by the Minister simply confirm that the government decision making process regarding the water storage infrastructure and the pipeline network has been ad hoc and is in crisis management as a consequence of the Beattie Government's failure over two terms to provide essential infrastructure.

The Minister was also forced to admit to the Committee that despite instructions to the contrary the Tarong power station had been using water from the Wivenhoe Dam whilst the people of south east Queensland undergo level three water restrictions

In relation to the evidence taken in relation to the Department of Aboriginal and Torres Strait Islander Policy I would like to refer to a matter frequently raised by the Minister. The Minister spent a considerable amount of the non government time allocated for questions insisting that each question make reference to a specific page of the Ministerial Portfolio Statement. I simply point out that there is no such requirement under standing orders.

I would also point out of course that the Minister makes no such reference in his opening address so I was particularly concerned when he asks for specific references to the MPS when the first question actually referred to a matter he raised himself in his opening address.

That matter was the matter of Palm Island. The Opposition is disappointed that despite a number of Questions the Minister was unable to advise if specific budget allocations had been made to implement the recommendations of the Palm Island Select Committee. I look forward to the report on the implementation of the recommendations which is due in November 2006 so that Queenslanders will be able to judge the Governments sincerity in responding to these recommendations.

Hon Kev Lingard MP
Member for Beaudesert
Deputy Chair
Estimates Committee D