

## TUESDAY, 17 JULY 2007

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### ESTIMATES COMMITTEE E—EDUCATION AND TRAINING, AND THE ARTS

#### Estimates Committee E Members

Ms A Palaszczuk (Chair)  
Mr SW Copeland  
Mr HWT Hobbs  
Mr PA Hoolihan  
Mr PG Reeves  
Mrs CA Smith  
Mr PW Wellington

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#### In Attendance

Hon. RJ Welford, Minister for Education and Training, Minister for the Arts  
**Department of Education, Training and the Arts**  
Ms R Hunter, Director-General  
Mr M Walsh, Deputy Director-General, Corporate Strategy and Resourcing  
Ms R Logan, Chief Finance Officer, Strategic Resource Management  
Dr S Oberhardt, Senior Policy Officer

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#### Committee met at 8.28 am

**CHAIR:** Good morning. I declare this hearing of Estimates Committee E now open. On behalf of the committee, I welcome the minister, departmental officers and members of the public to the hearing. I am Anastacia Palaszczuk, the member for Inala and chair of the committee. Mr Stuart Copeland, the member for Cunningham, is the deputy chair. The other committee members are Mrs Christine Smith, the member for Burleigh; Mr Howard Hobbs, the member for Warrego; Mr Paul Hoolihan, the member for Keppel; Mr Phil Reeves, the member for Mansfield; and Mr Peter Wellington, the member for Nicklin. The committee will examine the proposed expenditure contained in the Appropriation Bill 2007 for the area set out in the order of appointment dated 23 May 2007.

This morning the committee will examine the organisational units in the Department of Education, Training and the Arts. Following lunch the committee will examine units within the portfolio of the Department of Local Government, Planning, Sport and Recreation. The committee will suspend proceedings for the following breaks: morning tea from 10.30 until 10.45, lunch from 12.15 to 1.15 and afternoon tea from 3 to 3.15.

I remind all of those participating in the hearing today that these proceedings are similar to parliament to the extent that the public cannot participate in the proceedings. In this regard, I remind members of the public that under the standing orders the public may be admitted to or excluded from the hearing at the discretion of the committee. The committee has resolved that the proceedings of the committee be broadcast and that photography be allowed during the chair's opening statements and the introductory statements of each minister, as well as for a short period during each changeover in organisational units. I ask that any mobile phones or pagers be either switched off or switched to silent mode.

I remind members of the committee and the minister that under standing orders the time limit for questions is one minute. Answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the end of each of these time limits. An extension of

time will be given with the consent of the questioner. A double chime will sound two minutes after an extension of time has been given. The standing orders require that at least half the time available for questions and answers be allocated to non-government members. Any time expended when the committee deliberates in private is to be equally apportioned between government and non-government members.

The committee has resolved that non-committee members be given leave to attend and ask questions during the hearing. The member for Kawana will attend the hearing and seek the leave of the committee to ask questions. For the benefit of Hansard, I ask departmental officers to identify themselves when they first come forward to answer a question if the minister refers a question to them.

I now declare the proposed expenditure for the Department of Education, Training and the Arts open for examination. The time allocated is three hours and 45 minutes. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, if you wish to make an opening statement I remind you that there is a time limit of five minutes for such a statement.

**Mr WELFORD:** Thank you, Chair. I will take that opportunity to make an opening statement if I may. I welcome the opportunity to appear at the estimates hearings of this committee today. I am pleased to report on the government's budget for the 2007-08 financial year and to comment on the activities of the portfolio of Education and Training, and the Arts over the past year. Indeed, this past year has been a momentous year for my department. The integration of the agencies of Education and Training, and the Arts following the re-election of the government in 2006 has created new levels of collaboration across three areas—three areas that are vital to achieving the Smart State.

The newly combined department, which came into existence in September last year, employs more than 62,000 people across the state and oversees the education of almost 700,000 students in state and non-state schools and another 240,000 in vocational education and training. It has a combined controlled budget for this coming financial year of \$6.69 billion. No-one can disagree that it is a hugely important department and each agency within it has an important role in delivering the government's Smart State agenda for Queensland.

The last 12 months has seen major achievements in all areas: in training, the rollout of the \$1 billion Queensland Skills Plan will ensure the state's workforce can meet the skilling challenges of the 21st century economy; in education, the successful introduction of the prep year and a start on the five-year \$1 billion Tomorrow's Schools program of rebuilding and renewal for school facilities; and in the arts, the completion of the Millennium Arts Project, Queensland's largest cultural infrastructure project in 30 years with the \$291 million cultural centre as its centrepiece, including the new State Library of Queensland and the Gallery of Modern Art.

The 2007-08 state budget further underpins our commitment to build a modern, responsive education and training system as well as art services that stimulate economic growth and build social capital in our state. It is a budget that supports the synergies delivered by merging training with education and the arts. In total, spending on school and TAFE infrastructure in 2007-08 will be \$527 million to modernise and build schools and training facilities. We will also boost our recurrent investment in Queensland state and non-state schooling sectors and the training sector to a record \$6.484 billion, a 7.2 per cent increase on the 2006-07 budget. The arts also benefits from the 2007-08 budget, which commits \$209 million in recurrent and capital funding to the sector.

I would like to touch briefly on some of the advantages we are seeing and will continue to see as a result of the merger of Education and Training, and the Arts. Our focus is to engage Queenslanders in lifelong learning—education and training that will provide the skills for the jobs of the future—and build a strong arts and cultural sector which will enrich the lives of the citizens of our state. Under our new structure, schools can access TAFE facilities and resources, allowing them to deliver a broad range of training and education pathways. We are working across all sectors to develop pathways to real jobs for young people. We are leading the rollout of the \$1 billion Queensland Skills Plan to reform the training system, strengthen the infrastructure to deliver that training, and improve flexibility for students and responsiveness to industry.

One tangible example of collaboration includes increased participation in school based apprenticeships and traineeships. Queensland leads Australia in this field. We have 6,500 school based apprentices and trainees in training and we plan to double this over the next three years. Another example is the aerospace project, with significant industry partners including Boeing Australia. This project involves 17 gateway schools which incorporate aerospace into their regular school subjects. Aviation High, a dedicated aerospace project high school, is central to this project and offers specialist aviation education and training to students from year 8 to year 12.

The state's first wine tourism education and training facility, a \$6½ million venture at Stanthorpe, also officially opened this year. The curriculum was developed by the college's secondary, TAFE and university partners and offers a seamless and accelerated track to wine tourism qualifications to

postgraduate level. Other industries taking students from our gateway schools projects include the mining and energy sector, the ICT sector and the construction sector. Training and education are working closely to develop a 10-year plan for science, engineering and technology—fields on which our economy is increasingly dependent. Through collaboration between our agencies, the Department of Education, Training and the Arts is shaping a clever, skilled and creative Queensland. I thank the committee for the opportunity to make these opening comments and welcome questions from the committee.

**CHAIR:** Thank you, Minister. The first period of questioning is allocated to non-government members.

**Mr COPELAND:** At the outset I thank the departmental officers who have been involved in the preparation of the estimates committee. I know that an enormous amount of work goes into preparation by everyone involved. Minister, the MPS at page 1-18 refers to the Asbestos Roof Replacement Program. I would like to ask specifically: how much has been budgeted for the removal of asbestos material from teacher housing and staff accommodation by the department?

**Mr WELFORD:** The Asbestos Roof Replacement Program primarily relates to the removal of asbestos from school buildings. Schools have a building management plan of course, and most of the work that we have seen under this very successful program has been undertaken during out-of-school hours, weekends and school holidays. There is a whole-of-government program for dealing with asbestos administered by the Department of Public Works. This requires all departments to monitor and keep records of buildings in which asbestos exists. We have an asbestos register for all schools, but the Asbestos Roof Replacement Program referred to in the MPS does not specifically relate to teacher housing; it relates to school classrooms.

**Mr COPELAND:** I realise that, Minister, and that is why I asked specifically about teacher housing and accommodation. How much has been budgeted to address the issue in those facilities?

**Mr WELFORD:** No specific budget has been allocated to address asbestos related materials in teacher housing. The budgets in relation to teacher housing are focused on upgrading accommodation and constructing new accommodation. Obviously when all of those upgrades occur, we have allocated \$4 million for our housing upgrade program and another \$4 million to purchase and construct new accommodation. We have also got a special housing trial being conducted in the Moranbah district to provide more housing in that area, and we have allocated \$4.43 million for that purpose. Employee housing is offered to eligible staff of the department at subsidised rent primarily in localities with shortfalls in the private rental market or in areas where there is excessively high rent.

The housing trial at Moranbah is a trial that we initiated a couple of years ago. We sought private sector input into it initially. Because of the skills shortage and the overheating in the construction market in central Queensland, we were unsuccessful in getting private sector partners for that project, so we are going ahead now and proceeding with the development of new housing in our own right. But I am not aware that there is any hazardous situation in relation to materials in teacher housing that might contain asbestos. Obviously, just as in the schools, if any circumstances arise where one of the occupants of those houses or staff in schools become aware of what they believe might be some disturbance of any material that might contain asbestos, then as soon as they let us know we replace it.

**Mr COPELAND:** Has there been any audit done to evaluate the risks of the asbestos material in teacher housing and accommodation?

**Mr WELFORD:** You are making an assumption about what materials are in teacher accommodation—

**Mr COPELAND:** Just from the age of the housing, it is a fair assumption to make I suspect.

**CHAIR:** Can you please allow the minister to answer the question.

**Mr WELFORD:** You are speculating. If you have a specific concern about whether teacher housing contains materials that might have asbestos content, then by all means draw it to my attention. But I have had none of these matters raised with me by any of the teachers resident in those houses. The maintenance of those houses is a matter for the Department of Public Works anyhow and it manages that within its own budgets.

**Mr COPELAND:** Has there been an audit done of that housing to assess the risk?

**Mr WELFORD:** I am not aware of any audit.

**Mr COPELAND:** Has it been raised, for example, with senior members of your department?

**Mr WELFORD:** It has never been raised.

**Mr COPELAND:** With any one of the senior members of your department?

**Mr WELFORD:** As I said before, the government as a whole has an asbestos management regime administered by the Department of Public Works. It has established a policy that all departments are required to comply with in terms of asbestos management. In relation to any housing owned by my

department, a register in relation to any work required in relation to asbestos is held by the Department of Public Works. If you want more details about how those buildings are managed, then you should specifically direct your questions to the relevant minister.

**Mr COPELAND:** But surely it is something that you as minister for education, given that it is teachers living in those houses, should be aware of if there are any potential risks or any hazardous materials in those houses that needs to be addressed.

**Mr WELFORD:** As I said before, if any issue is ever raised we fix it immediately and I am not aware of any issues being raised in relation to the disturbance of asbestos in teacher housing. What I am aware is that whenever any renovations or upgrades are done to teacher housing, asbestos is managed, and should be managed, in accordance with the guidelines directed by the Department of Public Works, which manage and oversee those upgrades.

**Mr COPELAND:** I certainly agree that when renovations—when changes—are done that that would be managed in the appropriate way given that the Department of Public Works is well aware of the handling of the material. But it concerns me that there is no register—given the age of a lot of the housing that is out there there is no doubt that there would be asbestos material in them—and that there is no proactive program to look at the potential risks involved, only when it is brought to attention that there may be a problem in exactly the same way that the roof replacement program in schools has gone through in a managed way.

**Mr WELFORD:** The Asbestos Roof Replacement Program in schools relates to roofing and we gave priority in that program, as you know, to roofs according to the level of wear and tear of those roofs. So those that were most deteriorated were given priority. Given that we embarked on the program, we allocated a budget that would enable the program to proceed to its logical conclusion. It does not follow from that that every fibro roof which has bonded in it some asbestos material would require replacement if it was in good condition. But having commenced that project with school buildings, it made sense that we went ahead and completed the replacement of every school roof, as we are doing.

No similar concern has arisen in relation to any teacher housing that I am aware of. Obviously, those teacher houses that are the oldest—whether or not they contain fibro materials that contain asbestos—will be upgraded and replaced according to age. As part of that ongoing maintenance and upgrade program, asbestos is managed so that any risk does not arise. I believe that that program has been conducted properly so as to avoid any concerns to staff occupying those houses.

**Mr COPELAND:** How much accommodation, or how many houses, does the department provide across Queensland?

**Mr WELFORD:** The total number of units of accommodation, which includes the housing stock as well as duplex type units, is 2,236. Of those, 1,859 are owned by the department, 286 are leased from other government agencies, such as Queensland Housing or the Department of Public Works, and 91 are leased from the private sector.

**Mr COPELAND:** Just to clarify, no-one at a senior level at your department has had potential risks raised with them or the need to address that issue in teacher accommodation?

**Mr WELFORD:** Not to my knowledge.

**Mr COPELAND:** And with the director-general?

**Mr WELFORD:** Not to my knowledge.

**Mr COPELAND:** I just need to clarify these things, Minister.

**Mr WELFORD:** Sure.

**Mr COPELAND:** I move on to page 1-34 of the MPS and refer to P&C contributions. What amount of money is contributed by school P&Cs to Queensland state schools each year?

**Mr WELFORD:** 1-34?

**Mr COPELAND:** There is a reference to P&C contributions on page 1-34.

**Mr WELFORD:** Page 1-34 is the output income statement for the senior phase of learning. I do not see a reference.

**Mr COPELAND:** It is in the dot points.

**Mr WELFORD:** Sorry, which notation?

**Mr COPELAND:** Number five.

**Mr WELFORD:** Major variations?

**Mr COPELAND:** Note 3.

**Mr WELFORD:** I see.

**Mr COPELAND:** I am just wondering what the total amount of contributions by P&Cs to Queensland state schools is currently.

**Mr WELFORD:** Sorry, the reason I cannot reconcile the figures is that the note I have been provided refers to 2007-08 and you are referring to 2006-07 figures. So the question you are asking is what contribution do P&Cs make?

**Mr COPELAND:** Total contributions, yes.

**Mr WELFORD:** With respect, I do not think we look at the contributions specifically of P&Cs. P&Cs raise money. In any one year, they may raise more money than they actually contribute to school funds. So they hold those funds and contribute them over time. They are not separate. We do not separately go to every school and separate out from the school expenditure budget those components which the P&Cs contribute. That is a matter that is managed by local school communities and it varies from one community to another.

**Mr COPELAND:** So there is no statewide aggregation at all of the total funds? Obviously, I agree they do not always contribute everything that they raise in a particular year, but there is no measurement of what contributions are made by school P&Cs. I would think that is a significant contribution to the Education Department.

**Mr WELFORD:** It is. There is no question about that and we value highly the contribution that P&Cs make. Indeed, in those schools where P&Cs are most active we find that we get the best educational outcomes across-the-board.

What I can give you is the total amount of external source funding. That is funding that is not just P&C funding but funding from sponsorships, donations and other fundraising activities. We estimate this external revenue, which includes P&C funding, by identifying the annual school income from school accounting systems. So we have recourse to school accounting systems, but what I was saying to you before is that we cannot, from that information, separate out specifically P&C funds from other external source funding. We can separate out external source funding—P&C, sponsorships and other external contributions to the school—from funding that we know that the government specifically provides to each school. So we identify the annual school income from the accounting system and we subtract from that amount the amount that we pay to schools from departmental grants and payments.

So in that respect, I can get those figures for you. What I should be able to give you is the aggregate of external revenue for all schools by aggregating the total income to all schools and taking away our departmental contributions. The chart I have, I am sorry, does not include that specific figure, but I will get that for you.

**Mr COPELAND:** But there is no way to separate the P&C contribution out of that?

**Mr WELFORD:** No, there is not.

**Mr COPELAND:** Is there any way to work out how much is being contributed by P&Cs to the employment of teachers, teacher aides or other staff in our schools?

**Mr WELFORD:** Sorry, say that again?

**Mr COPELAND:** Is there any way to calculate the contribution that P&Cs make to the employment of teachers, teacher aides or other staff in our schools?

**Mr WELFORD:** Not from the accounting systems that the schools run, other than by specifically putting out a request to every school to try to identify or quarantine amounts that the P&C believes they have contributed to staffing costs. As a general rule, P&C contributions are for equipment and school facilities upgrades, not for staffing costs, although I have received anecdotal evidence in recent times that some P&Cs have sought to top up teacher aide time where they thought that was desirable. P&Cs, of course, are also involved in the out of school hours care. So to that extent there are staff involved in that P&Cs sometimes have a role in contributing to staffing costs there.

**Mr COPELAND:** I think it is more than anecdotal. I certainly know of some schools that are contributing to teacher aide time. Do you think that it is worthwhile calculating that to see whether there is a shortfall in resources that the department should be providing, particularly with the teacher aide in prep issue? The parents think that they are having to make a contribution that is an essential resource that the state should be providing.

**CHAIR:** I just remind the member for Cunningham that you are asking the minister for an opinion.

**Mr COPELAND:** He is the minister.

**CHAIR:** Could you please clarify your question.

**Mr COPELAND:** I would have thought that that was a fair and reasonable opinion to get. He is the minister.

**Mr WELFORD:** I am happy to answer the question. I have discussed this matter publicly before, as you know. P&Cs are autonomous in that they are free to contribute to anything that they think will be of benefit to the school whether they believe it is absolutely necessary or not. So I have no doubt that in

those schools where the P&Cs can afford it, they may exercise their discretion to allocate some funding to additional teacher aide time, not just to prep perhaps but to other activities in the school where they believe additional adult assistance is desirable. That does not necessarily reflect on the adequacy of the resourcing provided by government to ensure that the base resources of every school are met.

**Mr COPELAND:** If we are not calculating, we do not know.

**Mr WELFORD:** That is the expectation, that is the intention that government has—that every school is provided with adequate resources to meet the essential needs of a school's operation, resources both in terms of staffing and equipment. However, if a P&C has the capacity to contribute, then they can top up that at any time if they want to embellish the programs either in terms of people or in terms of equipment and facilities that they might like to provide. As you know, P&Cs provide a whole range of additional assistance to schools. It does not follow that, because they do so, schools are necessarily underresourced in the areas that P&Cs make contributions towards.

**Mr COPELAND:** But we do not know if we are not making the calculation.

**CHAIR:** It is now time for government questions. I refer to the Queensland Skills Plan outlined on page 1-39 of the MPS. This is a bold response to the enormous challenges Australia faces in addressing skill shortages and supporting the drivers of economic growth. What has been achieved to date and how well is Queensland positioned nationally?

**Mr WELFORD:** I mentioned the \$1 billion Skills Plan in my introduction. I believe that it certainly does put our state at the forefront of reforms to meet the demands for a more highly skilled workforce and an increasingly productive workforce.

Under the Skills Plan, the TAFE Queensland network is being revitalised through initiatives such as the dedicated Trade and Technician Skills Institute at Acacia Ridge to be called SkillsTech Australia. We are sharpening our training investment through a new planning framework for the provision of vocational education and training, and direct investment is being made into areas that are of economic importance to the state, particularly industries experiencing skills shortages.

The TAFE capital investment program will provide more than \$300 million over the next six years. It has already upgraded information and communications technology infrastructure. It has continued the development and planning of the SkillsTech Australia campuses at Acacia Ridge, Eagle Farm, Townsville and Mackay and it has begun the refurbishment of other TAFE facilities.

A major focus is to work more closely with industry. We have implemented a range of new sophisticated industry engagement models at local, regional and state level. We are also modernising the apprenticeship system. We have exceeded the Skills Plan target of 4,250 additional trades training places in the past financial year with over 7,100 training places taken up.

More flexible apprenticeship arrangements and new approaches to training investment are also making it easier for private training providers to deliver training in priority industry areas. This is increasing the overall capacity of the vocational education and training sector to respond to increasing demands from industry for training.

Representing an essential partnership between industry and government are the three new centres of excellence created in this last year. In addition, five new industry skills alliances have been set up to advise government on meeting future skills needs.

We are giving Queenslanders better access to training and career information by expanding skilling solutions for Queensland shopfronts across the state. This customised service has responded to inquiries from more than 19,500 Queenslanders and assisted more than 15,600 people in face-to-face interviews since it began in March 2005.

Queensland has around 40 per cent of the nation's commencements of school based apprenticeships and traineeships. Obviously we are leading Australia in that respect as well. I think we can do even better. That is why we are committed to doubling the number of school based apprenticeships and traineeships in the next three years.

**Mr HOOLIHAN:** Minister, I will deal with school based apprenticeships later. In relation to apprentices themselves, page 1-41 of the MPS details a number of reforms being made to trade training. You have dealt with skills shortages, which is obvious throughout industry. What other incentives have been introduced to actually encourage trade apprentices?

**Mr WELFORD:** The government is actively working to encourage young Queenslanders to consider trades as potential careers. There has been a lot of public discussion about the history of the promotion of tertiary or university education, but obviously in a time of great skills shortage we see the opportunities for people to pursue successful and lucrative careers in the trades as something to be promoted.

We are putting in place a range of strategies on that front. We have introduced a \$1,000 bonus for apprentices in skills shortage occupations who complete their apprenticeship at least six months earlier than scheduled. It is open to apprentices in the automotive, engineering, hospitality, civil construction,

general construction and off-site construction trade areas. It is also open to apprentices in the utilities trade area where the specialisation is electro-technology. If they complete their apprenticeship early, obviously we are helping meet the need for qualified workers faster.

One of the problems with this incentive, though, is that we have not been able to distribute those amounts even though they were due to start at the beginning of this year, because we have been waiting on Australian Taxation Office advice as to whether tax will have to be paid on that \$1,000 bonus. In November last year I approached the tax office about this. We only received the response in the last month, which was, in effect, 'We don't know.'

Of course, in the last federal budget the Commonwealth introduced a \$1,000 wage top-up, which is not dependent on finishing early. It is just a general incentive for apprenticeships. That was announced in the federal budget and it is 100 per cent tax free. While the Commonwealth has introduced a \$1,000 incentive for apprentices that is tax free under its own laws, its tax office cannot tell us whether it will authorise us to issue our \$1,000 bonus tax free under our laws. It is an absurd situation.

I have written to the federal Minister for Vocational and Further Education, Andrew Robb. Last year I also wrote to the Minister for Revenue and Assistant Treasurer, Minister Peter Dutton. His response was negative—that is, he would not lift a finger to assist the state in making this money available for apprentices. Yet subsequent to Mr Dutton's dimwitted response, the federal government issued \$1,000 bonuses that are totally tax free.

More than 900 apprentices have become eligible for this bonus since it was due to start at the beginning of this year. In the past couple of weeks I made the decision that we should start issuing that money and we will reserve some of the tax just in case the Commonwealth maintains this absurd dichotomy between our \$1,000 bonuses and the federal ones, which are tax free.

**Mr REEVES:** Minister, as the parent of three young girls aged under five and about to start in the education system, I am very interested in prep and prep monitoring. My eldest daughter will start prep next year. Page 1-23 of the MPS says that you will fully implement the prep year in 2008. How are you monitoring the implementation of prep during 2007 and what feedback have you had from that monitoring?

**Mr WELFORD:** As you know, we had prep trials for a couple of years before this year. This year we had the full rollout of prep across the state. Next year will be the first year where the full cohort of students, rather than a half-year cohort of students, will commence prep. Obviously from the trials and throughout this year we will want to gather as much intelligence as possible around the operation of prep and finetune how it is implemented to do it as efficiently and effectively as we possibly can.

During the trials and the phase-in of prep, we identified six areas that we wanted to monitor to ensure the implementation was successful: firstly, facilities; secondly, school management and operations around prep; thirdly, professional development for prep teachers and teacher aides; fourthly, human resources—that is, the allocation of teacher aides; fifthly, curriculum resources; and, lastly, teaching and learning practices centring around that curriculum. So far we have undertaken a survey of prep principals, prep teachers and teacher aides, and parents of prep children. Meetings were also held earlier this year with key stakeholders including the unions, early childhood teacher associations and parents groups.

The principals' survey showed that 89 per cent of the 793 principals who responded to the survey rated the introduction of prep as either successful or highly successful. The area of highest satisfaction was how the children settled into the first weeks of schooling. More than 75 per cent of the 946 responding teachers rated the implementation of prep as successful or very successful. Eighty per cent of those teachers and 816 teacher aides reported satisfaction with how well prep children had settled in.

Other areas of high satisfaction were the prep facilities and the parents' response to prep, which teachers found satisfactory. Teacher aides were very happy with the knowledge and skills they were provided with in supporting the introduction of prep, centring obviously around professional development.

Effective school management and operations are key success factors in the implementation of prep. Obviously we are still mining this feedback to identify areas of weakness. There are no weaknesses across-the-board, but in specific areas there may well be issues that can be further improved. We will go back to those schools and look at how their operations are affecting the rollout of prep. I think that professional development will be a key factor in ensuring that teachers and teacher aides are able to manage prep with confidence.

**Mrs SMITH:** Also in regard to prep, can you advise the committee how the government is supporting prep students in the classroom through the allocation of teacher aides?

**Mr WELFORD:** As I mentioned a moment ago in relation to monitoring, we are monitoring the rollout of prep this year. There are also surveys being undertaken by the unions representing staff members involved in prep and the Queensland Council of Parents and Citizens Associations have also undertaken some surveys. They are in the process of providing me with that feedback now. There are lots of surveys being done on how prep is being rolled out.

A number of factors affect prep. One, of course, is that on average prep students are six months older than students in the preschool model. They attend school full time with a new curriculum that is integrated into the school as a whole.

We are one of only two states in Australia that allocates dedicated teacher aide hours in the classroom to support this pre-year 1 program. The current teacher aide allocation follows consultation between our government, the staff unions, parents, teacher aides and teachers during the trials prior to the introduction of prep this year. They receive a minimum of 15 hours per week for a class of 25 students and additional teacher aides are allocated to larger schools that have 3½ or more full-time equivalent early years teachers, that is, in years prep to year 3. That was part of the additional 10,000 hours that was distributed across the state as a top-up to the minimum of 15 hours per full class.

Any class that has five students or fewer gets at least five hours of teacher aide time, but they are usually one-teacher schools and suchlike. Schools are also able to supplement their prep year teacher aide allocation from their general teacher aide allocation with the flexibility to move it between different grades throughout the year, obviously as they have done even before prep was introduced.

This year in some schools students entered their first year of schooling in both prep and in year 1. This year prep was the beginning of schooling for some students, and for others year 1 was their first year of school. In this transition period schools have had the added complication of managing two groups of students for whom this was the first year of schooling. Next year that will not be the case. Only the students going into prep will need the extra resources applied to children who are settling into their first year of school.

This year there were 23,090 state school students in prep. We expect or anticipate about 36,700 will start prep full time at the start of next year. We have allocated additional prep teacher aide time next year with top-up funding of \$3 million.

**CHAIR:** With reference to page 1-20 of the MPS, can the minister please advise how the government's commitment to chaplaincy and pastoral care services will support vulnerable and at-risk students?

**Mr WELFORD:** As members may be aware, during the last election the government committed to introduce a funding program of \$3 million over three years for additional chaplaincy or pastoral care support for students. Today I am pleased to announce that more than 50,000 primary and secondary students across 131 state schools from Cooktown to Cunnamulla will benefit from this election commitment.

The program was due to start at the start of this financial year. I had been deferring the allocation of funding until I could get some indication of how the federal government was allocating its chaplaincy funding. As it turns out, the federal funding is being allocated in two separate rounds so I have decided not to wait any longer. We will distribute our funds to the 131 state schools in the most disadvantaged areas of the state. They have been chosen because they have high numbers of students from the least well off areas and enrolments of at least 100 students. Schools with more than 410 students will receive \$30,000 over three years out of our program and those with fewer students will receive \$15,000 over three years.

There are no strings attached and no other criteria. The single amount for every school will be allocated straight out. They will not have to meet any particular criteria, and they will not have to apply with any paperwork. We assess from our own data those schools that have the highest needs in terms of stress on students and we allocate either \$5,000 per year for three years or \$10,000 per year for three years directly to those schools starting this semester.

Schools will be able to use the money to engage either a chaplain, a pastoral care coordinator or a youth worker, or extend the hours of support currently being provided by youth support coordinators. All of these people are involved in personal face-to-face, one-on-one support for students who have a range of stresses that might arise in their life, whether it be the stress of their school workloads, whether it be problems with drug or alcohol abuse, complex family dynamics, family breakdowns or peer pressure. Anything that arises in the school environment that could impede a student's capacity to learn is the sort of thing that these pastoral care workers will be able to support.

Guidance officers, school based youth health nurses, police officers, behaviour management teachers, community education counsellors and youth support coordinators are among the range of people who are already identifying and assisting students at risk of social, emotional or health problems.

These chaplains or support workers will be employed not by the school but by a separate employing body. It could be the P&C or it could be Scripture Union Queensland, which are already actively involved in providing chaplains to many of our schools.

**CHAIR:** Thank you, Minister. I am also hoping that Glenala State High School will be included in that announcement today in my electorate of Inala.



**Mr HOOLIHAN:** Minister, I have mentioned school based apprenticeships and traineeships earlier. I would like to congratulate your department on the success of the school based apprenticeships at the North Rockhampton State High School. I note that in your introduction and at page 1-32 of the MPS you detail how you plan to increase the commencement number of school based apprenticeships and traineeships to more than 12,000 over the next three years. What sort of growth has this area experienced in recent times?

**Mr WELFORD:** Since the school based apprenticeships and traineeships were introduced in 1997, more than 41,400 Queensland students have taken advantage of this important training initiative. A school based apprenticeship or traineeship allows young people to gain workplace skills, confidence and knowledge in a real work environment while they continue their school studies. What sets these apprenticeships and traineeships apart from part-time work is that participants work towards a nationally recognised vocational qualification and have signed a training contract similar to any other apprentice or trainee.

School based apprentices or trainees are a step ahead of their peers when they leave school, whether they want a full-time job to pursue a trades career or go to university or other training. The uptake of school based apprenticeships and traineeships in Queensland, as I said earlier, is leading the nation. As I mentioned we have more than 40 per cent of the commencements of these apprenticeships or traineeships of the entire country.

A total of 7,460 young Queenslanders took up these options in 2006. That is an increase of eight per cent on 2005. We want to increase the number of school based commencements in Queensland to 12,400 over the next three years, and we have committed an extra \$6.2 million to make it happen. Obviously we will be working with both state and non-state schools, training providers, employers and industry to promote and increase the opportunities for school based apprenticeships and traineeships.

**CHAIR:** Thank you, Minister. The time for government questions has expired. We now move to non-government questions.

**Mr COPELAND:** Minister, I congratulate you on the announcement of the chaplaincy program and the way that it is going to be delivered. The flexibility seems like it will be of benefit. I look forward to seeing the detail of it.

**Mr WELFORD:** Thank you, Mr Copeland.

**Mr COPELAND:** Minister, I return to the line of questioning we were discussing before government members' questions regarding P&Cs. Do we know how much is being contributed for teacher aides in prep by P&Cs, or how many schools are doing it?

**Mr WELFORD:** No, we do not. What we do have is feedback from the surveys, as I understand it, conducted by either the QTU or the QCPCA that indicates there are some schools. I hope to further interrogate the data that they have collected to determine which schools and where they are to get some insight into what the issues were that prompted those schools to feel justified in supplementing the resourcing that has been provided.

**Mr COPELAND:** So the round of feedback that EQ went through with the principals and the staff did not provide that sort of information?

**Mr WELFORD:** Not at this stage, not to my knowledge.

**Mr COPELAND:** It did not ask about teacher aide time.

**Mr WELFORD:** Obviously we did ask about the resourcing support of teacher aides and staffing in the classrooms and so forth. As I say, overall the majority of responses found it to be either satisfactory or very satisfactory. But undoubtedly there were some schools that encountered difficulties and we need to go back and look at what those issues were. Some of them may have to do with the way in which the prep curriculum was applied in the school that created demands over and above what other schools might have experienced. There might have been other circumstances where the school leadership made decisions about resource allocation that the prep staffing in that school felt favoured them less than they needed to be supported with. So there is a whole range of factors that go into the allocation of resources for prep that are over and above the minimum allocations that the government provides.

Schools that thought 15 hours per class were not adequate, given the unique circumstances of their facility configuration or class profile of students, were able to negotiate for a share of the additional 10,000 hours that we allocated across the state. So there was a lot of flexibility to address the sorts of concerns that you are alluding to, and every effort was made to ensure that resources were sufficient. This is a transition process, of course. It will never be perfect in the first year. Our intention is to get it as close to perfect as possible as people become more experienced in implementing the system.

I do have some information on the sorts of things that were asked in the survey of prep teachers. There were questions about teacher satisfaction with their knowledge, satisfaction with the facilities, satisfaction with how students settled in, satisfaction with parental response, satisfaction with the

integration of prep into the school, satisfaction with access to resources to support prep, satisfaction with professional development opportunities available in the lead-up to prep and satisfaction with the support they received from school leadership in performing their role.

**Mr COPELAND:** Was there a specific question about sufficiency of teacher aide hours?

**Mr WELFORD:** There was a question, as I just mentioned, about access to resources to support prep. Sorry, that was teacher responses. Again, teacher aides were also specifically surveyed in relation to the access they had to resources to support prep.

**Mr COPELAND:** But not specifically to the hours?

**Mr WELFORD:** Not specifically to the hours, no.

**Mr COPELAND:** When was the calculation about the costing of \$20 million for the provision of full-time teacher aide committed? And when will you commit to providing that \$20 million?

**Mr WELFORD:** Obviously we are in the process of undertaking the evaluation of this data at the present time. As I said before, I will also want to investigate further the feedback that we are getting from the Teachers Union survey and the parents body survey. I did flag at one point that I expected if we were to increase the number of teacher aide hours to double or to full-time teacher aides it would be an additional \$20 million. What I did not take into account was the full rollout next year. It is in fact closer to \$37½ million

**Mr COPELAND:** Which was the coalition's commitment.

**Mr WELFORD:** Mmm. I do not want to pre-empt our evaluation of how prep is being implemented. I have no doubt that every year of schooling would love to have a full-time prep teacher, but the question we have to ask ourselves as a community in allocating the resources that government has available to it is: what is the most effective way in which to apply \$37½ million? Whether you would apply it solely to the allocation of additional teacher aide time in prep or whether you would apply that funding to schools in other ways that would better equip them to provide the best possible quality education across the whole school is obviously an important factor to be considered.

I have no doubt that in some schools they experienced teething problems in the rollout of prep this year. I want to fully understand what those teething problems were so that we target those issues rather than simply throw money at a perceived problem where in some cases those problems do not exist.

**Mr COPELAND:** Given that 25 students is the target for the size of a prep class, how many students are actually in the largest prep class in Queensland?

**Mr WELFORD:** Again, I am not sure whether we keep data for every school. I would be surprised if we do, but if they can find it they can tell me.

**Mr COPELAND:** I am quite happy to take it on notice.

**Mr WELFORD:** I am not being flippant. The reason I say that is not just for prep but also for any grade of a school where there is an uneven number of students a school makes a choice about how to cluster students of varying capabilities and profiles according to the interests and capabilities of teachers. Whether it is prep, year 3, year 4 or year 5, in two or more classes the school might provide one class with 28 students and another class with 22. The class with 22 students would have a higher number of students with special needs, for example, or students with behavioural difficulties. So they mix and match the teaching skill set with the student need on a school by school basis.

We have some rough data which shows that more than 97 per cent of prep classes were 25 or under—so three in every hundred prep classes. There are about 1,500 prep teachers, so you can work out the maths. But three in every hundred prep classes were either 26 or 27. I am not aware of any that exceeded about 26 or 27, but they could exist if a school makes a school based decision specifically according to, as I say, the best way to match their resources to need.

**Mr COPELAND:** That data of three per cent was included in the question on notice that came back yesterday. You have given the rough calculation. How many students in those classes of over 25 would that affect and would you be able to take it on notice to verify what the largest class is?

**Mr WELFORD:** I can take that on notice. I have no problem with that. I missed the first part.

**Mr COPELAND:** How many students are in those classes that comprise that three per cent that are over 25?

**Mr WELFORD:** When you say 'how many students', it would depend on the nature of the class. There are some classes that might be a combination of prep and year 1. Assuming there is 25 in that case and there is 1,500 classes, 3 per cent of that 1,500 is about 45 classes, so 45 classes of 25. You do the math.

**Mr COPELAND:** It would be more than 25 which is why I am asking to you do the math.

**Mr WELFORD:** I see what you mean. It would affect, as I say, probably up to 27. I think it would be improbable that there are classes larger than that but there may be a handful that are.

**Mr COPELAND:** I have more questions, but I am going to have to move on, unfortunately. In question on notice 20 that was provided yesterday details were provided for out-of-court settlements over the last few years. In the last financial year there were seven averaging approximately \$110,000 each. What were the circumstances surrounding those out-of-court settlements?

**Mr WELFORD:** This is in the question on notice?

**Mr COPELAND:** In question on notice No. 20 that was provided yesterday.

**Mr WELFORD:** I did have some information on that. When you say the circumstances in relation to those court settlements—

**Mr COPELAND:** Obviously the general circumstances.

**Mr WELFORD:**—you want some indication of the nature of the claim and possibly the injury, if an injury was involved?

**Mr COPELAND:** That is correct.

**Mr WELFORD:** What I am trying to separate out here is staff claims versus student claims. Do you have a particular angle you are interested in?

**Mr COPELAND:** Either or—both, in fact.

**Mr WELFORD:** As was provided in the question on notice, there were 15 out-of-court settlements that exceeded \$50,000 in total in settlement. The total cost of that was about \$1.64 million. That excludes WorkCover settlements because they are managed by WorkCover; they are not paid directly from our departmental budget. Just to give you a sample of the nature of the claims, there was a knee injury resulting from a high jump competition—slipping on wet grass; there was another sporting accident where a person was hit in the face by a discus; there was another where some students were fooling around and one of the students put their hand through a glass window; another student was injured by a disk sander in a manual arts facility. Those are the sorts of things. Another one had fingers injured by a drill press in a manual arts or technology facility. They are the standard sorts of incidents you would expect at a school.

**Mr COPELAND:** They are all students because the staff would have been covered by WorkCover?

**Mr WELFORD:** Yes.

**Mr COPELAND:** Question on notice 918, asked on 7 June by the member for Gladstone, is referred to variously throughout the MPS. The answer states—

Up to an additional 192 full-time equivalents will be employed as teachers and teacher aides in 2007-08 to help meet enrolment growth in Queensland state schools and to support students with disabilities.

MPS 1-6 states—

Up to 242 FTEs will be allocated to education, of which 192 are teachers and teacher aides.

One is referring to up to 192 and one is referring to 192. Will it be 192 additional teachers and teacher aides or will it be some figure less than 192?

**Mr WELFORD:** The budget will allocate an additional 192 full-time equivalents. So, a budget for 192 full-time additional teachers and teacher aides.

**Mr COPELAND:** They will be allocated?

**Mr WELFORD:** Yes.

**Mr COPELAND:** How many will be teachers and how many will be teacher aides?

**Mr WELFORD:** I am not sure. Perhaps I can take that on notice for you. I am not sure whether that decision would have been made yet, quite frankly. I guess that explains why you would say up to 192. What it provides for is 192 teacher positions based on expected growth needs and we expect at least—put it this way: it is a financial year allocation, but in 2008 we estimate an additional teacher requirement of 139. I suppose if you allocate the 192 positions over the financial year then we are looking at 139 additional teachers needed next year. There will be some additional teacher aides in this part of this year.

**Mr COPELAND:** If enrolment growth is higher than expectation will that figure increase?

**Mr WELFORD:** Absolutely. The way in which the department is funded is funding according to student growth. So, yes, the figure will vary, but that is the estimate.

**Mr COPELAND:** I refer to MPS 1-30 regarding the senior phase of learning. I refer to the decision to move year 10 students from Pomona State School to Noosa District State High School, Cooroy. There was a response to a petition tabled in the parliament recently regarding this. You state—

As year 10 is now considered to be the foundation year for senior studies, the year 10 students on the Cooroy campus will begin senior studies next year.

How many other cases will there be where year 10 students are transferred from their existing location to another location, another high school that has a year 12, and how will the change affect those P-10 schools that do not have the opportunity to change location in this way?

**Mr WELFORD:** I do remember that answer to that question on notice. My understanding is that that is not something that will be done routinely. It was unique to the circumstances of these schools. It was September last year that I approved the transfer of students from Coorooora Secondary College—what was Coorooora Secondary College and became the Pomona campus of the Noosa District State High School. The idea was to ensure that students at the Pomona campus got access to the additional facilities at Noosa. That was the main reason for this adjustment occurring. So Noosa District State High is now one high school with two campuses, the main campus and the Pomona campus.

There were 54 students in year 10 from the Pomona campus who will move across to Cooroy to begin studying their senior subjects. It was done primarily with the intention of ensuring that students in years 10, 11 and 12 were able to work together from a curriculum perspective. There is absolutely no intention to close Pomona or cease use of the Pomona campus. Obviously we will need to market the Pomona campus as providing a dedicated environment for year 8 and 9 students transitioning from the primary school in that area.

**Mr COPELAND:** But there is no plan to routinely do that?

**Mr WELFORD:** No. It was simply to give students in both schools the opportunity of having better access to better facilities by combining the schools in a single campus.

**Mr COPELAND:** Given the change to the senior phase of learning with the 10 to 12—

**CHAIR:** Sorry, member for Cunningham, the time for non-government questions has expired. We will come back to that shortly. We will move on to government questions. Member for Mansfield?

**Mr REEVES:** Of all the announcements in relation to the state budget, the one that I have had the most feedback on was the announcement regarding computers for teachers. I must associate with too many of them, I think. I refer the minister to page 1-19 of the MPS and the government's commitment towards the Computers for Teachers program. Could the minister please advise the committee of the details and his expectations of this program?

**Mr WELFORD:** Thank you, Mr Reeves. Obviously we want our teachers to be at the forefront in the use of technology in the classroom. We are investing \$70 million over the next four years so state schools and TAFE institutes can provide every permanent teacher working two days a week or more with a computer. Funding will start with \$10 million in this financial year, increasing to \$20 million in each of the three subsequent financial years. It follows the \$3.5 million successful trial undertaken last year where we provided 1,500 teachers in the West Moreton, Cairns and Sunshine Coast regions with laptop computers. TAFE teachers were not part of the trial but, of course, they will benefit from the additional funding because the \$70 million funding will be rolled out across all teachers in the department. Obviously the distribution of computers will be staged over those four years so not everyone will get a laptop computer next year, but over the next four years progressively every teacher working two days or more in the system will be provided with a laptop computer.

We will be rolling out the program to align with the introduction of, firstly, centralised help services so that we do not roll out the program in a way that cannot guarantee technical support, and also in accordance with the rollout of the One School system which is the central information system of the department—at least the Education Department for schools.

As part of the Computers for Teachers program every permanent teacher will also get professional development so that they can upgrade their existing skills, not only in using the computer per se but also in teaching techniques that will enable them to use their computer for administrative purposes, teaching purposes and a range of functions that will enable them to be more innovative and more effective. All schools will be provided with core wireless networking infrastructure that they can expand school-wide if they wish.

Teachers who participated in the trial found having their own laptops opened up opportunities for them to engage in more interactive learning strategies and allowed them to share information with their colleagues. They also enjoyed the flexibility and mobility of computer access from different locations. Teachers currently have administrative access to shared computers, usually in the staff classroom, but personal computers will streamline many of their administrative tasks and support their work in the classroom and their interaction with students. I am looking for professional development that will see the improvement of teaching practices and therefore more effective learning from students.

**Mrs SMITH:** Minister, 1.5 of the MPS states that a new Queensland Academy for Health Sciences will be opening on the Gold Coast next year. Can you tell us how the new Queensland academies are delivering on the government's commitment to world-class innovative education?

**Mr WELFORD:** Thank you, member for Burleigh. I think few things exemplify more the transformation that is occurring in the delivery of education in our state than things like the rollout of laptops for teachers and the introduction of these Smart State academies designed to provide high-level opportunities for our best and brightest students to excel in a unique environment among peers of equal or similar ability with specialised programs, highly qualified staff and interaction with universities.

The curriculum framework for the academies currently is the international Baccalaureate Diploma Program. It is a unique program in association with not only the state education body but also university partners. Because of this collaborative model that we have established for the academies and the focus on academic excellence, the academies have attracted interest from overseas educators and interstate and overseas education systems.

There are three academies that we are establishing. We have already established the Science, Maths and Technology Academy at Toowong. We have commenced the Creative Industries Academy at Kelvin Grove. It will move into new premises at the start of next year. We are also currently building the new Health Sciences Academy on the Gold Coast immediately adjacent to the new teaching hospital to be established at the Griffith University campus.

All academies have partnerships with local universities. The Science, Maths and Technology Academy has strong links to the University of Queensland. The Creative Industries Academy is linked to QUT and the creative industries precinct at Kelvin Grove. The Health Sciences Academy will be linked to the Griffith University teaching hospital on the Gold Coast.

All academies will take students in years 10, 11 and 12. In the first year, the start of next year, the Health Sciences Academy on the Gold Coast will take years 10 and 11 students. We have had significant interest in enrolments in all three academies for next year. The first round of testing was conducted in April. There is an eligibility test undertaken by students who want to enrol in these academies. Tonight I am attending an information evening at the QUT Kelvin Grove campus for parents and students interested in attending any of the three academies, but particularly the Creative Industries Academy at Kelvin Grove. Tonight they will hear about all the opportunities at each of the academies where students study a range of things as part of their course—everything from robotics to forensic science to gene technology.

**CHAIR:** I refer to page 1-7 of the MPS and the program Tomorrow's Schools. I note that it says in the MPS that this is a \$850 million five-year allocation to identify and deliver school renewal and regeneration projects. I was wondering whether you could provide the committee with an understanding of the goals of this initiative?

**Mr WELFORD:** Yes, I can. One of the key influences on children's education is the quality of the facilities that they work in. I often say that there are three key components to effective schools. They are: firstly, world class facilities; secondly, passionate and professional teachers and teaching staff; and, thirdly, engaged communities—that is, engaged parent and family communities supporting the school. They are three fundamental elements of effective schools.

In terms of school facilities, across our state we have many facilities of varying degrees of quality. The oldest ones are the ones most in need of assistance. So in the budget last year we announced a \$1 billion Tomorrow's Schools program to undertake a major upgrading program for our schools. It is the largest one-off investment in education in our state's history and it focuses on modernising our schools and planning for the future of education which, of course, is dramatically different both in technology terms and in teaching styles than it was 50 years ago when some of our older schools were built.

Under the program we have already allocated \$50 million as part of a school community development fund. That has gone to every state school. Schools have opted for projects ranging from covered play areas, upgraded science laboratories and tuckshops to environmental areas with rain water tanks and new covered walkways. We also allocated \$100 million to the non-state schools that are distributing that money according to the needs in their schools. The remaining \$850 million, which you mentioned in your question, is being allocated according to an initial trial of clusters of schools where we identify there is potential for substantial upgrading of schools that are most in need.

This first round of the Tomorrow's Schools projects will start this year. I hope to be able to make an announcement about that in the next month or so. The aim of these projects is to look to where we can maximise the investment through shared facilities or investing in a cluster of schools to upgrade the schools in that cluster and enable those schools to collaborate more effectively across the boundaries of those schools.

The three key things that will guide how we allocate these funds are as follows. Obviously we want to enhance the educational opportunities of young people. We want to maximise the partnerships between schools through these investments so that they are not just a one-off investment in one school. We want to try to maximise collaboration between schools to get the best out of these investments. We want to invest in a way that will see that these new facilities provide an enduring benefit so that they are not dated within the next 10 years.

**CHAIR:** We look forward to hearing more about that. I call the member for Keppel.

**Mr HOOLIHAN:** Minister, obviously in an MPS such as yours there is a number of mentions of school capital works projects planned and underway. Could you outline for the committee some of the major projects planned for the next 12 months?

**Mr WELFORD:** When you look at the range of projects that are part of the capital works projects of my department you will see what an extraordinarily large operation it is. This year we are allocating \$445½ million in capital works programs to education alone. That is not including the additional funds for capital works for training and TAFE. That \$445½ million will modernise, expand and build new schools. For example, two new primary schools will have to be built on the Gold Coast. We have the new Health Sciences Academy being built ready for the start of school next year. We have major work being finished or started for another 11 schools statewide.

Some \$17 million is being invested in the first stage of a new school for prep to year 7 students at Western Pacific Pines in the Gold Coast hinterland. Construction started in April. Some \$11 million has also been allocated for the first stage of a new school at northern Coomera, with facilities similar to the Western Pacific Pines—that is, obviously, new classrooms, a library, tuckshop, administration and staff areas and sports ovals.

The Health Sciences Academy is a \$35 million investment. High schools generally cost more than primary schools. The academy will have to be equipped with high-level facilities such as research and science laboratories, lecture theatres, a sports hall, a refectory and a well-equipped library. There are additional stages of work in a range of schools. For example, Burpengary Meadows, Isabella, Narangba Valley, northern Coomera and Springfield Lakes state schools are all being upgraded with further stages of development. Chancellor on the Sunshine Coast, Meridan also on the Sunshine Coast, North Lakes, Redlynch in Cairns and Stretton state colleges are having further stages of their development rolled out and opened either later this year or early next year. The same applies to Pacific Pines State High School.

The Creative Industries Academy, which I mentioned earlier, is in a refurbished building at the moment. Next year it will move into its new purpose-built permanent home at Kelvin Grove Urban Village. It would be well worth members of the committee popping out there after it opens next year to have a look. It is an amazing facility. It is a \$43 million investment. It is a major investment in the creative industries. This is an academy that does not just look at issues like music and theatre and the creative arts but also everything from games design to technology and design. These people are going to go on to be architects and designers and decision makers in a whole lot of fields where creative skills are going to make a real difference.

**Mr REEVES:** One of the largest capital investments in the training sector in 2007-08 is for the SkillsTech Australia centres as detailed on page 1-7 of the MPS. Some \$50.9 million will be invested to continue the construction of the Acacia Ridge campus, which many people in my electorate will be attending, and commence construction of the two specialist centres at Townsville and Mackay. Can you outline how these new centres will address skills shortages and deliver a skilled workforce?

**Mr WELFORD:** Thank you, Mr Reeves. This is all part of the Skills Plan. We have just talked about the major capital works program in education. This is probably the centrepiece of the capital works and infrastructure development initiatives in the training part of the portfolio.

The SkillsTech Australia campus at Acacia Ridge is probably the largest and most spectacular training facility of its kind anywhere in Australia. It is going to be the hub of a statewide trade and technician skills institute which will lead training delivery and product development in automotive, building and construction, manufacturing and engineering and electrical or electronic studies. It will develop close links with industry and the industry centres of excellence, which I mentioned earlier, to ensure the qualifications that are being provided in the institute will address the needs of employers in terms of skilled staffed.

The capital works budget is more than \$300 million over six years to develop and modernise trade training facilities around the state. That is obviously going to be essential to meet the targets that we have set, including the target of an additional 17,000 trade training places by 2010. In the last year, more than 7,100 additional apprenticeship training places were created. I mentioned that figure earlier. Some \$33.6 million of the \$50.9 million in this coming year will expand the Acacia Ridge campus of SkillsTech Australia including building a new four-storey plumbing learning platform and drainage pits and a new foundry and pattern-making building. There is also provision for wood machining and training facilities.

The remaining \$17.3 million will be allocated to SkillsTech specialist training centres in Mackay and Townsville. Land for the Townsville campus is being sourced and preliminary planning for the campus facilities is underway. We have purchased a new site for the Mackay SkillsTech Australia campus. This campus will be in the Paget industrial area in Mackay. Preliminary design planning for that has begun. This is great news for the people of Mackay as the campus will play a key role in providing trades training in that growth region.

The lead institute model of SkillsTech Australia will enable SkillsTech from Acacia Ridge to be the hub for campuses both in Brisbane at the Eagle Farm campus and Mackay and Townsville. Obviously we want to get the maximum benefit from these investments in leading edge training technologies in these new facilities so that we can meet the targets that we have set for apprenticeship and trade training.

**Mrs SMITH:** Earlier this morning you referred to the Asbestos Roof Replacement Program. I understand excellent progress is being made with this work. Can you update the committee on the progress in schools?

**Mr WELFORD:** I thank the member for Burleigh for this question. To say that the Asbestos Roof Replacement Program has been a success is an understatement. It is the first program in our state's history to comprehensively address the replacement of asbestos roofs in schools. This is a \$120 million program that we initiated in May 2005. When I became minister we set about putting in place a project plan that would see this program accelerated. It has been, without question, an amazing success.

We have now replaced more than 850 roofs at about 320 schools. In other words, we have completed 90 per cent of the program within the first two years. I am pleased to announce today that, weather permitting, I anticipate that this program will be completed entirely by the end of this year. Between now and December we will do a further 58 roofs at 20 schools and I will be announcing the full list of those schools in the next day or so.

I pay credit to everyone involved in this major rollout. I have received a lot of support from my ministerial colleague Robert Schwarten, the minister for public works. The Department of Public Works has done a great job in rolling out the program across the schools so quickly. Even our best estimates at the start of the renewed project that I initiated did not anticipate that we would get such a good run at this. I suppose if there is one upside of the drought it is that it has enabled us to roll out this program very smoothly indeed.

**CHAIR:** Thank you, Minister. The time for government questions has expired. I move on to non-government questions. Member for Cunningham.

**Mr COPELAND:** Congratulations on that, Minister. It has been a good program and an improvement on your predecessor's performance. Minister, I return to the out-of-court settlements. I want to clarify something regarding those. Are there any claims in there regarding bullying or assault or things of that nature?

**Mr WELFORD:** I will get that information for you. I think there might have been one claim of discrimination, but I do not recall seeing any in relation to the matter you raised. I will check that out and come back to you.

While we are waiting for that information to come forward, I can give you the information on the prep classes that exceed 25. We have managed to drill down into the departmental information, and of 1,550 prep classes we have identified 43 classes that exceed 25 in number. The largest prep class, of which there is only one, has 28 students. All the others have either 26 or 27, as I indicated to you earlier. The total number of students affected by those 43 classes is 1,075 students.

I need to reiterate, though, that none of the schools that have any class exceeding 25 in prep are underresourced to provide for all the prep students in the school. It has been the school's professional judgement to allocate the class sizes according to the operational needs of the school that has seen that occur. So none of the schools in which those 43 classes exist have an underresourcing for prep. It has been a local professional judgement around curriculum delivery between the principal and the staff that has seen those classes created.

I come back to the list of the 15 major claims for which there have been out-of-court settlements. I am just going through them. All of them relate to injuries either with equipment or accidents, that is, physical accidents. The only one that is not a physical accident is a discrimination complaint that I mentioned earlier.

**Mr COPELAND:** Racial discrimination?

**Mr WELFORD:** It was a disability discrimination complaint.

**Mr COPELAND:** In what way? Are you able to give any details of the complaint?

**Mr WELFORD:** If my recollection serves me correctly—

**CHAIR:** Are you happy for an extension?

**Mr COPELAND:** I know which one it is.

**CHAIR:** I will just grant the minister an extension of time to answer.

**Mr WELFORD:** Ironically it relates to the matter that is in the *Courier-Mail* today—the unavailability at one particular school of the Auslan language for a student.

**Mr COPELAND:** Minister, regarding student protection, how many teachers—and there may not be any at all—or other staff members are under investigation by the Ethical Standards Unit for allegations of either sexual misconduct, sexual assault or items of that nature? If there are complaints made, are teachers automatically suspended with pay? How long has it taken to resolve those issues, given that in a lot of cases they will be cleared and you want the teachers' names to be cleared as quickly as possible or, if there is a risk, those staff will not be returned to an area in which they are able to offend?

**CHAIR:** I am wondering if you have a reference to the MPS for that question.

**Mr COPELAND:** The Ethical Standards Unit is not actually covered in the MPS but I am sure it is in here somewhere—not as a line item.

**Mr WELFORD:** We are very tolerant of the opposition today, aren't we, Madam Chair?

**CHAIR:** You are happy to answer that question, Minister?

**Mr WELFORD:** No reference to the budget; no reference to the MPS. He is getting away with murder. Good thing I am a nice fellow. I take it you are following up that article that was in the *Sunday Mail* a little while back, part of which related to the delays in resolving these matters. My advice is that the unit is currently managing 380 complaints. Remember, these are just complaints; they are not proved cases of impropriety.

Let me just drill down a bit further to separate out the nature of some of these complaints. The complaints relate to both teaching and non-teaching staff. I will see if I can get some more detail. Of those 380 complaints, 84 are sexual and are currently under investigation. Obviously, that represents a very small, minute proportion of the 62,000 staff that we employ. I think that answers your question, does it?

**Mr COPELAND:** How long has it taken to investigate these allegations?

**Mr WELFORD:** It is a bit like asking, 'How long is a piece of string?' The reason I respond in that way is that the investigations are not just investigations overseen by my department. Some of those investigations are referred to police, some of them are currently residing with the CMC and, of those, some will be referred back to the department and some may be referred to the Police Service. Investigations can take anything from a month or so through to 18 months and sometimes a little longer.

From my perspective, undue delay in investigations is unsatisfactory. I have made clear my expectation, certainly to my Ethical Standards Unit, that investigations are to be prosecuted as quickly as possible. One of the factors, of course, that determines the capacity to deal with the complaints that are on foot is resourcing. We had seven investigators in the unit. We are now up to 11 and we will get another one or two. We did employ some temporary investigators for a while to try to get some of the backlog down. It is a matter that the Cabinet Budget Review Committee is aware of.

At the present time we believe that we can manage the disciplinary cases that are on foot with the resourcing we have. In the last financial year one teacher was dismissed as a result of investigations. As at 6 June this year, there were 12 teachers suspended with remuneration, three suspended without remuneration, such as the fellow subject to police charges in relation to explosives, and six teachers were moved to work outside of a school pending the outcome of their investigations.

**Mr COPELAND:** Minister, you referred to the Tomorrow's Schools program in response to one of the government members' questions and looking at clusters of schools to see how that money can be best spent for renewal and rejuvenation of those schools. Will that program include rationalisation or closure of any schools within those clusters?

**Mr WELFORD:** We do not have a particular outcome in mind in terms of rationalisation or school closures. There is certainly no intention at this stage to close any particular schools. What we will do is embark upon a discussion with clusters of schools where we think collaboration will enable all schools to benefit from the investment we make.

The way I see the Tomorrow's Schools program rolling out for state schools is this: in this first phase—it will not just be the first round; there could be a couple of rounds in the first phase—I want to work with clusters of schools and maximise the facilities that all those schools have access to as a cluster and, in particular, in areas that are disadvantaged or have very old schools, make sure the students in all of the schools in that cluster have effectively the equivalent facilities that new schools have. As you know, our new schools are Rolls Royce; they are wonderful facilities. When you go from them to some of the schools that are 40 years old it seems very unfair in terms of the extraordinary difference in access to facilities that they have.

We are going into areas where there are clusters of old schools—that is my intention—and working with those schools to maximise their access to 21st century facilities. It is possible that in the discussions with those schools they will say, 'Let's combine a couple of schools to make one really high-quality school.' For example, if one of the schools in the cluster has a very small enrolment and the school down the road has a growing enrolment, we might look at both of those schools and say, 'Is there any benefit to having a combination of those schools on a whole new campus?' Theoretically, it is possible that that could be the outcome of the discussion with the schools, but there is no particular plan as part of the Tomorrow's Schools program to set about closing schools as such.

The second phase I anticipate is where we do not work with clusters of schools but where at least more than one school actually submits an application for a shared facility. So I still want to encourage schools to collaborate. In the first phase it will be whole clusters; in the second phase it might be one or two or three schools who get together and seek a new sports hall or auditorium that they can share within a reasonable proximity to each other. If we have money left over in the final phase then we can do individual schools.



**Mr COPELAND:** Minister, turning to page 1-39 of the MPS, 'Vocational Education and Training Services', can you please advise in 2006 and 2007 so far how many TAFE courses across Queensland were cancelled at a particular TAFE college while students were currently enrolled in that course and had not yet completed it, and how many students that has affected?

**Mr WELFORD:** Page 1-39 does not actually refer to that.

**Mr COPELAND:** Not specifically. I would be surprised if it did—the cancellation of courses!

**Mr WELFORD:** So you just pick any page, make a reference to it and then ask another question!

**Mr COPELAND:** The budget does not actually provide us with information.

**Mr WELFORD:** Love your style! You need to enrol in the Creative Industries Academy with creative thinking like that.

**CHAIR:** You are lucky the minister is allowing some latitude today, member for Cunningham.

**Mr COPELAND:** I want to talk about the cancellation of courses.

**Mr WELFORD:** I am not aware of courses in TAFE per se. There has been an issue with one of the private training providers on the Gold Coast and their accreditation. In relation to the accrediting authority, which is me really, the advice of my department was that that provider should cease providing a particular course—I think it is in natural therapies—because of the inadequate qualifications of the staff at that facility.

**Mr COPELAND:** There have certainly been courses such as computing course and all sorts of courses.

**Mr WELFORD:** I will take it on notice. If you want specific information about TAFE, I can take that on notice and come back to you.

**Mr COPELAND:** Thank you.

**CHAIR:** The time for non-government questions has expired. Minister, I refer to page 1-31 of the MPS and the reference to the new Queensland Certificate of Education, and I will just assure you that that reference is actually in the MPS. What is the relationship between this certificate and the federal government push for the introduction of external examinations?

**Mr WELFORD:** Thank you, Madam Chair. I am gravely concerned about the direction the federal government is taking in relation to a range of education issues at the present time. Let me say something first about the Queensland Certificate of Education—that is, our new senior schooling qualification. The difference with it compared to the previous so-called Senior Certificate is that the Queensland Certificate of Education will recognise a broad range of learning options. In effect, it will be a record of all of the qualifications that a student can enrol and qualify for through their schooling life.

Students will need to achieve 20 credits of learning at a set standard and there are also literacy and numeracy requirements that have to be met before a Queensland Certificate of Education can be awarded. So it will recognise not just the traditional school subjects—that is, the academic subjects we are familiar with—but also workplace learning, university subjects that they might be able to enrol in such as students at the academy will and also vocational education and training qualifications.

The first Queensland certificates of education will be awarded at the end of next year, because students going into year 10 last year were the first students as part of that program. The Queensland Studies Authority will be overseeing the integrity of the process. Obviously it needs to set up quality assurance processes to ensure that the syllabuses and the school work programs and standards are being met so that the students who complete those programs qualify for the QCE.

In the recent federal budget the Commonwealth indicated that it would link its next quadrennial funding agreement to introduce a requirement for external examinations for year 12 exit certificates. It has not identified the educational benefits that will flow from this, although my understanding is that there is a view prominent within the office of the federal minister for education, Julie Bishop, that no school offers a decent education unless you have external exams that everyone has to sit in one batch at the end of a year or at the end of a semester. We all know that that is a ludicrous system and does not comprehensively assess the range of skills and knowledge that a student acquires in any subject in the course of a semester or a year. So I am gravely concerned about where this is heading and obviously we hope that that will not come to pass and undermine the very highly successful continuous assessment regime that we have established here in Queensland.

**CHAIR:** Thank you, Minister.

**Mr HOOLIHAN:** Minister, my question also has a page number—it is 1-17—and relates to the fifth last dot point with regard to positive learning centres and the Better Behaviour, Better Learning initiative. I note that the MPS mentions an increase in the number of these centres from 11 to 14, one of which I understand will be established in Rockhampton on the Capricorn Coast which covers my electorate. Could you please outline how the strategies from that Better Behaviour, Better Learning initiative are supporting positive behaviour and learning in the classroom?

**Mr WELFORD:** Thank you, Mr Hoolihan. When I became minister this Better Behaviour, Better Learning initiative had already been initiated. Since 2004-05 we have invested \$25 million in strategies to maintain high standards in our schools and to improve the effectiveness of student learning in our schools. We actually commissioned the University of Queensland to undertake a study where 900 principals and staff were surveyed in relation to the strategies and their effectiveness that were being applied across the system. There was a lot of fragmentation across the system.

One of the things that I have introduced is of course the new positive learning centres. These were previously variously described as behaviour management centres or alternative learning centres. I wanted to get the focus on what we actually want to achieve, so I have named them positive learning centres. When I became minister we had five of them. We have 11 now and we are moving to 14 of them. As you say, one of them will be in your electorate. Some \$29 million is committed for this financial year to support staff and specialist staff to deal with behaviour issues. Some of those behaviour issues relates to learning difficulties or learning disabilities. Other behaviour issues of a more general nature can arise from anything to do with family breakdown and family stress through to other factors. But one thing is clear: there is no doubt that good behaviour and high standards of behaviour in our schools is essential to enable students, including those who are misbehaving, to have any chance of successfully learning.

We have done a number of things. In addition to the 14 positive learning centres established across the state, we have developed an online course for teachers and we are progressively putting teachers through that. We have put 100 teachers through it so far giving them skills in classroom management and other professional development. There is a whole professional development suite of materials that support teachers, teacher aides and specialist staff in their daily practice. We do know of course that the very best teachers who engage children effectively tend to have the least behaviour problems in their class. Some of the behaviour problems are related to external influences that teachers cannot control, but then in other circumstances the quality of teaching itself can often determine the level of good behaviour in a class. We want to give teachers the best skills we can to deal with these issues. We have more than 390 school, district and regional based personnel trained as facilitators or support teachers or advising visiting teachers dealing with behaviour issues—390 teachers across the state. There is no lack of resources to deal with behavioural issues in our schools. What we really need to work on is how we apply those resources and whether we are actually applying them effectively.

**CHAIR:** Member for Keppel, would you like to move an extension of time?

**Mr HOOLIHAN:** Yes.

**CHAIR:** We have given you an extension if you want it.

**Mr WELFORD:** It is all right. We will follow it up later.

**Mr REEVES:** Minister, there are a number of references in the MPS—1-18, 1-19 and 1-21—with regard to professional development for teachers, education leaders and support staff. Could the minister please outline the government's commitment to their professional development and the types of initiatives enhancing the capabilities of the Queensland education and training system?

**Mr WELFORD:** I think in the past far too little emphasis has been given to the importance of professional development in our education system. Let me explain why I believe this to be the case. I have just mentioned how the quality of teaching—the capability and skills of a teacher—in a classroom is fundamental to managing behaviour in the classroom. It is not just the skills to manage the learning of a student in a classroom where a student might misbehave; it is the skills of engaging students in the classroom to ensure that they are not drifting into misbehaviour in the first place. But more than that, there is only one item of capital that makes a difference at the end of the day to the quality of our education system. It is not the classrooms. It is not the quality of the baseball bats or the cricket pitches; it is the intellectual capital of our teachers. That is the single most significant investment in educational quality that we can make. So while in political terms much of the discussion that occurs around education historically in politics is all around facilities and numbers of teachers, far too little has been focused in my view on the capabilities of every teacher, and that is where professional development is being driven to the front of the stage in terms of priorities for me as minister.

This year we are investing \$44 million in professional development across the department. I have recently established the Professional Development and Leadership Institute for teachers and school leaders. In other words, I do not want to centralise the way in which things are done in schools but I do want to systematise it. I want us to establish systems that roll out support for teachers and schools and principals in every part of the state. Every region and every central office official has a role not in directing schools—not in controlling schools or having some sort of central hierarchical oversight of schools—but in supporting schools, and the key area of support is ongoing professional development, both formal and informal. There should be a professional exchange at a number of levels that builds the capabilities of our school leaders and our schoolteachers and teacher aides to deliver the best possible learning engagement in the classroom.

This coming year teachers will be able to access professional development in a range of areas—everything from syllabus implementation, literacy and numeracy which we have already been rolling out, behaviour support and positive learning, the prep year, special education, Indigenous education, the Auslan program for which additional funds have been provided in the budget, and tertiary pathways. I also launched the framework for leadership matters. This will be a framework of principles that guides the recruitment, retention, development and performance of current and aspiring leaders in our state schools, because second only to professional development of all teachers the quality of leadership in a school makes a vast difference, as every member of parliament knows, to how a school performs. So focusing on leadership at every school level and focusing on the professional development of our professional education staff is my priority as minister in this coming year.

**Mrs SMITH:** Minister, I note that in response to the skills shortage the duration of up to 75 apprenticeships has been reduced. How is this initiative helping more tradespeople become qualified?

**Mr WELFORD:** Sorry, the number of what has been reduced?

**Mrs SMITH:** I refer to the MPS at page 1-41.

**Mr WELFORD:** You mean durations of apprenticeships; sorry. I was confusing durations with numbers. Yes, there are 75 apprenticeships that have been reduced in duration. This was following a review undertaken by Minister Barton when he was the minister for employment, training and industrial relations. The shorter expected apprenticeship durations commenced at the start of this year in 75 apprenticeships, and that is more than 50 per cent of all of the 148 apprenticeships that can now be completed in a shorter duration than was previously allowed. There has been a reduction in the completion time of 23 apprenticeships from four years to three years, so the standard time is still four years but an apprentice who obtains the competencies can now complete their apprenticeship in three years in 23 apprenticeships. Those trades include hairdressing, textiles, hospitality and some automotive qualifications. The apprenticeships that we have identified—that 23 plus the remainder of the 75, that is the other 52—were resolved following extensive consultation with industry and training representatives. In the other 52, there is an expected duration. In most cases the expected duration will now be 42 months instead of the original four years or 48 months. So there will be a six-month reduction.

**CHAIR:** Thank you, Minister. The time for government questions has expired. The committee will now break for morning tea. The hearing will resume at 10.45.

#### **Proceedings suspended from 10.29 am to 10.45 am**

**CHAIR:** The committee will now continue its examination of the portfolio of the Minister for Education and Training and Minister for the Arts. I call the member for Nicklin.

**Mr WELLINGTON:** I refer to your answer to a question asked this morning in relation to state government funding for the school chaplains program. Could you clarify what the funding criteria are under the announced program? Will the funding criteria allow a relaxation of the guidelines or whether the guidelines require strict compliance?

**Mr WELFORD:** There are no criteria for applications under the program, as I indicated earlier this morning. No school has to apply. Through the census data that we have access to, I asked my department to identify schools from the least well off areas and work out how many schools we could distribute to from those areas using the \$3 million that we had available.

As you work up the list, we got to 131 schools that are able to benefit. I intend to write to those schools and send them a cheque, as simple as that—no application, no paperwork, no red tape, nothing. We just distribute the money and the only requirement is that they use that money solely for the purpose of instituting or increasing the available pastoral care for their students. Obviously, we rely on the schools to identify the best way to do that.

There are some conditions. It cannot be for existing staff resources that the department funds. It cannot be for an education departmental person, as such; it has to be a person who is either employed through the Scripture Union or through one of the other programs that employs youth workers or youth support coordinators who are, of course, independent of schools.

One of the strengths of the pastoral care initiative and the chaplaincy initiative that the Scripture Union runs is that the students know that they can go to one of those people and talk to them in confidence without any concern that what they have to say is subject to the big brother system of school administration, or the education system as such. It gives them that confidential counsel that they want access to in times of need.

**Mr WELLINGTON:** At page 1-16 of the MPS you refer to your department delivering public education to almost 480,000 students through 1,250 schools. In relation to state primary school administration staff and especially in the smaller primary schools in Queensland, what funding is provided in the budget to better support state primary school administration staff to perform the wide range of duties now required of them? Is there additional funding?

**Mr WELFORD:** It depends on what you mean by 'administration staff'. The key staff in school, apart from the principal and school leadership—professional staff—are the school administration staff and registrars. Administration staff and registrars are allocated to schools according to the size of the school and the numbers of students in the school. That is roughly proportionate to the workload that the administration of a school would have. Both in terms of teaching staff and administrative support staff, smaller schools on average tend to get slightly better resources than mid-level schools. Of course, the larger a school gets, the greater economies of scale they benefit from, because once you have quite a large school—say, over 800 or 1,000—then you have access to large numbers of staff for a range of roles from teaching through to administration. Essentially, the allocation of staff is made on the basis of the growing needs of a school.

A matter that is under review is the nature of the work that registrars and school administrators do. Increasingly, with the complexity of accountability requirements that public organisations like schools inevitably must carry, there has been a growth in the amount of paperwork. I undertook a review of paperwork in schools—it is an ongoing review, in fact—that was primarily focused on the paperwork we burden teachers with, because I want teachers to be able to focus on teaching first. Indeed, that was the title of the review—Teaching First—so that teachers are able to get on with the job of teaching and not be burdened by unnecessary paperwork.

One part of that is reducing the amount of red tape and paperwork that we do not need to do in order to meet minimum accountability requirements. Another part of it is organising our school resources—that is, people resources—to ensure that as much as possible principals and teachers focus on teaching and learning and not on administration. That has implications for what administrative staff we have in schools. So it makes sense to look at what the levels and skills and remuneration for staff in those administrative roles should be. I am aware that there is some discussion among registrars in schools in particular as to whether the workloads they are carrying and the type of work they are doing justifies a higher level of recognition. Obviously, that is something that will be considered in the context of future enterprise bargaining rounds.

**Mr WELLINGTON:** Thank you. This morning you spoke about the power of effective schools. At page 1-3 of the MPS you refer to the importance of leadership in influencing, motivating and enabling staff and the community to contribute towards the success of our state schools and TAFE facilities. When it appears relatively easy for the department to move a principal or a teacher in a state school, why is it that some school registrars appear to be, can I say, welded to a specific school notwithstanding some concerns raised about a particular registrar's ability? How can the registrars be moved? I ask this question in the context that I am very much aware of how a school community can work very well together in a leadership team with an excellent principal, an excellent registrar, an excellent P&C and a wider school community focused, motivated and working together. But if we have a situation where a registrar is simply welded to a school and it is all too difficult for a department to move them sideways, upwards or to simply ask them to move on, can you perhaps clarify?

**Mr WELFORD:** I guess it is not dissimilar to any secure employment that a person has anywhere else in the Public Service. There are mechanisms, of course, for reviewing the performance of people who are not functioning effectively in any work environment. I should comment, though, that your remark in relation to principals should not overstate the ease with which principals are moved. Principals largely move around because of job applications.

**Mr WELLINGTON:** Yes.

**Mr WELFORD:** I note that you acknowledge that. So it is not that principals are moved when they are not performing well. But the whole issue around leadership performance to me is a fundamental one. We need better systems for selection and appointment of principals so that we do not get in a position where principals are put in a school in circumstances where it is beyond their capability and where problems arise as a result. We need mechanisms to enable principals a dignified exit from principal positions to alternative leadership or teaching positions where, through whatever the circumstances, coping with the leadership responsibilities of principalship is not working for them. There are a range of systemic issues like that that I am doing some more work on at the present time to try to ensure that our decision making as an organisation around the selection, appointment and transfer of principals is more rationally founded.

In relation to registrars, you are right: registrars can be the hub of the organisation of much of a school and if a registrar is not working effectively with the rest of the school community that can create real disruption. In those circumstances, the registrar, like any other employee at the school, is the subject of supervision of the principal. So the starting point for dealing with problems that arise in relation to employees in those administrative positions starts with the school leadership and the responsibility of the principal to address performance issues.

If a principal needs support in doing that then obviously they need to engage with our regional executive directors who have administrative oversight for regions of schools. Obviously, if the circumstances are serious then steps can be taken to address performance issues according to the normal processes.

**Mr WELLINGTON:** I refer you to your answer this morning where you referred to the Tomorrow's School program. In a situation where you have a TAFE campus right beside a state high school campus, like in Nambour, can you or can your department give an assurance that senior department staff from TAFE and from Education Queensland will willingly work together to better use both facilities on both campuses for the purpose of ensuring that we are able to deliver the best education possible and the best training outcomes of both Education Queensland and TAFE?

**Mr WELFORD:** Thank you, Mr Wellington. I think you have hit on a very important point that flows directly from the amalgamation of training and education in this portfolio—a unique opportunity, I believe, to leverage the synergies that come with two very highly developed organisations with specialist expertise in their areas being able to work together for the benefit of school based trainees and apprentices.

At the local level on the Sunshine Coast, with the Sunshine Coast Institute of TAFE and, of course, your schools at Nambour and Burnside, I anticipate that there will be growing interaction between the TAFE and the schools around the vocational education and training pathways that are available to students at those schools. There are already some good VET pathways offered at Burnside State High School, but I think there will be even more opportunities realised in the months and years ahead through closer collaboration with the TAFE now that they operate under one portfolio.

Currently, Burnside is offering certificate I level courses in engineering and construction, certificate II level training in business and hospitality and certificate III level training in early childhood. Certificate III level training in music is also being offered at Burnside.

Nambour high has close links with the TAFE as well. Students work with the Nambour TAFE in mechanics, cabinet making, carpentry, engineering, tiling and plumbing. They are all level II courses, run largely through school based traineeships. There is also an excellent Making a Difference program where about 12 students are involved in each school term. Each year they participate in the Sun Skills Expo, giving the community a demonstration of the trades at that expo.

Students are able to participate in prevocational courses while they are still enrolled at state high schools. The schools provide ongoing support so that they are enrolled in the school and can do courses at the TAFE. Both the schools and the TAFE run forums on specific issues. For example, one is coming up on 24 July in relation to education issues for Indigenous students. It is certainly my expectation that, with TAFE coming together with our schools, principals will proactively engage with TAFE directors to integrate the education of students in those vocational pathways.

**Mr WELLINGTON:** Minister, I refer you to page 1-1 of the MPS, where you refer to your department delivering vocational education and training to over 240,000 students through 13 TAFE institutions. As a result of the unmet demand for trained skilled workers in Queensland's building and construction industry, how many people are on TAFE records and unable to undertake the necessary apprenticeship training courses? The question I am really asking is this: do we have a waiting list like in Queensland Health? We have a waiting list for operations; do we have a waiting list to get into an apprenticeship course? Do we have a list of people or do we have records of the number of inquiries we have from people wanting to commence and undertake apprenticeship training courses?

**Mr WELFORD:** We certainly have lists of enrolled apprentices, registered apprentices. Obviously part of the process with any apprenticeship is tracking their pathway through each year level of the apprenticeship and ensuring that they complete the block training component with a registered training provider, including TAFE.

Part of our investment in SkillsTech, the major new facility at Acacia Ridge and the satellite campuses at Eagle Farm on the north side of Brisbane, Mackay and Townsville that I have spoken about, is designed to ramp up our capacity to train more apprentices. However, it is true that at any particular time in some locations apprentices are waiting to get into a TAFE course round. Some apprentices have told me personally how they have been waiting to do their block training for the particular year that they are in.

Therefore, there are some waiting lists. There is not a list as such, but there are people waiting to get into their apprenticeship training at TAFE. However, those people are being managed to ensure that they do not have to wait excessive periods of time. Of course we will have better capacity to achieve greater throughput of apprentice trainees once we have the facilities in place, construction being a classic example.

Plumbing is an area where we have had exceptional demand. The number of plumbing apprentices in training has doubled since about 2003. It has gone from about 1,200 to nearly 2,500 as of June this year. One of the issues for us there is that, in order to try to manage the numbers of apprentices wanting training, we have had to try to recruit more staff for TAFE.

While we are effectively keeping up with things in terms of facilities, at the present time one of the limiting factors is attracting staff to do the training, because people can earn a lot of money practising their trade on the job. At the present time while there is a shortage, attracting people to what may be

seen by some as the lesser-paid position of a trainer in TAFE is not so easy. However, there are senior tradesmen who are approaching retirement and are looking for the opportunity to contribute still to their trade without the heavy workload of working on a construction site. Obviously their experience would be very valuable to us in TAFE as well.

**Mr WELLINGTON:** I have a flow-on question, Minister. Is there any proposal to relax or make the block training more flexible to fit into the demands of the busy economy that we have at the moment?

**Mr WELFORD:** A number of issues such as flexibility are under consideration at the present time. I have drawn to the attention of TAFE the problems that some apprentices are experiencing in getting access to TAFE courses. You have obviously come across it as well.

We do not want a situation where the whole system is moribund because we cannot actually deliver the training. The flexibility in providing training has, in many respects, been freed up a lot because it is not just TAFE that can provide training in a number of areas of apprenticeship now. Private training providers are also in the market. We provide funding to wherever the person goes to get their training.

**CHAIR:** Thank you, Minister. The time for non-government questions has expired. We move to government questions. Minister, I refer to page 1-16 of the MPS and the reference to the literacy framework. Can the minister outline how the new strategy is providing literacy support for all students?

**Mr WELFORD:** In the last couple of years much has been said about the strengths and weaknesses of the literacy of students, particularly those in secondary school. There is no doubt that literacy is at the heart of every student's capability to learn, not just at school but beyond school. Therefore, I believe it is a vital component of the education of every student in the state.

We have embarked on a program of intensive fully funded professional development for teachers. In my view, every teacher, particularly in primary school, should know how to teach children to read. Literacy—the Key to Learning: Framework for Action 2006 to 2008 is all about rolling out professional development for teachers so that literacy is a focus for everyone—teachers, teacher aides and students. The three-year program will run from 2006 to 2008 and is a \$55 million professional development program to improve the teaching of reading by classroom teachers in every grade from prep through to year 9.

In this coming year we will spend \$12.2 million, particularly on teachers in years 1 to 3. That will begin this month and that training will be effectively completed by the end of the year. If we can target children early in their educational life with quality teaching that focuses on reading, much of their other learning through the remainder of their school years can be improved.

We have appointed regional literacy managers to coordinate professional development in every region so that we improve the quality of teaching around reading, in the early years especially. We have also deployed specialist staff such as the year 2 net key teachers, other support teachers and teacher aides who can assist students by providing specific help.

Our upper primary literacy grant is a four-year \$35 million program that provides intensive literacy support for students in years 6 and 7 who do not meet the year 5 literacy benchmark under the national testing regime. That is complemented by the federal government's reading assistance voucher scheme, which targets year 4 students who do not meet the year 3 reading benchmark.

Therefore, on a number of levels we are investing in professional development and targeting prep to year 3 to get literacy as a foundation for future learning. The federal government is targeting year 4 for students who fall through the net in year 3 and we are investing in years 6 and 7 for students who struggle with the benchmark in the year 5 literacy tests.

**Mr HOOLIHAN:** Page 1-17 of the MPS refers to the release of the report titled *Education for Sustainable Futures: Schooling for the Smart State*. I note that the report aims to embed the principles of sustainability in the curriculum and in the operation of schools. Could you please outline for the committee what is planned for 2007-08 to further this important agenda?

**Mr WELFORD:** One of the dramatic changes in the nature of education in the 21st century is that as a community we are confronting challenges that we have never had to face before. This requires new areas of learning in our schools. It means that within the same school year we are having to engage young people in thinking and learning about issues that in the past were not even on the curriculum. They were not even on the radar of adults. One of those is environmental sustainability and the ethics around sustainability relevant to the future of our community, both locally and globally.

The report that we received from our Advisory Council for Educational Renewal, ACER, was entitled *Education for Sustainable Futures*. It was chaired by Professor Ian Lowe and, as a result, of the report we have embarked on a number of initiatives.

We are linking sustainability education with our values education framework. Values and sustainability, and the issues of character and citizenship of every child are fundamental to a fully rounded education, in my view. Therefore sustainability education is one key component of a broader values education framework that is being rolled out in our schools.

We have an environmentally sustainable schools initiative that sets up regional hubs in schools, together with our 25 outdoor and environmental education centres that work with schools on a range of issues across waste minimisation, energy efficiency, air pollution, traffic reduction and water use. Schools are also doing green school projects to enhance biodiversity.

This is all about ensuring that we have active and informed citizens. We are incorporating the Earth Charter principles into the sustainability components of the curriculum. The Minister for Environment and Multiculturalism and I have established the Queensland Youth Environment Council in partnership with the EPA. We are also developing a statement on sustainability for all Queensland schools so that we can embed the principles of sustainability not only in the curriculum—that is, what students learn at school—but also in how schools are run.

Eight million dollars has been allocated to water-saving approaches in schools across the state, which includes everything from dual-flush toilets to water efficient urinals. Eight hundred and twenty-seven of our state schools have already installed water tanks or are planning to install them. We are investing \$3.5 million in a water efficiency program for state schools in level 5 restriction areas.

Finally, as part of the curriculum we have launched amongst state schools the H2O challenge, which is a water conservation competition. I launched that at one of the schools in my electorate earlier this year.

**Mr REEVES:** I refer the minister to page 1-20 of the MPS and the reference to promoting healthy eating in schools. Can the minister outline for the committee what additional initiatives he has planned for expanding this health focus with regard to sport and physical activity?

**Mr WELFORD:** Thank you, Mr Reeves. In my view there are three core elements to the fully rounded development of young people in this day and age. Essential, of course, are the things that we have been talking about all morning—that is, what they learn, how they learn, how well they are engaged and the curriculum of our schools. Another component is their emotional and social wellbeing—that is, their capacity to engage in the world around them, their confidence and self-worth, their role as a citizen, and the character that they bring to their interaction with other people. Those are issues of values education. The third component is their physical health, because, frankly, without their physical health none of the other things will flow.

Healthy young people leads to good character and leads to active learners. That is the simple reality of the matter. Unless we ensure that young people in our schools are fit and healthy, then we have a whole lot of problems around learning, around the curriculum and delivering it, and around the citizenship, character, values and behaviour of students at school. So a commitment to health and lifestyle issues is really a foundational matter.

That is why I engaged the member for Mansfield to conduct with my ministerial committee a review of sport and physical activity throughout last year. I would like to thank the honourable member and the other members of that team who worked on this project and who have now delivered the review report, which I am pleased to table today. After the hearing at the lunch break I will be launching a new initiative, Smart Moves. It is my policy and our government's policy for ensuring that physical activity is incorporated in every aspect of learning. I want action packed classrooms—classrooms where kids are engaged actively in their learning, particularly boys, because active boys are better engaged in their learning. But I will say more about that later.

The main recommendations that are going to be implemented in this charter for physical activity programs in schools centre on ensuring students are healthy and are engaged in physical activity which aids their learning at an intellectual level. All primary schools will be required to allocate 30 minutes of physical activity every day as part of the school curriculum, either separately as exercise routines or as embedded physical activity in the delivery of subjects across the curriculum. Every state school primary classroom teacher will be expected to undertake professional development in the delivery of physical activity in the classroom. I want every teacher as committed to health and physical activity in their life as role models for their students. I would ask for an extension of time, Madam Chair.

Leave granted.

**Mr WELFORD:** Schools will work more closely with junior sporting associations to maximise the use of school and community facilities. This is all part of the new program that I am launching today called *Smart Moves: physical activity programs in Queensland state schools*. It builds, as members would appreciate, on the Smart Choices Healthy Food and Drink Supply Strategy for Queensland Schools that we launched in schools last year. With these two components, healthy food in our tuckshops and healthy, active classrooms in our schools, we hope to bring a new level of commitment to the physical health of young people in our schools.

I will expect principals to consult with physical education teachers on how to roll out the Smart Moves policy in schools. I expect teachers, and physical education teachers in particular, to engage in active professional development on how to incorporate physical activity into the classroom and into the schools' daily activities.

Every state school will be required to have a physical activity action plan in place by the start of next year, and they will be implementing that plan at least by July of next year. I am declaring 2008 the year of health and physical activity in schools in Queensland. I want every school to focus on health and physical activity as a foundational component of effective engagement and learning in every state school in our state.

The guidelines from the Smart Moves strategy will inform professional development. It will complement the other things that governments are doing since the Obesity Summit that the Premier held including the Eat Well Be Active campaign that the health department is running. I believe schools can make a huge difference to the future lifestyles of today's children, and I hope that this initiative in combination with others will make that difference.

**CHAIR:** Minister, do you seek leave to table both of those documents?

**Mr WELFORD:** I am happy to table them.

Leave granted.

**Mrs SMITH:** Minister, I think that is a wonderful initiative, so thank you on behalf of our children. I refer you to page 1-57 of the MPS and the \$291 million redevelopment completed at the Cultural Centre at South Bank. Can you advise on the outcome of this investment by the government?

**Mr WELFORD:** I thank the honourable member. Given the range of things we have discussed this morning, and now moving into this field, you can see that this is a fantastic portfolio to be engaged in at the present time. Every public servant in the government wants to be in this portfolio at the present time, and why would you blame them? The new Gallery of Modern Art, complementing the Queensland Art Gallery and the other components of the Cultural Centre at South Bank, and the new State Library of Queensland are a magnificent embellishment of our state's cultural infrastructure. It was reported in the *Weekend Australian* in December last year just after the opening as follows: 'In one bold move Queensland has changed the face of Australian art.' I think that is fair to say. In a sense, the tyranny of geography and distance of this vast state will prevent lots of Queenslanders fully appreciating the significance of the cultural assets that are available to them. I hope that those who are not from the south-east corner will have the opportunity when they visit Brisbane to appreciate just what we have created here on the South Bank of Brisbane, our capital city.

Even the chief curator of the Art Gallery of New South Wales said that the new Gallery of Modern Art made him green with envy, and he was jealous that 'we can't get anything like that' in New South Wales. The general public, too, have voted with their feet. More than 1.7 million people have visited the precinct in the six months since it has been open—1.7 million people. Exit surveys show that more than 90 per cent of the visitors rated their Cultural Centre experience as enjoyable or fantastic and strongly support the government's investment in facilities which deliver long-term benefits to the cultural and intellectual life of the state. This is a resounding show of support for our Cultural Centre. We as a government and as a community can be truly proud of what we have achieved here.

GoMA is the largest modern art gallery in Australia. Its debut exhibition was the fifth Asia-Pacific triennial, and it was an extraordinary visual arts event. GoMA is the first art gallery in Australia to have purpose-built facilities for showing cinema and the moving image as an artform. The Cinematech is a welcome new venue for the Brisbane International Film Festival, which opens on 2 August and which I launched last week.

Next door is the State Library, which is twice the size of the former building and another resounding success story both architecturally and functionally. It won the prestigious 2007 Brisbane Building of the Year Award of the Royal Australian Institute of Architects. Both facilities incorporate a range of opportunities for people to engage, for children and for Aboriginal and Torres Strait Islander people.

**CHAIR:** Minister, still on the Cultural Centre at South Bank, I notice on page 1-8 of the MPS that \$7.9 million has been allocated to transform the auditorium into an ideas and technologies centre for children and young people. Minister, can you explain what we can expect from this centre and what other arts initiatives are targeted specifically for young Queenslanders?

**Mr WELFORD:** Thank you, Madam Chair. As you note, we have a range of facilities now that focus on children and young people. The Cultural Centre, with its well-established facilities and programs such as the Sciencentre at the museum and the Out of the Box Festival at QPAC, is a leader in developing initiatives that engage children and young people in creative learning. The redevelopment of the State Library and the construction of GoMA also added two new exciting children's spaces to the cultural precinct. The Children's Art Centre at GoMA and what is called The Corner at the State Library are both huge drawcards, particularly during school holidays.

The redevelopment of the auditorium, which will soon be undertaken, will add a new dimension to programs for children. We will be calling it the Edge. It is a new venue which will transform the auditorium into a hothouse of creative activity, offering experimental arts and experiences that allow young Queenslanders to explore and develop their creativity. Equipped with the latest information and communications technologies, the Edge will provide opportunities in the precinct to collaborate on projects for young people.



With the suite of facilities that we now have, I will be asking the leaders of each of those facilities to work more closely than ever in collaborating on programs, particularly programs that provide opportunities to engage young people in the arts—not just in the high arts but also in creative activity, emphasising the importance of creativity and the philosophy of design as key capability sets for the next generation of Queensland adults.

These developments build on our government's longstanding commitment to engaging children and young people in the arts, with \$1 million a year dedicated to programs exclusively for young Queenslanders. We have seven small and medium arts organisations which work with children and young people including Youth Arts Queensland, Backbone Youth Arts and La Luna in Townsville. Four youth companies are also funded by us.

We fund the Transit Lounge, which includes the Young Artists Mentoring Program, engaging young people to access mentoring skills and development opportunities in the arts. The Transit Lounge was expanded to Caboolture this year in partnership with the Department of Housing.

We have A-Venue, which enables young people to present their music in five locations at the Gold Coast, the Sunshine Coast, Cairns, Townsville and Rockhampton. We support Backbone Youth Arts to further develop and stage their musical theatre work, and we are funding the expansion of Stylin' UP, which is a program for Indigenous communities in Woorabinda, Cherbourg, Goondiwindi, Logan and Ipswich.

**CHAIR:** Thank you, Minister. The time for government questions has expired. We now move to non-government questions, and I call the member for Nicklin.

**Mr WELLINGTON:** Minister, I refer you to your answer to my question on notice No. 12, where you refer to the government having an inclusive schooling policy that encourages children with disabilities to engage in mainstream classrooms so they can enjoy the social and cultural experiences of everyday schooling. Where parents have children with a significant disability and for a range of reasons the parents wish their children to attend a special school, what money is available in the budget for the expansion of special schools on the Sunshine Coast? If so, what is your department's plans for the future?

**Mr WELFORD:** I will leave my officers to see whether there is a specific dollar figure for the Sunshine Coast, but let me speak generally in relation to special schools. Of course there is a debate about whether all students with disabilities should be included or integrated into mainstream settings or whether some students are better served by providing specialised, dedicated facilities such as the special schools that currently exist. My view is that parents are often in the best position to make those sorts of judgements, as indeed I did when my daughter who has Down syndrome went to mainstream settings but in different circumstances would have been better suited to a special school. Indeed, had she not adapted as well as she ultimately did, her prognosis for staying in a mainstream school was not good, I have to tell you, but that is because her father was not as good a parent as he should have been, probably.

In terms of special schools, I have one goal to achieve while I am minister, and that is that I want every special school in the state to be upgraded to topnotch facilities. There should be no student with special needs labouring in their learning and educational experience in facilities that are outdated or run down. We want every special school in the state to be upgraded to the best possible quality we can. On the Sunshine Coast we know that you have a particular interest in the expansion of the Nambour Special School, and I am pleased to be able to tell you this morning that tenders for the purchase of a 2.16 hectare site adjacent to the existing special school closed on Friday a week ago and following an evaluation from my department I can confirm that we have secured this land.

**Mr WELLINGTON:** Thank you.

**Mr WELFORD:** The tender has been successful and that land will now be used to undertake further development of Nambour Special School specifically and, like any school that has the opportunity to be upgraded as part of our current programs, the students at Nambour Special School will have the best facilities that we can possibly provide.

**Mr WELLINGTON:** Thank you, minister. That was my last question. What a wonderful question to have finished on, thank you. I will tell my community now.

**Mr COPELAND:** Congratulations on implementing the coalition's Healthy Kids, Clever Kids policy today.

**Mr WELFORD:** Go on, do your best.

**Mr COPELAND:** It is almost identical to the policy we have had in place since before the 2004 state election. It is a welcome if belated move to implement that policy. Why in the parliament just a couple of months ago did you vote against implementing very, very similar minimum physical activity requirements for our schools?

**Mr WELFORD:** Because mine are better.

**Mr COPELAND:** Almost identical, I suspect. I am glad it has finally got there after all our pushing.

**Mr WELFORD:** Why would we accept second-rate opportunities when we have first rate ones we can implement ourselves.

**Mr COPELAND:** Three and a half years later. Anyway, very good news.

**CHAIR:** Member for Cunningham, let us get back to this estimates committee and ask questions.

**Mr COPELAND:** I refer to MPS 1-9 which refers to the Pacific Film and Television Commission. I have been advised, and I want you to confirm whether this is true or not, that there have been a number of allegations over the last three years of bullying by a staff member of the PFTC. This has included an incident involving accusations of physical assault as well. I have also been advised that last year WorkCover became involved regarding the treatment of one of the alleged victims. Can you confirm if this is, in fact, the case and if the staff member is still employed at the PFTC?

**Mr WELFORD:** I cannot. I am happy to make further inquiries. There has been no incident of bullying of the kind you have raised—which sounds fairly significant—raised with me. I am not aware of any WorkCover claim arising out of that workplace. To the extent that there are issues in terms of staff conflict there, it has not occurred at a level that it has been drawn to my attention or, to my knowledge, any formal claims.

**Mr COPELAND:** Will you take that on notice to confirm?

**Mr WELFORD:** I am happy to investigate whether there are any.

**Mr COPELAND:** And advise the committee?

**Mr WELFORD:** I will advise the committee, yes.

**Mr COPELAND:** Have there been any other allegations of bullying, including physical assault, across your department that you are aware of?

**Mr WELFORD:** I suspect that at any one point in time there are a range of allegations of bullying of various kinds, but there are no major incidents involving physical assault that I am aware of. If there were, then following investigation by the ethical standards unit of the department, appropriate matters would be referred to the police, and should be.

**Mr COPELAND:** MPS 1-60 states that the government supported delegates from across Queensland to attend the Pacific Edge regional conference, which is a Queensland Arts Council initiative that provided opportunities to promote regional arts development and networks. That was in Mackay last year. Can you provide the committee with details of how much money was provided for those delegates to attend and how much money was provided to the Arts Council to run that event which was probably the most significant regional arts event in Australia last year?

**Mr WELFORD:** I do not think we have a brief here right now but again I can take that on notice and give you specific figures on who attended and, to the extent that there is a separate accounting for dollars expended on attendees from government, we should be able to quantify that. I certainly know that I have seen briefs on the figure that we contributed to the staging of the event. That should not be a problem to provide.

**Mr COPELAND:** Minister, I am sorry I am going to be jumping around a bit. There are a lot of questions and I am trying to pick them out as we go through. Referring to TAFE, we have had some discussions about different courses and apprenticeships and you have given an answer to question on notice No.16 regarding completion rates of courses. Obviously it is difficult to assess what the completion rates are of currently enrolled students. Does the department track completion rates of those people who commence a particular course and what percentage actually complete the course in the same way as it tracks retention rates at schools or university graduations?

**Mr WELFORD:** Absolutely, we do. In fact, it is a key issue for us, as it is in schools, because we invest a lot of taxpayers' money in running these facilities so we obviously do not want attrition rates to be at a level that causes that money to be wasted. I might have some data here for you. In 2006-07, 7,098 apprentices and 19,935 trainees completed their training. That is 5.6 per cent higher than last year. Traditional apprenticeships account for 44.8 per cent of all training contracts, which is above the national average.

I am just seeing if we have specific figures on completion rates here. I do know we have them. I recently launched a new action plan called Train to Retain. We have introduced a new independent skills assessment service to resolve disputes between apprentices and employers. The Train to Retain initiative is also about creating environments where apprentices complete their training because that is an issue.

The completion rates for Queensland apprentices in the last financial year are around about 65 per cent, which is way lower than we would prefer to have it. The completion rates for trainees is even lower at somewhere between 56 and 61 per cent. That might seem unusually low at first blush, but I can assure you that we are actually making improvements on what has been the case in the past. I

guess years ago we actually never collected data on what proportion of apprentices who commenced their apprenticeship actually completed it. It varies according to the job market. The current job market being tight means that it is harder than usual to get apprentices to actually complete their formal apprenticeship before going off and gaining employment in other circumstances.

The targets that we set for apprenticeships were 60 to 65 per cent. We are certainly meeting those because it is between 63 and 68 per cent depending on which region you are talking about. The target we set for traineeships was 55 to 60 per cent and, of course, we are exceeding that—or we are matching it at least. I think there is a lot that we can do to improve that. A lot of it has to do with the character of the workplaces that apprentices are engaged in. As you probably know from your younger years, apprenticeship workplaces tend to be pretty rough and tumble environments and the current generation are less likely to tolerate it when they can easily get work elsewhere.

**Mr COPELAND:** They are the completion rates I was after, thank you, Minister. How do those percentages compare with, say, the last two or three years of data that you have collected? Are they getting better or declining?

**Mr WELFORD:** There was a decline between 1995 and 2001 and now we are starting to make gains again. But there is a lot of work to be done. It has come up in the last couple of years, but only marginally. Just to give you an idea of the sort of range that we are talking about, and this is an average so it does not give you a clear picture of what the situation is in specific trades, it was anything from 45 per cent in civil construction up to 100 per cent in flooring, curiously. Floor layers are pretty keen on their job. The average was 68 per cent in 1995. It drifted down to 62 per cent in 2001 and closer to 60 per cent subsequently. But we are turning the corner again now. As I say, it is a difficult time to actually expect a significant improvement when the job market is so buoyant.

**Mr COPELAND:** You referred earlier to how difficult it is to get qualified tradespeople to teach in TAFE. I understand that individual contracts are offered in TAFE to try to attract people into it. How many staff in your department across Education and Training and the Arts are employed on individual contracts by each agency?

**Mr WELFORD:** We can get that data. The vast majority, of course, are tenured permanent employees. But there are staff, particularly in schools, employed on contract for a term or semester or a year at a time. There are some staff in training as well who would be on contracts, but the vast majority of TAFE trainers are also permanent teachers. We can separate out the contract numbers for you.

**Mr COPELAND:** I will turn briefly, although I would like to spend more time, to students with disabilities which is in MPS 1- 35 and the Education Adjustment Program for students with disabilities. The budget papers say that the government is continuing the implementation of the EAP to better identify and provide support for the education and support needs of students with disabilities. How many schools around the state have actually lost funding this year under the changed program and, if they have not already lost funding, how many will lose funding following the transition support of extra teacher aides being removed? As I understand it, some schools have had extra transition support that is not a permanent allocation.

**Mr WELFORD:** Let us put it this way: no school has lost funding where there has been a material increase in either the numbers of students or the need profile of those students. The EAP process, while it is not perfect, is a more refined measure of educational adjustment needed to support students in a particular school. The resources that are allocated, which have grown every year and grew again in the last budget, are allocated according to the need profile on a school-by-school basis, broadly speaking. For a school to lose resources in virtually all cases one of two things happen: one, they either lost students or, two, the need profile—that is, the disability profile of those students—became lower through some students of higher level need graduating and moving from primary to secondary or to another school or students coming in with a lower need profile.

I do not think we have specific numbers of schools where that occurred but it undoubtedly occurred in a number of schools. We address that at the time by a review of any school that puts its hand up and says, 'We are under pressure.' We go back and review and top up if necessary. In the last budget we allocated another 95 full teachers and another 2½ thousand teacher aide hours per week across the state. That will be further enhanced with another 75 teachers and 1,900 teacher aide hours per week across the state next year. We are continually growing the resource. What we have to balance is how we grow that resource against the numbers of students and between schools the profiles of students in each school.

**Mr COPELAND:** The terminology that was used with me—and I do not know whether it is general terminology within EQ—is that there are a number of anomaly schools where the need profile did change and those schools lost resources on virtually an existing student base. Can you provide numbers of those sorts of schools that were termed that way?

**Mr WELFORD:** I am happy to take that on notice and see whether that is possible. I know that they may have been raised in local media and so forth. I do not know whether we have a formal headcount of schools as it were—that is, the numbers of schools that claim they were in that position.

You need to understand that at the start of each year there is always a certain amount of fluidity around the allocation of resources in schools. It is not just for students with disabilities; it is according to the day 8 count of student numbers in schools. Adjustments are made in the subsequent weeks, sometimes a month or two, to ensure that schools that have a legitimate claim for more resources get some additional time.

I will explain the reason we would not centrally keep a list of those schools that claim to have fewer resources even though they kept the same number or more students or the same number of students with higher needs. At the margins, where there are schools that, as I say, put their hands up and say, 'We reckon we are underresourced here,' that is a negotiated issue at the regional level. The region has a pool of resources that it is allocated roughly according to the aggregation of EAP profiles across the state. Each region is proportionately given resources according to the aggregate profile of the EAPs for all the students in each region. Then the region's role is to go into the schools and allocate according to need. Sometimes that will throw up anomalies, as you have indicated. I have had them drawn to my attention. People have written to me, too. We send the regional officers back into those schools to make adjustments on an as needs basis.

The system is self-correcting in that sense. Every genuine effort is made to ensure that schools are adequately resourced or that some coaching is done around how they allocate the resources of the school as a whole. It is not just about students with special needs. It is about how the system runs in the school—how classes are organised, how the school operates. Some of these things are often more about the efficiency of the school leadership in running the school and how classes are timetabled and all that sort of thing than they are about just raw numbers and teachers.

**Mr COPELAND:** I will continue on with that. In small schools with one, two or three teachers some students with special needs or particular behavioural problems or English as their second language create very heavy workloads on those teachers and there can be a teaching principal involved. Will you consider implementing a weighting system so it is not just a flat 26 students that is required to get an extra teacher or extra resources for those smaller schools in those circumstances?

**Mr WELFORD:** It depends what you mean by resources. There is already a weighting system that allocates additional resources to the school. How the school uses those resources is a matter for either the teaching principal or the school administration. For example, they will be allocated additional resources on top of the teacher for that 26 students. They can deploy those resources either in employing another part-time staff person or in other ways that they believe make the inclusion of that student-effective. So, again, those sorts of decisions are essentially a matter of professional judgement that teachers and principals in small schools make about how the additional resources are allocated. They do get the additional resources in terms of dollars.

Instead of allocating an additional body to the school we allocate an incremental increase in supplementary funding that they then apply according to their needs. I am happy at another time to have my departmental officials brief you on this. I was concerned about this issue myself, particularly the resourcing of small schools with one to three teachers—that is, many rural and remote schools. Once you drill down and look at how the resourcing is allocated, on average small schools actually do better in terms of dollars per student than schools that have a few hundred students. I can brief you on how that works.

Whether there is nevertheless a base level of workload in those smaller schools that we need to give greater acknowledgement to is something that I am prepared to concede we might need to do some more work on. As a general principle, I had, because I had some correspondence to that effect, the very concern that you are raising and I went back and checked. Every way I looked at it it turned out that the schools that were the source of the concern actually were doing better than the larger schools.

**Mr COPELAND:** I will discuss the particular case with your privately, Minister. There are a lot of questions I had regarding targets in the MPS for literacy and numeracy. I will refer to one regarding the year 7 test. All of the targets have been revised down from last year. The reading test target has been reduced by six per cent from last year, on my reading. The results are still getting worse. Are we just revising down our targets because we are not performing on these measures?

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

**Mr WELFORD:** We can come back to that. Just before I finish can I give you a couple of answers to things the member previously asked. In relation to P&C contributions, I can give you these figures. You might want to jot them down. They will be recorded, I guess. The gross revenue going into schools in 2005-06—that is the latest year we have the figures for—was \$586.7 million. The grants paid from my state department and the grants paid from the Commonwealth government total \$339.9 million. This means that the aggregate of P&C contributions, voluntary donations, sponsorships, textbook allowances collected, interest on school bank accounts and Commonwealth revenue that is not directly education related—for example, water tanks and the water initiative—is the balance of \$246.8 million. The external sources are \$246.8 million and the government grants are \$339.9 million, making gross revenue of \$586.7 million.

**Mr COPELAND:** Have you got that broken down by state and Commonwealth contribution?

**Mr WELFORD:** I have not got it in front of me, but we can give it to you. The other matter that I can come back to is your question about the PFTC and whether there were any allegations of assault or bullying. I can report that in 2006 there was an allegation of bullying but no allegation of assault brought by a staff member against a supervisor. An independent person was engaged to investigate the complaint and the complaint was found by that independent investigator to be unsubstantiated. I understand some resolution of the issues raised by the person concerned, the complainant, was undertaken. It has transpired since that time that that person now works in another government department. That is the only incident that we have any record of.

**CHAIR:** Thank you, Minister. We now move on to the last part, which is government questions. I call the member for Keppel.

**Mr HOOLIHAN:** Minister, it is not often that you get to page 1-58 of the MPS and you get really intrigued. Under 'Arts and cultural infrastructure and services' there is a dot point that reads that there are assessed and defined partnerships with local councils to develop under-utilised buildings for arts and cultural purposes, which I gather is studios for artists and workers under the Gritty Places Program. We have some really good acronyms but the Gritty Places Program seems to indicate that there are a few places around that need a fair bit of attention. Could you advise more about this program and what has been achieved to date?

**Mr WELFORD:** Yes, I can. What we call the Gritty Places Program is a partnership with local government announced in 2005-06 to foster creative industry development in their communities. It is an ongoing program allocated \$200,000 a year until 2009. It provides funding to adapt disused or under-utilised council buildings into spaces suitable for artists, whether they be visual artists, musicians, actors or other performers. We are providing up to \$50,000 per site for the renovations as a capital contribution over two years to the local government on a 50-50 basis. It is on the condition that the local government provides ongoing maintenance for the facility that is upgraded.

In 2005-06 \$200,000 was allocated to councils in Brisbane, Mount Isa, Croydon and Mareeba. The most recent allocations have now been approved for Cairns, Blackall and Julia Creek. An example is the \$50,000 that was used to transform an electricity substation at Norman Park in Brisbane to provide studio space for art workers, a theatre rehearsal area and a networking area.

Mount Isa council redeveloped the old Frank Olsen historical museum to provide a space for an Indigenous paper mill and pulp painting studio and gallery. The Croydon Court House got \$50,000 for an upgrade to provide space for exhibitions, workshops, displays of local historical objects and performances by various artists who engage in professional development. The Mareeba Heritage Museum was expanded with its \$50,000 to include an artist display area, workshop facilities and a permanent display of culturally historic and regionally significant artefacts.

Cairns redeveloped the Tanks Art Centre for a workshop, rehearsal and performance area and provided some exhibition space and a function room. Across the state, local governments are using this money for a range of facilities that provide community space for artists to do their work and demonstrate their art.

**Mr REEVES:** I note on page 1-8 of the MPS an allocation of \$1 million for planning to establish an international centre in Brisbane as a hub for Smart State design and innovation. This seems timely given the palpable new vibe about Queensland design from architecture to landscapers to interiors, fashion and jewellery. Can you outline the form and function of this proposed centre?

**Mr WELFORD:** Alongside some of the other headline initiatives like the Physical Activity initiative being launched today, the Queensland academies, Aviation High, the Gallery of Modern Art, this million dollars allocated in the budget is spawning what is set to be one of the most exciting initiatives in the arts and in education for a long time in terms of community education. I am currently leading a task force that is investigating the potential to create an internationally recognised centre for design right here in Queensland. I mentioned earlier the importance of creativity and design as a value adder for regional economies in the 21st century. If we are to develop the Smart State into a high-value regional economy globally over the next 20 years, then a focus on creativity and design must be at the forefront of initiatives that governments drive.

I have a number of industry professionals with experience in various disciplines of design and architecture, business and manufacturing working with me on this task force to develop, in a sense, a design brief for what this international centre for design might look like and what its functions might be. A priority of the task force is to ensure the design centre will itself be a leading example of sustainable and innovative design both through its architecture and its operations.

Queensland's design, architecture and visual arts industry generates an estimated \$600 million in economic output annually so it is no small industry. Good design can help us manage the effects of climate change and make development more sustainable as well as generate economic and social value. I want to develop what you might call a design culture in Queensland. This centre is about creating a hub for the professions and for the community to see what the Smart State could look like in

the future with good design; how it affects every element of our lives. By cultivating and promoting our design industries and promoting to the community the resounding value of good design, the centre will create potential for increased investment and business opportunities for Queensland's architecture, art and design industries as well as improve the export potential of the industry.

The final form of the precinct development is still under consideration. We have yet to identify a final site. We are looking at a range of potential sites for this design hub to be developed. We are looking into both commercial and private enterprises to be partners in the centre, space for design labs, workshops, conferences and display areas. In other words, we want this place to be a hub for the demonstration and international recognition of Queensland as a centre for cutting edge design.

**CHAIR:** I call the member for Burleigh.

**Mrs SMITH:** I understand that leading Indigenous actor Leah Purcell has been appointed resident artistic director of the Aboriginal Centre for the Performing Arts. Can you share with us some of the success stories of this unique training centre for young Indigenous performance artists?

**Mr WELFORD:** The Aboriginal Centre for the Performing Arts here in Brisbane is unique within Australia in that it provides training across the broad spectrum of performing arts, namely music, dance and theatre. The centre began its 10th year of operation this year. It has increased enrolments, it has a new course, it has more flexible timetables and it is now achieving a retention rate amongst Indigenous young people of 81 per cent—the highest of any comparable Indigenous training arts institution in Australia.

Last year 28 students graduated across all courses. Two were accepted into tertiary degree courses, one into acting at NIDA—the National Institute of Dramatic Art—in Sydney and the other into the dance course at the Queensland University of Technology here in Brisbane. This year the retention rates have already increased to 87 per cent and the pass rate has grown from 50 per cent in 2002 to an average of 85 per cent in 2006. Part of the reason for this success is not only the centre's commitment to nurturing its students but also this year's appointment as resident artistic director, Leah Purcell. This is a real coup for this centre for performing arts. Leah is, of course, a successful actor, director, playwright and role model. Her skills and professional guidance will be of huge benefit to the students at the centre.

The approach of the centre is twofold. Firstly, it provides emerging Indigenous artists with the skills to create their own work and tell their own stories. Last year students created the successful *Up the Road* production and this year—only a few weeks ago—I attended their graduation production called *Reflections*, which was a production about the 1967 referendum on the right of Indigenous people to vote and the history that has followed it. This work was created under the direction of Leah Purcell and performed at QPAC and it was an outstanding performance, a highly professional, performance, that really deserved much wider exposure. Indeed, it could be a travelling performance if it were possible to fund it or have private sector partners, which we should inquire into. Secondly, the centre also partners with other performing arts agencies to build bridges with the mainstream arts sector and the broader community. It is about providing these young Indigenous artists with the potential to bridge that gap to a fully commercial life in the arts.

The centre is also part of the Brisbane City Council's lunchtime performance program and it facilitated school holiday workshops at South Bank with the Hands On Art program during NAIDOC Week. It is in the process of developing an agreement with QPAC which goes beyond joint productions to building bridges into professional employment for their graduates. It is also working with producers of the Dreaming Festival at Woodford on the Sunshine Coast on ideas for future projects which will promote the centre and its students to the arts sector and the wider community.

**CHAIR:** Minister, I note on page 1-8 of the MPS that the Revolving Film Finance Fund of the Pacific Film and Television Commission has been increased by 33 per cent. Can you explain how this will further boost the success of the local film and television industry?

**Mr WELFORD:** Yes. Queensland in the last year has experienced a huge increase in the number of domestic and film television projects being made here. It has been a successful 12 months with \$73 million in Australian production made right here in our state. With that increase in production there has also been greater demand on the PFTC's Revolving Film Finance Fund. The fund supports domestic film and television production by providing secured loans to cash flow productions. Providing low-risk cash flow is an effective way for our government to help secure domestic productions for Queensland.

Productions filmed in Queensland with the assistance of the fund in the last financial year include the Queensland features *How to Change in Nine Weeks*, *Acolytes* and the second series of the Australian television show *H<sub>2</sub>O—Just Add Water* which will also be screened overseas. The total Queensland production expenditure of these projects is estimated to be over \$17 million, increasing economic activity by approximately \$32 million and creating 590 jobs. Without this cash flow facility, we are in real danger of losing domestic production to the other states.

The additional \$5 million we have allocated to the fund this year will greatly assist in sustaining this production as well as generating ongoing domestic production for the state. We really have had a bumper year for film and television production. We have had obviously in the media recently star spotting at Port Douglas and at the Gold Coast with international films such as *Fool's Gold* and Baz Luhrmann's epic *Australia*, which is being produced in Bowen. Hal McElroy, a legendary Australian TV producer, based his new hit Channel 9 series *Sea Patrol* in the far north and on the Gold Coast and our local film makers are also kicking goals. For example, Brisbane based producers Mark and Cathy Overett shot their film *Unfinished Sky* starring William McInnes at Beaudesert and at locations around the city. It will make its debut at the Brisbane International Film Festival next month. Last week I was down at the Warner Roadshow Studios where I met with Brisbane brothers Michael and Peter Spierig. They are the writers/directors of the new vampire film *Daybreakers* starring Ethan Hawke and Claudia Karvan.

Film and television production in Queensland is at its highest in years with expenditure in the state estimated at \$164 million in 2006-07. With a number of exciting projects coming up, such as *Nim's Island* with Jodie Foster and the mini series *The Pacific* produced by Steven Spielberg and Tom Hanks, we can expect another great year ahead.

**Mr HOOLIHAN:** Minister, on page 1-19 of the MPS there is reference to rural and remote education centres of excellence. Can you advise how these centres are fostering leadership and excellence in education across rural and remote Queensland?

**Mr WELFORD:** We have discussed a lot today about many of the things happening in and around Brisbane and the regional cities, but rural and remote centres are also important in our education and training agenda. Our government recognises the challenges created by distance and providing quality teaching and learning for school students—more than 121,000 of them—who are enrolled in rural and remote areas.

As part of our commitment to rural and remote education we have established three rural and remote education centres of excellence and a further three will be established this year. The centres are a key initiative of our Rural and Remote Education Framework for Action 2006-2008 and they fit in with the whole-of-government Blueprint For the Bush initiative, a 10-year plan to strengthen rural communities.

The established centres involve school clusters in Mount Isa, Central Queensland and Roma education districts and each builds on the many achievements of rural and remote state schools. I am pleased to announce today that three new centres of excellence will be in the Central West, Wide Bay West and the Tablelands-Johnstone education districts. The aim of these centres is to provide a focus for local principals and teachers to share success stories and coordinate their professional development.

The Central West Centre of Excellence led by Evesham State School comprises 14 schools in the Longreach region including Birdsville, Muttaborra and Cameron Downs state schools. It will focus on peer coaching to support principals as effective school leaders and concentrate on curriculum leadership and best practice multiage for prep to year 7.

The Wide Bay West Centre of Excellence led by Nanango State High School comprises nine schools in the Nanango area including Blackbutt, Cooyar and Benarkin state schools. It will focus on teachers, principals and aspiring leaders.

The Tablelands-Johnstone Centre of Excellence is made up of nine schools in the Tully area led by Tully State High School including Cardwell, Kennedy and Mission Beach state schools. It will deliver what they call the Wishbone project to further engage Indigenous communities in learning, improving their educational outcomes, developing cultural pride and building parental and community involvement in student education.

In 2008-09 a further three centres of excellence will be identified, making a total of nine statewide. Their aim is to help rural and remote communities drive positive outcomes for students, teachers and schools and strengthen their educational opportunities.

**CHAIR:** Minister, we have time for one more question. Member for Mansfield.

**Mr REEVES:** Minister, I note on page 1-49 of the MPS that the international student enrolment at Queensland universities increased by 13 per cent. Can the minister outline what is being done to encourage growth in this sector and the contribution that international students make to the economy of Queensland?

**Mr WELFORD:** Our government is, of course, engaging in an active export education program. We want to increase the number of international students taking the opportunity to study in Queensland at our best schools. Over the past five years we have had students from more than 160 countries contribute significantly to our state's economy through enrolment in our schools. They have added nearly \$1.5 billion to state revenue and the international education sector has generated something like 10,000 jobs in Queensland alone.

There are about 49,000 international students studying at Queensland's nine universities. Of these, 48 per cent attend universities in Queensland, 29 per cent are enrolled in campuses of Queensland universities in other states and 23 per cent study at offshore campuses. It is about 55 per cent of all international students in Queensland. In addition, we have a growing number of overseas students studying in TAFE institutes, private training providers and in schools. We recently hosted the fifth International Regional Heads of Education Forum here in Brisbane. It was a collaboration with representatives from South-East Asia and the South Pacific to prepare young Queenslanders to live and work in a global society. Some 600 international students are expected to attend the International Students Tertiary Expo at the RNA Showgrounds in Brisbane later this week. They will be able to see opportunities for study pathways and course requirements. These types of events and activities will serve to extend Queensland's links to the world, contributing to the development of the Smart State and a more socially and culturally diverse society.

**CHAIR:** Thank you, Minister. There being no further questions, that concludes the examination of the proposed expenditure in the portfolio of Education and Training, and the Arts. On behalf of the committee, I thank the minister and your departmental officers for their attendance here today. The transcript of the hearing will be available on the *Hansard* page of the parliament's web site within approximately two hours. The committee will now break for lunch and the hearing will resume at 1.15 pm this afternoon with the Minister for Local Government, Planning and Sport.

**Mr WELFORD:** Thank you, Chair. Can I take this opportunity, too, to thank all of my departmental staff from Education, Training and the Arts who have done an enormous amount of work over recent weeks preparing for the estimates and ensuring that as far as possible we can provide members of the committee with as much information as we can. There are a number of questions on notice which we will follow up and come back and report to the committee on. I thank members of the committee for your diligence in examining the estimates of my department. I can assure you that every staff member of my department is strongly committed to the work we are doing. As you can see from the range of things that is happening across this portfolio, it is a truly exciting time in this field. I think the opportunities we have to integrate creativity with training and education and deliver opportunities for future generations of Queenslanders is truly monumental. But I would like to thank all departmental staff for their work. They have done a lot of work. I think both the committee members and us have learnt a lot about ourselves from the exercise and it gives us a platform to go forward and do even better work in the year ahead. I would like to thank also my ministerial staff, my director-general, deputy director-general and assistant directors-general for their leadership in preparing for estimates as well. Thank you.

**CHAIR:** Thank you.

**Proceedings suspended from 12.17 pm to 1.15 pm**



**ESTIMATES COMMITTEE E—LOCAL GOVERNMENT, PLANNING AND SPORT****In Attendance**

Hon. AP Fraser, Minister for Local Government, Planning and Sport

**Department of Local Government, Planning, Sport and Recreation**

Mr M Kinnane, Director-General

Mr P Clark, Deputy Director-General, Local Government Reform

Mr C Matheson, Deputy Director-General, Strategy and Policy

Mr C Cassidy, Executive Director, Sustainable Planning

Mr B Heyward, Executive Director, Local Government Collaboration

Mr P Cook, Director, Business and Financial Management

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**CHAIR:** The hearings of Estimates Committee E are now resumed. The next item for consideration is the proposed expenditure for the Minister for Local Government, Planning and Sport. I remind members of the committee and the minister that under standing orders the time limit for questions is one minute and answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the end of each of these time limits. An extension of time may be given with the consent of the questioner. A double chime will sound two minutes after an extension of time has been given. The standing orders require that at least half of the time available for questions and answers be allocated to non-government members. Any time expended when the committee deliberates in private is to be equally apportioned between government and non-government members. I ask departmental officers to identify themselves when they first come forward to answer a question if the minister refers a question to them. I also ask that all mobile phones and pagers be switched off or turned to silent mode.

I now declare the proposed expenditure for the Department of Local Government, Planning, Sport and Recreation open for examination. The time allocated is three hours and 30 minutes. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, do you wish to make an opening statement?

**Mr FRASER:** I do.

**CHAIR:** I remind you that there is a time limit of five minutes for such a statement.

**Mr FRASER:** Thank you, Madam Chair, and members of the committee. This year the Department of Local Government, Planning, Sport and Recreation will administer a record \$840 million—\$26 million more than the previous year—and that will all be directed towards Queensland communities. First and foremost, the lion's share of the budget is allocated to ensure that communities the length and breadth of the state are provided with essential infrastructure. The impressive budget is once again allocated to enable Queenslanders to not only get active and participate in sport but to give them access to the best sporting facilities also. The department will also over the course of the next nine months oversee the implementation of significant and important reforms to local government.

Madam Chair, as you would realise, Queensland is currently in a state of paradox. We are in the enviable position of enjoying unprecedented population growth and significant economic growth while at the same time we are experiencing the fallout of the worst drought in a generation. To this end we must build the communities of the future while ensuring that they have access to the best services and infrastructure. A total of \$740 million from this year's budget will be allocated to councils to provide essential services and infrastructure, which of course includes the conservation of our precious water supplies. This is an increase of more than \$14 million on last year's allocation and includes the financial assistance grants administered by the department. To help further build sustainable communities across the regions, \$4½ million will be spent on accelerating regional planning across the state, starting with the Far North Queensland 2025 Statutory Regional Plan and the three new regional plans for north, central and south-western Queensland, regions under the Blueprint for the Bush initiative.

In response to the rising but entirely avoidable obesity epidemic, \$61 million has been allocated to encourage Queenslanders to lead more active and healthy lifestyles and to support the development of community sport and recreation facilities across Queensland. This includes over \$40 million to develop and enhance sport and active recreation infrastructure so everyone has the opportunity to participate at a local, regional and state level; \$3 million to help sporting clubs with training and participation initiatives; \$2 million for the Young Athlete Assistance Program; and \$2.7 million for the first

time for the community partnerships program to support community groups and others to help fight the obesity challenge. The health of Indigenous communities will also continue to be a key priority for the agency, with more than \$41 million to improve infrastructure and environmental health services.

Over the next nine months the department of local government and planning will oversee, drive and implement the first significant reforms to our system of local government in more than 100 years. The reform is timely, it is significant, it is overdue and it is required. In just over a fortnight the independent Local Government Reform Commission is due to hand its recommendations to the state government. Today I am not going to predict what the report may or may not contain. I have not done so to date and I do not intend to start today. Everyone, however, will be aware of the report's findings on the same day. Given the significance of this matter to the portfolio, I thought it would be valuable at the commencement of today's proceedings if I affirmed the chronology of how this reform process came about and the very real and critical reasons why it is needed for the benefit of the debate and the questioning which will surely follow. I took the issue of local government sustainability to the strategic cabinet meeting in February and shortly afterwards wrote to each council requesting an update of the likely outcomes of their involvement in the voluntary Size, Shape and Sustainability reform process. That fact has been on the record since the day of our announcement, and it is on the record because the government put it on the record.

It was abundantly apparent from the responses I received that Triple S was going to achieve very little, if any, meaningful reform. I tabled all of those responses from the mayors in the parliament. Cabinet decided on 16 April to institute a program of reform and the following day the establishment of the seven-member Local Government Reform Commission was announced. It is extremely clear from the wealth of information the government has received on the state of our councils and information that is all in the public arena that this needed to happen. In the lead-up to the establishment of the reform commission it must be remembered that a national report commissioned by the Australian Local Government Association itself by PricewaterhouseCoopers pointed to this being a national issue.

The facts are very clear and they support the fact that local government reform is entirely needed. What is also needed in my view is legislative reform to help underpin a modern system of local government. To that end, to further help build those communities for the future, today I am announcing the next important step in our comprehensive review of local government in Queensland with the commencement of the Local Government Act review, and I table a series of discussion papers for the benefit of all members and for the public. This series of discussion papers addresses key aspects of the act which will help ensure that our impending new and modern system of local government is in fact supported by modern contemporary legislation. This is the key to the government's commitment to build a robust, modern and financially viable local government system across Queensland. Boundary changes alone will not modernise Queensland's local government system, and this review provides an important opportunity to put in place legislation that recognises the autonomy of local government, supports new boundary arrangements and the inclusion of Indigenous councils and reflects a revitalised local government system for the future.

**CHAIR:** Thank you, Minister. Do you seek leave to table those documents?

**Mr FRASER:** I do seek leave.

Leave granted.

**CHAIR:** The first period of questioning is allocated to non-government members.

**Mr HOBBS:** Minister, you labelled the plan by communities to have a say—to have a referendum—on forced council amalgamations as a publicity stunt. On the basis that none of the reasons you have given on forced council amalgamations are true and you are spending \$1.45 million on a taxpayer funded publicity stunt yourself, why are you being a jumped-up dictator when all the public wants to do is to have a say—to have a referendum?

**CHAIR:** Member for Warrego, I think that language may be unparliamentary.

**Mr FRASER:** I am happy to answer the question.

**Mr HOBBS:** I am sure the minister would not need to hide behind a skirt.

**Mr FRASER:** I am happy to answer the question, and I presume that this sets the tone for the next 3½ hours and it should be an enjoyable 3½ hours for everybody.

**Mr HOBBS:** Answer the question. That would be good.

**Mr FRASER:** I am more than happy to.

**Mr HOBBS:** Good on you.

**Mr FRASER:** The answer to the question is this: as the member for Warrego would be aware, at present there is a Redistribution Commission which is redrawing the state boundaries for all of us to contest at the next election. The facts of life are that that independent commission is going to redraw the boundaries that we will all contest at the next election, presuming that you see fit to run for parliament. The fact of life is that the federal election is going to be held in a couple of months time based on boundaries determined by an independent commission. What is good for the goose is good for the

gander, and what we have done in these instances is set up an independent commission to set the boundaries. There will be no referendum on state boundaries. There was no referendum on federal boundaries. Each and every member in this room who is a member of parliament has a right to make a submission to the state Redistribution Commission. That is a fact. It is also a fact that that opportunity was afforded to each and every Queenslander around the state.

The bottom line for the boundaries in Queensland is this: we need an independent commission to take the politics out of drawing the boundaries. Should we have engaged in a voluntary process in the first place? I believe that we should have. Ultimately, should we be surprised that that voluntary process was not going to lead to the sort of significant and reasonable reform that is required in a timely sense across Queensland? The answer to that is no, any more than I believe it would have been the case that if we had asked five state members of parliament or five federal members of parliament to agree as between ourselves what the boundaries should be they would agree. If they did happen to agree, I am prepared to warrant to the member for Warrego and the other members of the committee that in fact any agreement so made may have had other factors influencing that agreement other than objective communities of interest.

In the end, as the member for Warrego is aware, it is constitutionally competent for any state government to draw the boundaries for a local government in any way it sees fit. I did not believe that that was the appropriate way that we needed to achieve local government reform, and so in that regard we constituted a commission, which I remind the member for Warrego is chaired by Bob Longland, a former electoral commissioner at a state and federal level and whose integrity he would do well not to reproach in these circumstances. On that commission also are all sides of politics, including former National Party local government minister Di McCauley, Terry Mackenroth and Bob Quinn from the other side of politics, Kevin Yearbury who worked for both sides of politics in the term of the government that the member for Warrego served as a minister and, more to the point, Tom Pyne who was an original opponent of amalgamations and a former president of the Local Government Association and finally Sir Leo Hielscher, the Chair of the Queensland Treasury Corporation and a man who knows a good deal more about public finance in this state and who warranted to the government through the Queensland Treasury Corporation that 40 per cent of councils are facing financial difficulty. It is only the Queensland National Party in the economic Neverland that it resides in that suggests that reform is not needed. It is only the Queensland National Party that suggests reform is not timely and due now.

**Mr HOBBS:** Minister, you state in your letter to councils that there will be no vote of the public on forced council amalgamations. Minister, you seem to have missed the point in that the main reason you have given for forced council amalgamations is that councils will financially collapse and you have said that there will be no job losses. However, these are not true and they are not believed by the public. Minister, is it not hypocritical to have a referendum on daylight saving but deny the public a say on another major issue, especially when they think the government is wrong? Are you frightened of the result of a referendum?

**Mr FRASER:** I am absolutely not frightened of the result whatsoever.

**Mr HOBBS:** Why don't you have it then? Why don't you do it?

**Mr FRASER:** What I am frightened of is that there is not going to be an achievement of sensible and timely local government reform. What I am frightened of is that without doing anything the government would have—

**Mr HOBBS:** So that is your view. What about the public?

**CHAIR:** Member for Warrego, you have asked a question. Please allow the minister to answer that question.

**Mr FRASER:**—would have been presiding over a set of circumstances that would have seen into the future councils facing financial collapse. Ultimately, the question that was before the government is, 'Do we step in and provide the leadership to achieve the sort of sensible and timely local government reform that is needed, or do we allow a voluntary process which was not going to lead to that outcome to run its course and not achieve the sort of sensible reform that is needed?' In those circumstances you get two choices I think as a government, and good governments would make the decision that we did. In fact, any government worth its salt would have made the decision that we did. I just want to be clear about the basis for making this decision. I did not arrive on Level 18 at Mineral House in September last year and dream up the notion that financial sustainability was an issue for local government.

**Mr HOBBS:** Somebody has. It was not councils. It was not anybody else. You fellows have done it yourselves.

**CHAIR:** Member for Warrego, cease interjecting. Minister.

**Mr FRASER:** I did not arrive on Level 18 and invent the notion of financial sustainability being an issue for local government. The people who said it were in fact local government themselves through the Australian Local Government Association. I remind the member for Warrego that he seems to be the only person in Queensland denying the fact that the PricewaterhouseCoopers report which it commissioned provides a salient argument and a cogent argument in favour of local government reform—

**Mr HOBBS:** That is rubbish, and you know that is rubbish!

**Mr FRASER:**—and financial sustainability. If the member for Warrego believes it is rubbish, then I would like him to answer the question of why the Australian Local Government Association used it as the basis for its federal budget bid. Are you suggesting that Councillor Bell, who is President of both the LGAQ and also the President of the Australian Local Government Association, based his federal budget bid to your coalition colleagues in Canberra on a document that is rubbish? Are you prepared to say outside this chamber that you believe that PricewaterhouseCoopers are the authors of rubbish?

**Mr HOBBS:** I see you are.

**Mr FRASER:** The facts of life are that the Auditor-General said it in two successive reports both in terms of local government in the broader sector and also Indigenous councils. The fact of life is that PricewaterhouseCoopers said it, drawing also on information that had been conducted by Access Economics. The fact of life is that the Queensland Treasury Corporation, which knows a great deal more about public finance, I would posit, than the member for Warrego, says that local government sustainability is an issue. So we have local government saying it. We have PricewaterhouseCoopers, Access Economics, the Auditor-General and the Queensland Treasury Corporation saying it, and we agree with them. The only people who are missing from that equation are the National Party, which is off in the Neverland trying to make political hay out of an issue that it believes is going to help stem the decline of its inevitable demise as a true representative of what people actually want in this state.

The great fact is that true credibility as an alternative government, true credibility as an opposition, resides in your ability to put forward sensible and cogent economic policy and sensible and cogent policy that is based on truth and tackles the issues that need to be tackled. Absent that, the National Party in this state remains to the one side of every other credible organisation that I just named. The only people who suggest that local government reform is not needed and is not timely is the National Party in this state, and that is a stark commentary on you rather than on the government.

**Mr HOBBS:** I refer to your letter of 30 July to the Local Government Association. It is a fact that any change to a state boundary is subject to a referendum under the Constitution. Electors also have the right to appeal electoral redistribution decisions in the Supreme Court. Your reform is a whole-of-Queensland local government boundary reform but electors are being denied an appeal or referendum. Why do you perpetrate the lie that your local government reform is no different from federal and state boundary determinations when, in fact, you have denied electors the right of appeal, a referendum and judicial review. Can you once and for all tell the truth on this matter?

**Mr HOOLIHAN:** I rise to a point of order. Could we have this committee adjourned downstairs before that question is answered, please?

**Mr HOBBS:** You have to hide behind the committee, have you? Answer the question.

**Mr FRASER:** I am happy to answer the question.

**Mr HOBBS:** Good on you.

**Mr FRASER:** I am here for three hours. I am happy to answer. Presuming that you have asked the same question three times already, it is going to be a tedious three hours.

**CHAIR:** There is a point of order. I will listen to that point of order.

**Mr HOOLIHAN:** The point of order specifically is that this question has nothing whatsoever to do with the financial matters raised in the MPS, which is what we are here for.

**Mr HOBBS:** Rubbish.

**Mr FRASER:** I appreciate that point but I indicate that I am more than happy to answer the question. It is, in fact, the same permutation of the first question.

**CHAIR:** I take the point of order but, as the minister is happy to answer the question, I will allow the minister to answer it. Member for Warrego, will you please cease interjecting. I have mentioned this twice. There are other members of the committee here and we would actually like to hear the minister's answer.

**Mr FRASER:** For the benefit in particular of the member for Warrego and other members of the National Party who for some months now have not been able to comprehend the simple and cogent logic that underlies the course of action that the government has undertaken to achieve the sort of sensible and timely local government reform that is required, I say this to him: at the state level and at a federal level, an independent commission draws the boundaries that are contested. Local government in this country has long required and aspired to achieve constitutional recognition as the third tier of government. I say to the member for Warrego that a key aspect of any mature liberal democracy that seeks to aspire to that level of recognition is that the boundaries are drawn by an independent commission and not through a process under the stewardship of the elected representatives.

In this process, presently the Constitution of Australia, which I have no control over any more than the member for Warrego does, does not in fact recognise that local government and the legislation that sets up local government in each state around Australia is within the province and the jurisdiction of each state parliament. So that means that we have set up an independent commission to come up with a set of boundaries. Beyond that, there will be a process, which the member for Warrego would be aware, which requires those boundaries to come back to this parliament.

There will be a full and, I predict, lengthy and open debate on the new boundaries for local government in Queensland. That debate will occur in full in the Queensland parliament. That is something that does not occur at a state and federal level and I am happy for that debate to occur, because I think it will lay bare the sort of hypocritical, narrow minded, nay-saying economic wonderland that the National Party in this state resides in as they attempt to argue against gravity that a set of boundaries that have been in place since Don Bradman scored his first century in the second innings of the timeless test of 1928-29, since before Phar Lap won the cup in 1930, since before Dame Nellie Melba finished her concert tour in 1928, since before the Wright brothers flew in 1903 and since before the turn of the century should stay in place. The only people who are suggesting in this debate that local government reform is not needed and desirable and the time for it is now is the National Party itself. Not even local government believes in the argument that you are putting forward.

**Mr HOBBS:** I refer again to your letter of 13 July to the Local Government Association. You state that a key tenet of a mature liberal democracy is that boundaries are determined by an independent commission, not through the stewardship of elected representatives who are to contest those boundaries.

**Mr FRASER:** I just said that.

**Mr HOBBS:** Minister, would you agree that another key tenet of a mature liberal democracy is the right of appeal? Why is there no right of appeal to decisions of your Local Government Reform Commission as there are with state electoral redistribution decisions under the Electoral Act? You keep on perpetrating that story that we have an appeal. We do not have an appeal. Your legislation quite clearly said that there is no appeal. So you cannot say that there is an appeal. There is not.

**Mr FRASER:** I thank the member for Warrego for his question. Once again I remind him that the process for decision making beyond the recommendations of the commission akin to the process that occurs at state and federal levels, but remembering the constitutional difference between local government and state and federal governments, is that there will be a full debate in the Queensland parliament. That, I would suggest to the member for Warrego, in fact—

**Mr HOBBS:** Come on!

**CHAIR:** Member for Warrego, would you please cease interjecting. I cannot even hear the words that you are saying. It is just mumbling and it is a distraction when the rest of the committee is trying to listen to the answer that the minister is giving.

**Mr HOBBS:** I am sure the minister can hear it.

**Mr FRASER:** In that regard it is clear that there will be a full debate by the whole Queensland parliament, which is the appropriate way in which the boundaries need to be determined for local government in any state presently in Queensland given the constitutional arrangements.

I would also like to remind the member for Warrego, given that he is making great reference to the letter that I sent to the LGAQ, that I also took the opportunity to send that same letter to every council in Queensland.

**Mr HOBBS:** I know. That is the one I got.

**Mr FRASER:** I am glad that you have it, because it seems to be a rich seam of information. Had I not sent it last Friday, the start of this estimates committee process would have much less interesting for you.

**Mr HOBBS:** Two questions, anyway.

**Mr FRASER:** Secondly, can I remind the member for Warrego that he seeks to make reference to some deep-seated, ingrained part of the constitutional fabric of this country that there is required to be a referendum for local government boundaries. The member for Warrego would be very aware, because he served as a minister in the Borbidge government—not for the entire length of the Borbidge government, as I recall, but he was a minister to the best of my recollection at the time that they made amendments to the Local Government Act—of that process and that debate, which I am sure he was a keen participant in given his abiding interest in local government both as a state member of parliament and beforehand, and the subsection that the National Party inserted into the act which the member for Warrego does not appreciate us making reference to. But for the benefit of a full debate and for the other members of the committee, I might just touch on it. That is the dirty little subsection that the member for Warrego never likes to talk about which says that any referendum result could be overturned by the minister of the day.

So the real untruth in this debate is the suggestion by the member for Warrego that there is some long, deep-seated constitutional right to a referendum on local government boundaries or, in fact, that that right was never able to be abrogated because the National Party government of the day reserved a right to overturn any referendum. To the extent that the member for Warrego continues to pursue this line of questioning, he stands condemned by his own government in which he served and the debate that occurred in the parliament at the time in which he was a willing participant in the cabinet which declared that a referendum result, which had been inserted into the act only in 1996, could be overturned by the minister of the day. If you want to talk about untruth and hypocrisy, thy name is the National Party.

**Mr HOBBS:** Thank you, Minister, for those comments, because I would like to point out that, in fact, there are many acts that have a similar overriding authority by the minister, such as the Integrated Planning Act and the Higher Education (General Provisions) Act. Even when Wayne Goss was chairman of the parliamentary Public Accounts Committee he said—

My view is that a watchdog committee that is subject to a ministerial veto simply cannot perform its role effectively.

In many acts there are situations where the minister has an overriding power. So it is not new what you are putting out there. The reason I have not commented on it is that I guess you are probably a bit new to the game; that is all it was. It is in a lot of acts. In fact, you look at some the land acts particularly—

**CHAIR:** Member for Warrego, you appear to be making a speech. Can you please get to the question.

**Mr HOBBS:** How about referring to what I just mentioned in relation to other acts.

**Mr FRASER:** I am more than happy to take that as a question. The point I am making is that the member for Warrego pretends to run an argument that there is an inalienable right to a referendum that has long existed for local government boundary determination in Queensland. I think it is entirely appropriate that in many acts there exists an ability for the minister to make the final determination because, ultimately, it is the minister who is responsible to the parliament through our Westminster system of government.

The member for Warrego, however, is attempting to prosecute an argument of some convenience, which is that in those circumstances he pretends that, in fact, while such a power is appropriate in all of those circumstances he suggests that it never would have been used by the National Party, to which my question is: why did you put it in in the first place?

**Mr HOBBS:** Why is it in the Integrated Planning Act? Why did the Public Accounts Committee refer to it? Why is it in the Higher Education (General Provisions) Act?

**CHAIR:** There seems to be an extra three questions that you have asked. So the minister will address this question and then you can answer the next question.

**Mr FRASER:** Thank you. I think it is important in these circumstances, given the pursuit of a particular line of questioning by the member for Warrego, that we explain carefully once again, at the risk of tilling the same ground that we have already been over already in this estimates committee, that prior to 1996 no referendum provision applied to local government boundaries. It is certainly the case that when the National Party put that provision into the Local Government Act the National Party of the day reserved a right for the minister to overturn it. So my question to the member for Warrego is this—

**Mr HOBBS:** You know that. It is the same as the other acts. Do not try to make the thing up.

**Mr FRASER:** If he in fact, to the great disbenefit, I would predict, of the people of Queensland, was the minister for local government after the next Queensland poll, would he absolutely rule out ever using the power within the act to overturn a referendum—

**Mr HOBBS:** Why don't you face facts.

**Mr FRASER:** Because if he did not it—

**CHAIR:** Member for Warrego, I will use the standing orders if I have to. I have asked you to cease interjecting on five separate occasions now.

**Mr FRASER:** Thank you. Should the member for Warrego ever be the local government minister, the logical conclusion to his argument is that he would never use the ministerial power that was reserved by the National Party. Yet the member for Warrego's question, as best as I could understand it given the way in which it was asked, is actually to make a strong argument for the case of a ministerial reserve power. So it seems to me that the member for Warrego both supports ministerial reserve power—

**Mr HOBBS:** Absolutely.

**Mr FRASER:** And he supports the inalienable right of a referendum to be determined for local government boundaries, both of which do not actually fit into the one logical set of arguments. Far be it for me to suggest—and I defer, given your comments, to your much longer service in this place and to

your experience as a member of the Queensland parliament and indeed an elected representative of a local government—to the member for Warrego in these circumstances that he would be better advised to come up with a cogent policy that had a grain of sensibility that ran from the start to the end rather than prosecuting morsels of arguments that might be force-fed to him by those people who otherwise undertake the work that he might have undertaken.

**CHAIR:** It is now time for government questions. I refer to pages 1-9 of the MPS. I understand from your opening remarks that the Local Government Act is up for review. What will this mean for Queensland communities?

**Mr FRASER:** Thank you. As I indicated in my opening remarks to the committee, I believe that it is entirely appropriate and indeed timely that we undertake the sort of comprehensive and sensible reform of the Local Government Act. The issues that befall local government in Queensland, in particular in relation to their financial sustainability, in a large part reside in the structure of local government which has been in place for the better part of 100 years across Queensland. Ultimately, however—and this is also the view of local government—the Local Government Act, as presently drafted and presently constituted, provides many hindrances to their ability to better serve their communities around Queensland.

I believe that there is a strong argument that one act should not oversee the sort of activities that are undertaken by, for example, the Gold Coast City Council as compared to the Perry Shire Council. In those circumstances, what we need is an act that takes account of the fact that different councils across Queensland have different circumstances. I do not think it is appropriate in the end that we have a Local Government Act which requires me, for example, to be the authoriser of a transfer of \$50 between two accounts, as I have had to during my time as the local government minister; to authorise the sale of part of a footpath or part of a park reserve to a neighbouring property without going to a full public tender when the only people interested in buying such a small piece of land abutting a property would be the person owning the adjoining property; and I do not think that it is appropriate that the final say on all of those matters, in fact, resides with the minister of the day. What I am interested in, not through just structural reform of the boundaries of local government but through sensible legislative reform, is that, in fact, we get stronger councils across Queensland with a greater capacity to serve their communities and, more to the point, to account for their actions to those communities across Queensland.

I do not need to be the nanny state head of local government in Queensland and I do not believe that any other local government minister should be. I think the responsibility of the state government in these circumstances is to put in place a system that presides over a local government act that ensures that local governments can best account to their own communities.

I do not believe that it should up to me to review and authorise local laws that provide for the taking of domestic stray animals in a community by ensuring that people's rights of appeal before such an animal is taken. That should not occupy the time of any local government minister in the state. The fact of life is that, as presently constituted, the Local Government Act requires the minister of the day to play that role.

Through both structural reform and, ultimately, legislative reform I hope and trust that we will have a system of local government that will far better serve the sort of growing and prosperous state that Queensland is, the sort of state that requires local governments to be focused on building the infrastructure and providing services to growing communities across Queensland rather than expending their time and resources on needlessly accounting to me about whether or not they should transfer \$50.

**Mr REEVES:** Minister, I refer to page 1-2 of the MPS. A sum of \$25 million was originally budgeted for the Regional Collaboration and Capacity Building Program, which funded the Triple S review. What is your response to the suggestion put forward by the Nationals that this money has been wasted?

**Mr FRASER:** I thank the member for Mansfield for his question and, by asking that question, his demonstration of a much greater ability to understand and comprehend the system of reform that we have put in place. The fact of life is that \$25 million was originally appropriated over five years for the Regional Collaboration and Capacity Building Program. Amongst other things, the program provided the funding to conduct the Triple S reviews. The Triple S reviews were paid for out of that.

The Triple S review total was less than \$2 million out of the \$5 million available in 2006-07. That fact has previously been on the public record but I am happy to provide it again, particularly for the benefit of the National Party so that the debate of the next couple of hours might be better informed.

The fact of life is that, when the Triple S reviews were conducted, all of the information gleaned and the analysis undertaken has been provided as a legislative term of reference to the Local Government Reform Commission. Should we have spent that money? Yes, we should have. As I have said previously, we should have attempted to undertake this process voluntarily.

In the circumstances, what has that money been expended on? It has been expended on a set of information, insight and analysis that has been provided to the Local Government Reform Commission and, in that regard, it is money well spent.

I also made a particular term of reference to the Local Government Reform Commission, which was the compendium document that the Local Government Association put together that summarised the Triple S process around Queensland. I made that a term of reference under the act to ensure that all the Triple S processes and the different options available under Triple S were, in fact, considered by the Local Government Reform Commission.

From the start, the Local Government Reform Commission has had—because it has been in the legislation—the capacity to make very clear recommendations relating not just to boundary change and amalgamation but also to other sorts of arrangements that will ensure that, through collaboration, through the ability to achieve structural reform and through the ability of the Local Government Reform Commission to make conclusions that provide for different approaches in different parts of the state, we can produce a set of local government arrangements across Queensland, including boundary reform, that better reflect the fact that it is 2007 and not 1907.

Ultimately, the money that was spent on Triple S is informing the process that has been undertaken by the Local Government Reform Commission. The proof of the pudding will be there for everyone to see—myself, all members of the committee and, indeed, everyone around Queensland—on the same day that the boundaries are released by the Local Government Reform Commission.

**Mrs SMITH:** Minister, there is a reference to the Local Government Reform Commission on page 1-9 of the MPS. There are seven very high-profile members of this commission. When did you contact those people to form the commission and how much are they being paid?

**Mr FRASER:** As I have previously stated, but I am happy to put on the record today to affirm to the members the committee, each of the seven members of the Local Government Reform Commission are: the Chair, Bob Longland; Di McCauley, a former National Party local government minister; Bob Quinn, the former Liberal leader and former member of EARC, which undertook a local government review in the 1990s; Terry Mackenroth, a former Labor local government minister; Sir Leo Hielscher, the Chair of the Queensland Treasury Corporation; Kevin Yearbury, a former DG of local government and planning under both sides of politics, and a former redistribution commissioner for the state; and Tom Pyne, an original opponent of amalgamations, a former mayor of the Mulgrave Shire and then mayor of the amalgamated Mulgrave and Cairns councils which became the Cairns City Council and a former President of the LGAQ. As I said, he was an opponent of amalgamations.

The seven people were contacted between the afternoon of 16 April and the morning of 17 April. They were our first seven picks and each one of those seven people said yes. I believe that they said yes because each of them has a demonstrated knowledge about the need to undertake sensible and timely local government reform across Queensland and each of them viewed the opportunity to be a part of a thorough, rigorous and independent process with the other people mentioned as an important opportunity in the public service of Queensland. That opportunity that is not supported by the opposite side of politics in Queensland for base political reasons that have absolutely no basis in reason or cogency. In a very short time those people agreed to be members of the commission because I believe they saw the opportunity to be a part of this process as one of high public service.

The cost of the reform commission from the last financial year through to the time in which it will be deconstituted after the final report is provided will be \$382,000 in total. I have previously put on the public record the cost for each commissioner. I affirm those figures again today. They are in alignment with the Department of Industrial Relations. Each commissioner is paid a meeting fee of \$528 a day and the chair is paid a fee of some \$700 a day. Those figures are in the public arena and I am happy to affirm them again today.

I believe that the money expended on the Local Government Reform Commission—that is, the money invested in providing for the independent staff that work for the commission, the commission's expenses and the fees for the commission—is some of the best public investment that the state of Queensland could have made. Otherwise, the taxpayer would have had to come up with the money to overcome the fact that many councils around Queensland would face financial difficulty well into the future. In the end ratepayers are taxpayers, so the people who would be bailing out councils would be the people of Queensland.

**Mr REEVES:** I refer to page 1-2 of the MPS. The Queensland Treasury Corporation's review of council budgets shows 40 per cent of the councils falling below an acceptable financial level. Do you stand by these figures?

**Mr FRASER:** I thank the member for Mansfield for the opportunity to once again talk about the very sound advice upon which the government made its decision to implement the Local Government Reform Commission. For the benefit of all members of the committee, I affirm that the Queensland Treasury Corporation advice to the government was published in the local government reform document distributed at the time and the full advice was subsequently tabled in the parliament. In addition, the updated advice was subsequently tabled in the parliament by me. I confirm that at every point in time that information has been put into the public arena by me because of the attempts by the opposition to suggest that local government reform was not, in fact, required and to somehow undermine the very sound basis for the requirement to undertake reform. All of that information has been in the public arena.



I absolutely stand by the analysis that the Queensland Treasury Corporation produced. Certainly it aligns with the information that was collected nationally by PricewaterhouseCoopers. It aligns with the findings of the Auditor-General in successive reports to the parliament of Queensland about the need for structural reform and the need to better provide for the future funding of infrastructure services to overcome the aggregate deficit that exists within the local government sector. It aligns the Queensland Treasury Corporation with all of that advice and, more to the point, it aligns with the view of local government itself that says, faced with the pressures that they do, faced with the pressures of servicing growing communities and faced with the pressures of making sure that they provide for adequate infrastructure into the future, they are under financial stress. They are within the remit of requiring intervention at many levels, one of which includes structural reform. Another key part of it includes an amendment to the way in which financial assistance grants are administered by the federal government.

Clearly, overall, it has long been the case and long argued by local government that this sort of reform is required. I absolutely stand by what the Queensland Treasury Corporation says. I absolutely believe and take full account of what the Auditor-General says. I absolutely believe in what PricewaterhouseCoopers did in inquiring nationally, which is also on the public record and should also be believed.

Again I affirm that the weight of argument that supports the need for local government reform is clearly on the side of the argument that I am prosecuting. The member for Warrego and the National Party in this state stand abandoned on the edge of a cliff. They are the only people who are suggesting that the sun does not rise in the morning and set at night, or that the tide will not come in and go out.

**Mrs SMITH:** Minister, you have asserted that the state government allocates funding which, in a per capita sense, is far above any other state government in the country. Can you outline this level of funding for the committee?

**Mr FRASER:** I thank the member for Burleigh for her question and for the opportunity to talk again about the strong commitment that has been made over many years by the Queensland government to support local government in this state. As the reform document indicated, the reason that Queensland local governments are, in fact, facing financial stress is not due to a lack of funding from the state government. Indeed, far from it.

As that document sets out, based on the national figures available at the time, Queensland provided \$88.50 per head to local governments across Queensland. I am happy to advise that the latest figures available on that comparative basis indicate that the figure has risen to \$108 on behalf of the Queensland government. I say very clearly to all members of the committee that it is not due to a lack of commitment by the Queensland government to fund local governments that they are facing the sort of financial pressures that they are.

I recall receiving a letter from the Leader of the Opposition that I made some reference to previously in the parliament. I replied to that letter but have never heard back from the Leader of the Opposition. He put the case to me that 90 per cent of funding was provided to local government in Queensland by the federal government. Of course, that particular claim by the Leader of the Opposition could not be further from the truth. As I pointed out in my letter to the Leader of the Opposition, reference to last year's budget papers indicates that 63.1 per cent is provided by the Queensland government. As members would be aware, 63.1 per cent is a very different figure from 10 per cent.

That is the sort of rigour and policy analysis that we are seeing from the National Party. That is the sort of application to task, that is the sort of insight into the dimensions of this problem. That is how they make sure that they dot their 'i's and cross their 't's, and base their arguments on fact. Clearly, from the National Party at both a state and federal level, we are seeing an attempt to prosecute an argument for base political purposes, even though that argument does not rely on the facts that have been presented.

Ultimately it is the case that Queensland's commitment to funding local government has long been on the record. We continue to improve upon that. As I said in my opening remarks, we continue to provide very substantial support to local government because, ultimately, it is about supporting communities, residents and ratepayers around Queensland. That has to be the first order of business for anybody in elected office, at whatever level.

Again I affirm the Queensland government's commitment. I affirm the fact that, despite that commitment, there is a need to address a crisis of financial sustainability in local government. I affirm that the best way to achieve that is by instituting a local government reform commission, as we have.

**Mr HOOLIHAN:** Minister, I refer to the MPS at page 1-9. I understand that local transition committees will be appointed for each area that might be affected by boundary changes arising from the reform commission's recommendation. Who will be represented on those transition committees and who will decide its members?

**Mr FRASER:** I thank the member for Keppel for his question. I acknowledge his support and interest in ensuring that the people of central Queensland whom he represents in this parliament also have the benefit of strong local government into the future.

One of the key principles that underpins and lies at the base of our approach as a government to ensuring that local government reform is achieved is making sure that the ownership of the new arrangements is driven from the local level. This means that during the transition and afterwards the new councils will be able to draw upon the strength of the local community and have the benefit of that input at a local level. The new councils will be constituted after the scheduled elections in March next year. In fact, the elections will be held two weeks earlier than previously scheduled. The election was always going to occur in March 2008, and I affirm again that it will occur on 15 March.

Regardless of what those boundaries look like into the future, the councils constituted will in fact have the ability to begin to serve those people from day one. At the local level, councillors from any affected council will be members of those committees. Furthermore, representatives of the community may be able to be appointed to those committees. Furthermore, representatives from the workforce, from the unions, will also be on those committees.

Given the concern that has been expressed in the public domain—and also, I note in passing, by the opposition—about employment aspects of boundary reform, I affirm that it is best that all those people are represented on a local transition committee and that they work together by consensus to ensure that the imperative task of ensuring that a transition is conducted to the full value of the local residents is undertaken in a collaborative way that draws upon that information and the benefit that each of those parties brings to that local transition committee.

One of the great benefits from looking at what other jurisdictions have undertaken is that the local transition committee will move to employ an interim CEO. That person will be the lead agent for ensuring that a transition action plan is put in place so that new local governments, where they are constituted after the 15 March elections next year, will be in place and able to provide for a service from 16 March. So the same number of bins will be collected, the same library books will be checked, the verges will be mowed, the dog registrations will be issued and the development applications will be processed, but they will be processed and administered in a way that better reflects modern communities around Queensland and does not represent the artifice of historical boundaries that have been in place since before Adam was a boy.

**CHAIR:** Minister, I refer to page 1-3 of the MPS, especially the information under the heading 'Innovative solutions to conserve water'. There has been a lot of talk about water savings in homes around south-east Queensland, but I am aware that there are many cases of business still being a big consumer of water. What measures are you thinking about taking to ensure that businesses are being just as responsible as homeowners?

**Mr FRASER:** I thank the member for the question, and it is one which goes to the heart of what the community as a whole, not just any one sector of the community, needs to understand in terms of addressing the deepness of the drought that we are presently facing. Members of the committee may be aware of the Business Water Efficiency Program. It is a program that is funded by the Department of Local Government, Planning, Sport and Recreation through South East Queensland Water. That program is a \$40 million program. This year's budget in 2007-08 provides some \$20 million towards South East Queensland Water's Business Water Efficiency Program. Is this the changeover?

**CHAIR:** Yes, I am sorry, Minister, time has expired for government questions.

**Mr FRASER:** I might continue that one in the next session.

**CHAIR:** We now move to non-government questions. I call the member for Warrego.

**Mr HOBBS:** Minister, I refer to your departmental overview on 1-1 of the MPS in relation to the local government reform process and your letter to the *Council Leader* in the February-March 2007 edition titled 'Understanding the SSS process'. I table for the benefit of the committee a copy of that page.

Leave granted.

**Mr HOBBS:** You are quoted as stating—

... it's important that the people who may be affected by the outcomes of the process in every area of the state are given the right information.

Importantly, there is no set agenda to force neighbouring councils into amalgamations or boundary changes.

Minister, by the time councillors were reading this document you had already plotted and planned forced council amalgamations—exactly the opposite of what you said in your letter. Minister, why should councils or the public trust or believe you when you say one thing and do the opposite?

**Mr FRASER:** I attempted—somewhat naively, I presume, and with better aspirations for the ability of the member for Warrego to comprehend and understand a clear case set out at the start of my contribution—to go through the chronology, and I have already made reference to that in the questioning.

Should we have undertaken a voluntary process? Yes. When I wrote to the Local Government Association for that document to be produced in the LGAQ journal, in the *Council Leader* as I recall, that in fact was the case. The decision to implement the Local Government Reform Commission was, as I have said previously and I will say again, made on 16 April. Did we want to make that decision? No, we did not, but in the end that is the decision that had to be made as a government. The member for Warrego attempts to suggest that we made this decision a long time before that.

**Mr HOBBS:** Absolutely.

**Mr FRASER:** As I have previously said, the issue of local government sustainability has long been in the public arena. Because of that we were undertaking the Triple S process jointly because councils—that is, local government—believed that reform was required. That was a process that we were happy to fund and it is a process that we held high hopes for.

The member for Warrego would do well to read each and every one of those letters that I tabled in the parliament when I wrote to each mayor across Queensland and asked them what they believed would be the outcomes of the Triple S process in their council. Because if he wants to read a set of letters that sets out in detail firm proposals or ways forward or communities which would be facing up to the issue that local government reform is required, then I suggest if he wants to find that that he should not waste his time reading those letters. I am presuming at the moment, given the basis of his questioning, that he has not taken the time at this point to read those letters. Those letters are all on the public record. I tabled them in the parliament at the time.

On the basis of those letters—I asked them to write back to me by the end of March—I prepared a cabinet submission that I took to cabinet on 16 April that proposed us putting in place a Local Government Reform Commission to achieve the sort of reform that is required. Has that been to our political benefit? The answer I believe is no. Clearly, reform is always difficult and reform in these circumstances always provides a political detriment to the government of the day. But was it the right decision to make? Absolutely yes. Was it a decision that could be deferred any longer? Absolutely no. Was it a decision that any responsible government worth its salt would make? Absolutely yes. Do I stand by every explanation I have given and every chronology that I have ever provided about the genealogy of making this decision? Absolutely yes. Keep asking the same questions and I will keep providing the same answers.

**Mr HOBBS:** Thank you, Minister, but I am actually more interested in your letter, not so much the councillors' letters. In your letter to the *Council Leader* you further stated, 'If that becomes a clear option, a public referendum must be held.' You said that a public referendum must be held. Minister, once again, why did you say then that a referendum must be held, yet you fervently oppose a referendum now?

**Mr FRASER:** I thank the member for Warrego for the question. Can I have a copy of the document that has been tabled? That is because, as the member for Warrego referenced in his previous question, this is a document that related to February 2007.

**Mr HOBBS:** Just this year.

**Mr FRASER:** As I have previously said to the member for Warrego, in that column which was provided to the LGAQ prior to it printing this magazine, which of course is the way in which these things occur, the document that relates to February and March reflected the position of the government at the time. It was only after each and every mayor provided the sort of feedback that they did at the end of March that the government moved to make that decision. There is absolutely no ability of the member for Warrego to pretend otherwise. The chronology stands, as I said previously, and I invite the member for Warrego to ask the same question again.

**Mr HOBBS:** Minister, I again refer to the departmental overview where you say the reform process will achieve regional processes to service delivery and cost savings through greater efficiencies. Can you give the committee some very clear examples of what savings and what efficiencies will be gained through your forced council amalgamations?

**Mr FRASER:** I thank the member for Warrego for his new-found interest in the outcomes of achieving sensible reform in local government. I am happy to warrant to him that I for one cogently and firmly believe in the fact that a new system of local government boundaries put in place around Queensland will provide many significant benefits. In the first instance, one of the benefits that will occur will be a better outlook in terms of planning decisions and planning for infrastructure provision based on true communities of interest—modern communities of interest—and not segmented communities that reflect a system of antiquated boundaries.

It will also be the case that there will be an expectation of modest savings to occur through the administration of fewer than 157 councils—if, in fact, the Local Government Reform Commission comes back and recommends fewer than 157 councils. I remind the member for Warrego that it is legally entirely possible that the Local Government Reform Commission could come back and recommend that there be 300 councils, as it could come back and recommend that there be 157.

In the end, I believe that councils which are able to have an outlook and a jurisdiction that better reflects those communities of interest will expend less money on duplicating administrative systems at the higher end of those councils and be able to spend more money on providing services on the ground. I believe that there will be administrative savings to be gained. I also acknowledge there will be costs in the transition process and have done from the start previously at many public forums, many of which the member for Warrego was in attendance around the state. I am happy to do so again today.

But in the end is the money that we will save and the money that we will expend an appropriate use of public resources in this state? The answer to that is unquestionably yes. Why? Because there is absolutely no question that within the short to medium and longer time frame many councils around Queensland would be facing financial collapse, and in the end the people that they would turn to to fund that bailout is the state government. I remind the member for Warrego that the state government also only has at its call the funds provided by taxpayers. Ratepayers are taxpayers and we would be the ones expending the money that is sent to bail out councils facing those sorts of issues. So I do believe that there will be operational savings in administration and that there will be savings in the longer term through better provision and planning of infrastructure at a regional level. I point to the work of Queensland academic John Rolfe in that regard.

Certainly there are also savings that are being presently borne out through other arrangements not just boundary change which are contemplated by the Local Government Reform Commission. I remind the member for Warrego, and he would be aware, that Local Government Infrastructure Services, LGIS, is providing some of those savings already today.

**Mr HOBBS:** I refer to your departmental overview where you state that the reform process will deliver more sustainable, efficient and financially strong councils. Minister, can you provide this committee with documented evidence and examples to show that this will be the case—for example, the Morton report, which you commissioned to consolidate the findings of any previous research into structural changes to local government?

**Mr FRASER:** I am more than happy to table a copy of the Morton report, if we have one. I seek leave to table the report.

Leave granted.

**Mr FRASER:** The Morton report was commissioned by the director-general as a landscape of previously and publicly available research and information that was in the public domain. I recommend that the member for Warrego read it thoroughly—that he start at the start and finish at the end and make sure that he takes notes along the way. That report says many things and I might highlight some of those facts to the member for Warrego presently. The report states—

There is no definitive evidence to either support or deny the existence of scale economies, although the balance of evidence indicates that there will be administrative savings in larger versus relatively small authorities. The size of such savings is ... generally regarded as small and likely to be in the range of 2% to 5% ...

That is what I outlined in my previous answer. The report further states—

The difficulty of measuring outcomes from amalgamation or major boundary change is often compounded by the extent of other changes taking place at the same period. In Victoria for example—

which the member for Warrego has often referred to—

it is difficult to separate the impacts of amalgamation from other factors such as compulsory competitive tendering and rate capping.

There is no evidence that amalgamations have led to reductions in overall employment in local government.

The research document that was produced by Alan Morton, which I have tabled for the member for Warrego—and I am happy to table all of that advice and all of the information that was used in making the decision and subsequently the Morton report—all point to the one fact: structural reform is certainly required. Ultimately, the administrative savings are there to be made, but certainly the greater savings and the greater capacity for outcomes for the benefit of people of Queensland lie in the ability of councils to have an outlook and a jurisdiction that better reflects modern communities of interest.

Once again, there is no information that has not been put into the public arena. There is no information that does not otherwise add to the weight of argument, including I might add for the benefit of the committee the McGrathNicol report, which was commissioned by the LGAQ and which in its disingenuous spin it attempted to utilise as a justification for not undertaking reform. That document, when read in full from start to finish, provides a stunning justification for exactly what we are doing. It sets out in detail the sorts of pressure that councils are facing. It says that structural reform is needed. But the LGAQ did not talk about that at the time any more than the National Party talked about these issues at the time because it only ever prosecutes the arguments that suits its base political ends at any point in time.

**Mr HOBBS:** Thank you, Minister. I will read that with interest. If your interpretation of the PricewaterhouseCoopers report which did not examine any of the Queensland councils is any indication, that will make very interesting reading. I refer to your \$1.45 million statewide campaign and

television ads, in particular to your use of the theme song from the 1973 movie *The Sting* which is about a small-time drifter, a conman, who is taught by another more experienced con to pull off big fraud jobs. We can be excused for seeing the similarities between you and the Premier pulling a big con job on the people with forced council amalgamations. In this day and age are you so insensitive, so arrogant—

**CHAIR:** Member, please watch the use of your language there.

**Mr HOBBS:** Are you so insensitive, so arrogant or so immature as to flaunt your distaste for hardworking local communities?

**CHAIR:** Member, your comments are very unparliamentary.

**Mr HOBBS:** I withdraw them.

**Mr FRASER:** In short, no. But for the benefit of the member for Warrego—I might just add, before I answer the second, more obtuse part of your question, that the PricewaterhouseCoopers report, which I note once again you continue to deny the validity of, was the basis for the Australian Local Government Association seeking budget funds from the federal government. Last time I checked, member for Warrego, Queensland was part of Australia and the logical end to your argument is that if the funds were provided by the federal government I presume you would be shortly writing to your coalition colleague, Mr Lloyd, and suggesting that the funds that might have been allocated to Queensland could be returned, because the PricewaterhouseCoopers report did not in fact have application to Queensland. I predict that you would not actually do that and you would be prepared to receive the money on the basis of the PricewaterhouseCoopers report.

But let me talk about the theme song that is contained in the education campaign. I am aware of the movie *The Sting* that was produced in 1973. Given that the member for Warrego has made reference to my age, it was three years before I was born so I have not, in fact, seen it. But I am reliably informed by the movie buffs in my office that it is quite a good film. Secondly, the theme song is not called *The Sting*, it is called *The Entertainer*. So let me entertain you with another fact: *The Entertainer* was written in 1902. Let us remember our chronology from earlier, member for Warrego. In 1930 Phar Lap won the Melbourne Cup; in 1928 Dame Nellie Melba finished her concert tour; in 1928-29 Don Bradman scored his first ton in the second innings of the timeless test at the MCG; in 1903 the Wright Brothers flew; but before that, in 1902, a song called *The Entertainer* was written and that is the music that is utilised in the education campaign.

The member for Warrego is well aware, as a key author of a lot of the misinformation that is in the public arena about local government reform, that to suggest that the boundaries that have been in place for the better part of 100 years in Queensland should continue to be the boundaries that serve us into the next century given the growth that is occurring in Queensland in particular argues against logic, argues against gravity, argues against common sense and for that reason is the unique province of the member for Warrego.

**Mr HOBBS:** I refer to your Ministerial Portfolio Statement where you state a new government structure is proposed for the Torres Strait, a single regional local government to replace the 17 island councils. Can you explain why you rejected the proposal from the Torres Strait Islander councils to have a joint local government with centralised financial controls but retain the existing 17 island councils to operate and manage the islands?

**Mr FRASER:** I thank the member for Warrego for his interest in the Torres Strait. As the member for Warrego would be aware, subsequent to the legislative reform that took place in Aboriginal communities there was a process of consultation undertaken through the Torres Strait. That process led to a great degree of feedback gained from not only councils and councillors across the Torres Strait but also, more importantly, the residents of those communities. In that regard I would point out to the member for Warrego that we put forward a proposal which we believe will provide for a better structure for local government in the Torres Strait. That proposal has been provided to the Local Government Reform Commission for its consideration such that the Torres Strait is included within the remit of the local government reform consideration and I look forward to its deliberations upon the point.

Why did we recommend a single council for the 17 separate island councils that exist across the Torres Strait? I do not believe that the thousands of people who live in the Torres Strait require 17 separate sets of administration, 17 separate CEOs and 17 separate administration systems to achieve these sorts of outcomes. What I do think, given the many and stark findings of the Auditor-General in particular about the financial sustainability and the financial practices and the many qualified reports that have been provided into Torres Strait Islander councils, is that what we need is a regional local government that can be the point of entry and exit for funds from the state. Because while those councils cannot—and many of them cannot—provide an unqualified account of where the money provided to them from various public sources is going, then that is a matter of concern not only for the government of the day but also, more particularly, I believe, for those councils. The people who it should be of most concern to are the residents of those individual communities who otherwise cannot have the confidence that the moneys provided to those individual communities have been expended to the benefit of those residents in those communities.

The reason that we have proposed the model that we have and sent it to the Local Government Reform Commission is that I believe that it will provide for a strong council for the Torres Strait; one that protects the unique and individual cultural identity, that recognises the strong and proud history of the Torres Strait Islander people and actually makes sure that there is a system of government in place across the Torres Strait, represented by one mayor, that has the strength and capacity to be a powerful advocate to all levels of government. I hope in the future that there is a strengthened and stronger Torres Strait regional local government that can be a powerful advocate and be a thorn in the side of governments of all persuasions and at all levels because I think ultimately that has to be to the benefit of the people of Torres Strait and ultimately our interest is in the people of the Torres Strait.

**Mr HOBBS:** It is not very convincing. With the announcement that the 17 Torres Strait councils will be thrown out, abolishing 50 years of self-management, would you be prepared to give those people a referendum or is it the case that you are a white fella and you know best?

**Mr HOOLIHAN:** That is outrageous.

**CHAIR:** Member for Warrego, I would ask you to rephrase that question.

**Mr HOBBS:** Minister, is it the case that you think that you know best for these people? You are taking away the self-government that they have had for 50 years. Shouldn't they at least have a say?

**Mr FRASER:** Nothing could be further from the truth. There are some 3,500 people who live in the Torres Strait presently governed by 17 separate councils. Across those councils the Auditor-General made many stark findings about the capacity of those councils to properly provide public services and to properly account for the public money provided to them. In that instance I believe that we do have a systemic issue about the governance in the Torres Strait based on what the Auditor-General has said in subsequent reports about Indigenous councils generally. The Auditor-General's report in 2006 flagged that without significant reform there would need to be a change to the way in which public funds would be provided to Indigenous councils across Queensland.

I believe that what we are undertaking in terms of providing capacity for those councils across Queensland to make sure that they have the ability to deliver for their people is, in fact, the right thing to do. I note that the latest report included two-thirds of Indigenous councils—10 Aboriginal and 11 Torres Strait Islander councils—as being in financial difficulty. I do not think that anyone should pretend that the fact is otherwise because that is what the Auditor-General stated in his report.

I take great exception to the personalising of this argument that the member of Warrego is undertaking, but I do not intend to dwell on it because I think it speaks volumes about his ability as a member of a parliament to prosecute an argument in the public interest rather than mine. I would really like you to ask me another question about the Torres Strait.

**Mr HOBBS:** I will.

**CHAIR:** The time for non-government questions has expired. We now move back to government questions and I call the member for Mansfield.

**Mr REEVES:** I refer to page 1-3 of the MPS. I think most Queenslanders are aware that it is primarily the responsibility of councils to provide water supplies. I think most Queenslanders would also be aware that it is often difficult for councils to do it alone. What assistance has the government provided the Brisbane City Council for water projects?

**Mr FRASER:** I thank the member for Mansfield for his question and I know that, as a Brisbane based member, he is acutely interested in the fact that the Queensland government continues to provide significant support to all local governments around Queensland and in particular, given the nature and dimensions of the drought that we are facing here in the south-east corner, to the Brisbane City Council. It is the case that we have provided significant funding support to the Brisbane City Council. We have provided some \$11.78 million towards the project that has occurred at the Caltex refinery on the Australia TradeCoast. That is a project which is providing significant savings in terms of the water supply. We also provided an allocation of just over \$1 million to the Brisbane City Council for a commercial tankers project and that is to provide for stations at waste water treatment plants so that commercial tankers can make better use of the water that is produced through those treatment plants.

It is also the case that we have provided funding support to the Brisbane Aquifer Project which the Lord Mayor opened a couple of weeks ago on the south side in the neck of the woods represented by the member for Mansfield. We are putting our money where our mouth is when it comes to providing that substantial support and funding and also information to the Brisbane City Council to ensure that the many projects that are contained within the breadth of the water regulation and beyond that are there to ensure the security of the water supply for the south-east corner is achieved. I note in passing, given the spirit of the day, that the opposition opposed the water regulation when it was promulgated through the parliament and again continues to be not a constructive player in terms of providing solutions for the community but, more to the point, a naysayer.

I also touched on the Be Wet program in the last session which is operating in the south-east corner and I might add to that discussion. There is \$40 million for the south-east corner and a government commitment to expand it statewide. There was \$15 million provided during the election. This year \$25 million is available out of that money to ensure that projects around the state that can achieve water efficiency outcomes for businesses can be funded. What has happened with the Be Wet program is interesting in this regard: by the mere fact of the government putting in place the program providing a focus on water efficiency, many businesses looked and found that many projects to save water in their own businesses were, in fact, economic in their own right. That reflected the fact more broadly across the community, including with business, that there has not been a great value placed on the water supply historically. So at the time of their looking over the water supply arrangements to make sure that they found whatever cost savings they could, water savings were able to be achieved in an economic sense for those councils and the program has driven great gains in terms of the reduction of water use out of the business sector and certainly will be there to provide for great gains well into the future.

**Mrs SMITH:** South-east Queensland is currently in the grip of the worst drought on record, as are most Queensland regions. You have already informed the committee how the government is helping the Brisbane City Council ensure that every drop counts, but what about councils in other areas?

**Mr FRASER:** I thank the member for Burleigh for her question. The commitment of the state Beattie Labor government to provide support to local councils around Queensland is, as I have said previously already today, indisputable. One of the major ways in which we provide that assistance is through subsidy programs to local governments to build water infrastructure. Around the state we conduct the water and sewerage program which provides for subsidies. That provides 40 per cent for water infrastructure and 50 per cent where recycling is involved.

Secondly, the Smaller Communities Assistance Program provides even higher percentages of funds, up to an 80 per cent subsidy. That is a particular program aimed to support smaller communities around Queensland. So we are putting, in actual fact, our money where our mouth is in terms of our ability to support these communities around Queensland rather than mouthing the base political platitudes that we might otherwise hear during the course of the estimates committee hearing this afternoon. That Smaller Communities Assistance Program provides significant funding to many projects around the state. In particular, I draw attention to the significant amount of funds that we are providing in Miriam Vale at present to meet particular water needs there.

The member for Burleigh, who is a Gold Coast member, would be aware that the single biggest water commitment that has been provided by a local government to date was \$42 million allocated towards the Gold Coast City Council for the Pimpama waste water treatment plant and re-use scheme. That is a significant residential development which will see huge savings in terms of the demand on the potable water supply with all sorts of cutting edge abilities to enable the highest and best use of water to be put in place. That is a significant amount of money that is being provided by the state government in the electorate of the tourism minister. That is funding that provides for that result on the Gold Coast.

A similar project is occurring in Mackay. The member for Mackay, Tim Mulherin, has been a keen advocate of that project and for a long time has been a key author of the success of the program. The mayor of Mackay, Julie Boyd, and Mr Mulherin can take a great deal of the credit for this project, a significant re-use scheme, which is of benefit not only to the residents of Mackay but also, in particular, to the farming community and the sugar industry in that part of the state.

We are also providing significant support in other parts of the state, including Toowoomba which is facing its own particular issues. Our support is significant. It is given across the state of Queensland and has provided a great quantum of funds to councils around Queensland. It is not readily acknowledged, I believe, by the Queensland community or by many local governments. But the facts of life are that the money is provided and that is to the ultimate benefit of the people of Queensland.

**Mr HOOLIHAN:** Minister, at page 1-3 of the Ministerial Portfolio Statement you deal with solutions to conserve water. But the future of horse racing in this state depends largely on the facilities of the industry. What is the government doing to assist the racing industry in south-east Queensland in this respect, particularly in this time of drought?

**Mr FRASER:** I thank the member for Keppel for his question and for his interest in the racing industry. I know it is an abiding interest of the member for Keppel and it continues to abide with him on occasion on Saturdays throughout the year. To that end, he joins with many other people around Queensland in enjoying the sport of kings, horse racing.

We as a government have committed \$12 million to racing in the south-east corner and to fund and assist with the provision of synthetic tracks at three separate locations. Two of those locations will be Caloundra and Toowoomba. Toowoomba has particular issues about water supply. The drought that exists in Toowoomba and in Brisbane more generally is particularly pressing and is the reason we have made this decision. Caloundra is a key location for the Queensland racing industry into the future. The third location will be one of the Brisbane tracks or the Gold Coast track, depending on the present redevelopment issues which are before those three courses.

Clearly it is my view that when you go to Eagle Farm and to Doomben and when you go to Bundall, the Gold Coast track, and if you can answer faithfully that having visited each of those three tracks you believe that they are the best facilities for the future of racing in Queensland, then I suggest that you have not been too far beyond those three tracks. Ultimately, what we have done as a government is provide \$12 million to ensure that the racing industry can take the great leap forward into the use of synthetic tracks.

It has benefits in terms of water use, but I do not want to overplay those because certainly, for instance, on the Sunshine Coast at the moment there is not a shortage of water. But we know by the way in which climate change is developing that there very well may be a problem in the future. There is also a great benefit to trainers and, more importantly, to the horses themselves in terms of animal welfare. Synthetic tracks lead to very great reductions in animal injuries. Synthetic tracks are used in other parts of the state.

I certainly believe that providing \$12 million to Queensland Racing Ltd to support the installation of those synthetic tracks will clearly be to the great benefit of the racing industry. I believe that the injection of capital funds is welcomed by the industry. It has certainly been the feedback that I have received while I have been at racing functions in recent months. Certainly it is also the case that each of those decisions will require the support of a business case from Queensland Racing. More to the point, I have also requested all of the control bodies across racing—that is, outside of thoroughbred and including harness and greyhound racing—to make sure that they are mindful of the fact that we do face particular water issues in the south-east corner at the moment.

**Mrs SMITH:** I refer to grants paid to Indigenous councils as noted on page 1-14 of the MPS and your response to question on notice No. 2. As some councils have received qualified audits, highlighted in the most recent report by the Auditor-General, what is the government doing to ensure the appropriate accountability of finances? How does this relate to the local government reform program?

**Mr FRASER:** I thank the member for Burleigh for the question. As I outlined in answer to one of the questions from the member for Warrego, it is certainly the case that the Auditor-General has in two consecutive years provided very stark findings about the nature of financial management in our Indigenous communities. As I said earlier, that provides for many great questions to be answered and to be asked, the most cogent of which and the most pressing of which are for the residents of those communities. To the extent, as we know, that there is significant disadvantage in Indigenous communities and to the extent that the money that is being provided for the benefit of public services and the benefit of public infrastructure is not being accounted for, I believe there is a very serious issue at the base of our governance arrangements that needs to be addressed.

As I have mentioned, two-thirds of the 32—that is, 21 of the 32—councils were given an unacceptable financial rating by the Auditor-General. We have developed an intervention strategy that has many layers to it. At the highest level it involves the appointment of financial controllers into councils. Since being minister I have appointed financial controllers into three Indigenous councils—Murray Island or Mer Island Council, the Badu Island Council in the Torres Strait and the Doomadgee Aboriginal Shire Council. There are other councils that I believe may warrant the appointment of financial controllers into the future. It is not a decision that should ever be taken lightly, but it is one that, in many instances, is met with agreement from the council because they recognise as a council, ultimately interested in serving the people in those communities, that if they are struggling to provide proper account of those funds then it is appropriate that a financial controller be appointed to ensure that there is better control over those funds to make sure that the people who are to be the direct beneficiaries of those funds—that is, the residents of those communities—are in fact the beneficiaries.

Within that process our intervention strategy, which I provided to the Auditor-General as he prepared his last report, I believe sets a framework to make sure that we provide every assistance along the way and where things do warrant mandatory intervention that we have the capacity to do that and we do that through a range of things, not just financial controllers but also, for instance, through a capacity to undertake electronic monitoring of financial accounts. We also make sure that there are regular visits and advice provided to councils. We are not just about coming in at the end with a big stick. What we are about is about building that capacity and building that ability in the first place, providing for on-the-ground visits and practical assistance. That is the sort of support that is needed. Ultimately, we as a government provide significant funds to the Indigenous councils to expend and we are interested in making sure that those funds are in fact expended to the public benefit.

**Mr HOOLIHAN:** Minister, I refer to page 1-25 of the MPS which relates to the Young Athlete Assistance Program. Over \$2 million has been provided to assist children and young people with travel and accommodation costs associated with competing at state championships and state school championships. Can you outline the objectives of the program, its performance in meeting those objectives and future plans for the program?

**Mr FRASER:** I thank the member for Keppel for his question. I note earlier that our colleague the Minister for Education and Training and Minister for the Arts, Rod Welford, launched a new strategy for physical activity in schools—a strategy which was a result of a parliamentary review, chaired by the



member for Mansfield. I acknowledge his contribution. I also made a contribution to that review in my previous role as a parliamentary secretary in both sport and health. Ultimately, what I believe we have in place with the outcome of that strategy is a program that will be to the benefit of younger people and to health outcomes. That is what we were ultimately trying to achieve.

The Young Athlete Assistance Program is a favourite of mine. It is a program which I believe is very much one that meets a key demand in the community. We all know that the costs of undertaking sport can be particularly pressing for families. The cost to undertake state championship competitions for athletes who show the promise of being able to achieve at that level can be a burden upon families.

One of the things that I was interested in as a parliamentary secretary was the ability to provide a level of funding support to families in those circumstances. That resulted in the end in the Young Athlete Assistance Program. One of my first priorities upon becoming minister for sport after the last election was to reopen the program. It reopened in October last year and continues to be open and benefiting families around Queensland. It provides up to \$200 of assistance to families so their children can attend state level championships.

For the record I point out that it is my belief, based on the advice I have seen from other jurisdictions, that the provision of \$2 million in Queensland not only leads the nation but, in fact, is a higher quantum of funds than exists for similar programs around the rest of the country—that is, we provide a much more generous scheme on much more generous terms. The ability of families around Queensland to be able to access that \$200 I think is quite significant.

To date 4,900 young athletes have benefitted from the scheme. It is certainly the case that when you compare it to Victoria, for instance, which has a statewide program of \$150,000 compared to \$2 million, and New South Wales, which has around \$400,000 compared to \$2 million—and take account the fact that Victoria and New South Wales have more people than Queensland—you get a sense of the level of commitment that we have provided as a state government. I believe it is a program which has been warmly received in the community. I also note for the record that in the Year of the Surf Lifesaver 93 young lifesavers have had the benefit of the Young Athlete Assistance Program.

One of the key things we also want to do is promote female participation. I note that netball, a sport which has a very high level of female participation, has had 155 young netballers provided with assistance. It is a program which I think has been welcomed by Queensland communities and families. Hopefully it will assist providing for the next superstar Queensland athlete.

**CHAIR:** I refer to page 1-24 of the MPS and the reference to the allocation of \$2.7 million through the first round of the Community Partnerships Grants Program. Can you explain the objectives of the program and how this ties in with the Queensland government's wider objectives of increasing community participation in physical activity and encouraging healthier food choices?

**Mr FRASER:** I thank the member for Inala for her question. Following on from the last question, one of the things that we need to do as a government is not just provide support and the pathways for elite athletes and our future elite athletes but also provide support for those people who are not necessarily getting involved in sport and active recreation. Clearly one of the things that we need to address as a government—and I believe as a society—is the modern context where we live in bigger and bigger houses on smaller and smaller blocks retreating behind higher and higher fences with bigger rooms out the back with bigger and bigger TVs and more gear hanging off the front of them. In an urban context children get driven to before-school-hours care and then reside in after-school-hours care and then get driven home, and at this time of the year perhaps without having the ability to be outside during the day and participate in organised sport. We need to provide every support we can as a government to ensure that every opportunity to participate in sport and active recreation is provided, not just for young people but for people across the spectrum.

To that end, what is important in dealing with the overweight and obesity epidemic that exists—and I note that the health minister provided the estimates committee process with the latest data on the prevalence of overweight people and obesity in Queensland last week—is that we provide flexible support to schools, community organisations and other people to be able to provide for healthy eating and active recreation and physical activity.

Some of the examples that we funded out of the program this year, which was a key initiative of the Queensland Obesity Summit—it is \$10 million over three years—is \$50,000 for the Royal Flying Doctor Service to implement the bush tucker nutrition project, a program to increase nutrition awareness and the use of bush foods in the Lockhart River community; \$28,150 to the Bundaberg Special School's project which promotes eating well and being active to all students in that school; \$36,000 to Cherbourg State School—I will be visiting Cherbourg on Thursday—for the Cherbourg kids strong, smart, fit and healthy program; \$26,000 to Ayr State High School to promote the supply of local fruit and vegetables at the school tuckshop; and \$50,000 to the Birkdale South State School to help deliver a healthy eating and physical activity program for students.

We are focused on making sure that the support is provided not only to young people but also to everyone across the age spectrum to make sure that everyone can be encouraged to get out and participate in a healthy lifestyle and ensure that the Eat Well Be Active credo is watched over and maintained by the Queensland community to the ultimate benefit of everyone.

**CHAIR:** The time for government questions has expired. We now move to non-government questions. I call the member for Warrego.

**Mr HOBBS:** Minister, I have had a bit a quick look at the Morton Consulting report and it seems as if, once again, you are gilding the lily. You gilded the lily in relation to the PricewaterhouseCoopers report. PricewaterhouseCoopers did not do an investigation into any Queensland councils at all. They made a summation across the whole lot. The Morton report says that there was 'no definitive evidence to either support or deny the existence of scale economies' and that the lack of evidence on the benefit or otherwise of amalgamations and major boundary change are the result of little systemic monitoring. It also says that rates are going to increase. It says in terms of rate increases that previously amalgamated councils in Queensland have had slightly higher increases per capita compared to councils across the state as a whole. Your own report does not support forced council amalgamations. Why are you trying to portray these reports as supporting forced council amalgamations?

**Mr FRASER:** For the benefit of the member for Warrego—and I apologise to the other members of the committee—I restate that Queensland is part of Australia. I note his valiant attempts to try to defy gravity and the simple fact that Queensland is part of Australia and his continued dismissal of the PricewaterhouseCoopers report, but I leave that to one side.

The member for Warrego did not have to read the Morton report to come up with that gem because if he was listening when I provided my last answer in tabling the Morton report, which I am happy to have in the public arena, I read out the particular sentence that the member for Warrego has so sleuthly found in the last 10 minutes much to the benefit, I am sure, of public debate here in Queensland.

The answer is this: what that report does is not make new conclusions; it provides an assessment and a summary of information that is already in the public domain. What it says greatly is yes, savings can be achieved. What it says also is that the savings and the outcomes are greatly dependent upon the nature of the transition of the process. It talks about the fact that in Victoria, which undertook a very different model to the model that we are pursuing here in Queensland, there were very different and intervening factors to the outcomes that could be achieved.

In the spirit of ensuring that all documents are read and that the information in those documents is used in the public debate and in the public arena, I refer the member for Warrego to the sections of the McGrathNicol report which make very similar conclusions. However, the member for Warrego was happy to take the word of the LGAQ about it providing an unambiguous affirmation of their resistance to local government reform. In fact, the McGrathNicol report is entirely starker. For the benefit of the member for Warrego and Queensland as well, I table a copy of the McGrathNicol report.

**CHAIR:** Do you seek leave to table that report?

**Mr FRASER:** I seek leave to table that report.

Leave granted.

**Mr FRASER:** That report makes great mention of the fact that structural reform is needed. The outcome of any transition process is greatly dependent upon the way in which that transition process is managed. Yes, I believe that there will be savings in councils which are reformed. Yes, I believe that there will be better outcomes for those communities. Yes, I believe that reform is timely. Yes, I believe that sensible reform is needed now. Yes, I believe that the information, all of which I have put into the public domain, absolutely categorically supports the course of action that the government is taking. For the member for Warrego to continue to be the only person in this debate who attempts to prosecute a different argument says more about his ability to comprehend a simple, cogent and logic piece of public policy than it does about my ability to communicate it to him. In the end, there is ultimate transparency all the way through this process because I have provided each of those documents that the member for Warrego points to. In fact, I tabled them in the parliament. There can be no greater transparency than that. I am more than happy for all the information to be in the public arena because in the end I have a great deal more faith in the ability of the Queensland public to comprehend it than I do in the ability of the member for Warrego.

**Mr HOBBS:** Alan Morton does say that rates are going to increase. Minister, I refer to the departmental output Advice and Services for Good Local Governance. You say you are leading, supporting and partnering with local governments to develop a sustainable, effective and efficient local government system. I have seen great hostility between local government and its minister here in Queensland, particularly over the deceit and insincere actions of you and the government. Local government have withdrawn from the Blueprint for the Bush. They have had rallies and public meetings—and I did not organise those, although I thank you for giving me the credit and the ability for doing all that.

**CHAIR:** Member for Warrego, you seem to be making a speech. Can you please get to the question.

**Mr HOBBS:** This has all happened under your watch, Minister. How can you say you are going to partner with local government when no-one trusts you?

**Mr FRASER:** I thank the member for Warrego for his pursuit of the personalisation of this debate much to the detriment, I believe, of the conduct of public debate and much to the detriment of the reputation of the opposition in this state to be able to participate in a constructive manner in making sure that the people of Queensland actually have the benefit of an opposition that understands public policy and puts forward a cogent alternative. It says more about the opposition than it does about me any day of the week, I warrant you that.

In answer to the question of the member for Warrego, I point out to him the number of mayors around Queensland who have provided support to the government in undertaking this course of action. I point out to the member for Warrego that the list of mayors who privately support what we are doing is, in fact, far longer. I pay particular tribute, however, to the mayors around Queensland who were at the forefront of the debate about the need for local government reform. In that regard, let me pay tribute to the leaders of the LGAQ who started this debate in the first place because they knew that it needed to happen. In particular, I pay tribute to Paul Bell and the other people at the lead of the LGAQ who have put this issue in the public arena. Let me pay tribute also to a range of mayors around Queensland who have publicly supported the government's position and let me also take some comfort from the ability of many other mayors to recognise this as an issue that needs to be pursued.

To represent a uniformity of view, as the member for Warrego does, out there amongst local government also denies the truth. Ultimately, we are interested in providing that support, and in that regard I note that the State Transition Committee, which has representation from the Local Government Association and also from Indigenous councils and Local Government Managers Australia, is working productively, constructively and collaboratively with the state government to ensure that the transition process is managed as smoothly and as best we can over the coming months to ensure that, ultimately, the local governments around Queensland that are in place after 16 March have the benefit of the best thinking from all those stakeholders. I acknowledge the contribution of them in a collaborative way.

**CHAIR:** The time for non-government questions has expired. Now we move to government questions. I call the member for Burleigh.

**Mrs SMITH:** Minister, love it or not, the 2008 Indy 300 event is just around the corner. Can you outline the potential return on the government's \$11.6 million investment in support of the Indy event on the Gold Coast?

**Mr FRASER:** I thank the member for Burleigh for her question and for her interest in matters of great economic benefit to the people of the Gold Coast and, more to the point, to the overall benefit of Queensland. It is the case that once again the Indy 300 will be conducted this year on the Gold Coast. We believe, based on the economic modelling that we undertake to ensure that the public investment is appropriate, that the \$11 million that the government provides to the Indy will again achieve in the order of \$60 million in economic benefit to Queensland, most of which is to the benefit of the Gold Coast.

I know the Gold Coast community continues to be a strong supporter of the Indy event for the showcase that it is of Surfers Paradise and the Gold Coast across many television stations around the world. In terms of coverage of the Indy, it leads to a promotional value of some \$16.2 million direct. It also is a fact that the telecast reaches over 160 countries around the world and 312,000 people attended the event in 2005-06. The Indy generates 170,000 visitor nights and some 540 casual jobs. On any measure, that is an investment that is to the great benefit of the Gold Coast and I am looking forward to the Indy this year.

If there is such a thing as fairytales then a bloke from Toowoomba whose parents called him Will Power was probably born to be a racing car driver. The fact that he signed up with a team called Team Australia probably fits with the fairytale. The fact that he is right at the forefront of the championship as it is occurring across the world, because the Indy is a worldwide series now, probably means that the chapter on the fairytale of Will Power's life can certainly be that the result at the Indy in October this year will be one that can be written about for many years to come. He was the first Australian to be on pole for Indy. I confidently predict at this point that the fairytale of a kid called Will Power in a team called Team Australia will be completed at Indy this year. I look forward to a very strong ticket result and sales as people go along in droves to ensure that Team Australia is at the forefront of people's hearts and lives.

I have long been an Indy fan. A little part of me grew up in the back of a workshop in Proserpine in a Ford dealership. I continue to have that interest in Indy. I for one will be there with a keen interest in ensuring that the fairytale that is Will Power's life reaches the appropriate conclusion.

**Mr REEVES:** Minister, I refer to page 1-27 of the MPS and the reference to the percentage of QAS athletes selected for national teams. Can the minister explain the disparity between the 2006-07 target percentage rate and the 2006-07 estimated actual percentage rate—and what reflection this has on the state of sport in Queensland we can only guess.

**Mr FRASER:** I thank the member for Mansfield for his question and his interest in the Queensland Academy of Sport located, as it is, on the south side. Far be it for me to point to the fierce parochialism of the member for Mansfield when it comes to all matters concerned with the south side. I do note in passing that our Academy of Sport is in his bailiwick and his interest is not merely parochial but one of an abiding interest in the provision of support to the athletes of Queensland.

We were anticipating around 22 per cent, but the final result was 30 per cent. That is in accordance with what I believe has long been the case in Queensland and that is that the Academy of Sport continues to punch far above its weight. It is a fact that there were higher than anticipated selections in a number of sports, including swimming, which has long been a strong suit of the Queensland Academy of Sport, and also higher than anticipated selections in both triathlons and hockey. It is certainly the case that Queensland has been at the forefront of triathlons in recent years and we have predicted that will continue given the nature of our geography and the base of support that we have for that sport.

It is worth remembering that the Academy of Sport has given us the likes of Susie O'Neill, Kieran Perkins and Hayley Lewis. Bennett King has joined the Academy of Sport as the new executive director. He comes after a sterling career in sport. I very much welcome his appointment as the new executive director—in fact, as the third ever executive director to the Academy of Sport. Similarly, Tracey Stockwell, another person who has achieved at the highest levels in international sport, is the new chairperson of the Queensland Academy of Sport board. Together under their leadership, I confidently predict that we will continue to see great results produced at the Queensland Academy of Sport. Certainly in the lead-up to the Beijing Olympics in 2008 we are looking forward to Queensland athletes continuing to be at the forefront of the Australian teams to continue to provide that sterling result that we do see as a country where we always punch above our weight as an entity.

I just had a note passed to me, which I recall and I should place it on the record. At the Commonwealth Games in 2006 if Queensland athletes were competing as a country in their own right we would have finished third in the overall standings. That is due in large part to the people at the Academy of Sport over many years and their ability to maintain a competitive edge of ensuring that our athletes have the benefit of world-class support, a dedicated environment in which to operate, the sort of people and coaches to provide that support—not just in terms of direct sport coaching but the broader issues that provide for great athletes and the rounding out of an individual as an athlete. It is certainly the case that I expect that success to continue into the future.

**CHAIR:** The committee will now break for afternoon tea. The hearing will resume at 3.15 pm with the examination of the areas of Local Government, Planning and Sport.

**Proceedings suspended from 2.56 pm to 3.13 pm**

**CHAIR:** The committee will now continue its examination of the portfolio of the Minister for Local Government, Planning and Sport. We will now move to non-government questions. I call the member for Nicklin.

**Mr WELLINGTON:** Minister, I refer you to page 1-1 of your Ministerial Portfolio Statement where reference is made to your department's role in encouraging Queenslanders to lead more active and healthy lifestyles. I also note that this morning the minister for education released the Smart Moves physical activity program for Queensland state schools and that one key component of this new program is a requirement for state schools to increase community access to school sport and recreational facilities to benefit both the community and the school. Is there funding available in your department to support and encourage the upgrade of school sporting and recreational facilities for the benefit of both the school and the wider community?

**Mr FRASER:** I thank the member for Nicklin for his question, and it is one that has been asked by many a government of many a persuasion around the world over the last many years. The notion that we should encourage sport and recreation facilities on school grounds is one that is intuitively attractive to most people who serve in governments around the world. It is one that also has been confoundingly hard to execute for governments around the world for a whole range of reasons. One of the outcomes from the Obesity Summit that was convened and one of the things that will be to the great benefit of what the minister for education released this morning is the fact that as a state we adjusted our funding programs to ensure that unincorporated P&Cs can be the recipients of funds. More to the point, we provided the ability for funds to be provided on generous terms to promote the use of school land for facilities to be built upon. We also have a signed off agreement with Education Queensland about the way in which those facilities will be managed and run to try and avoid all of those issues that have in the past contributed to it being a problem to actually have those facilities on state government land.

In the last round of sport funding programs I approved \$2.1 million to a range of facilities in schools around Queensland. That included \$154,761 towards a clubhouse at the St George State High School, which is in the member for Warrego's electorate, and I am sure he will be gracious enough to acknowledge that; \$226,000 for stage 2 of an indoor multipurpose facility at Regents Park State School; \$1 million towards an indoor one-court multipurpose centre and two outdoor courts at Tully State High School, and that is a facility in collaboration with the Cardwell Shire Council; \$201,000 towards the

construction of a partly covered three-court multipurpose facility and a gymnasium shed at the Woodford State School close to your neck of the woods, member for Nicklin; and \$492,000 towards a sports field, four multiuse courts, four tennis courts and lighting for the eight courts at North Lakes State College.

That has been a particular focus within the funding programs that we run, because I believe that in the modern urban context we would do well to actually be able to utilise every available space to make sure that our schools are not just being used between 9 and 3 and that they are available for the broader use of the public. Given the density of the urban environment in which we live, I think that is a sensible use of open space and an appropriate priority for the government and it is one that we are very focused on. It helps that the minister for education is very fit.

**Mr WELLINGTON:** Thank you, Minister. I refer you to page 1-1 of your Ministerial Portfolio Statement where you refer to how your department's role has shifted from regulator to strategic policy leader in helping shape Queensland communities and in supporting the lifestyle of Queenslanders now and into the future. Over recent years there has been significant residential development on flood plains on the Sunshine Coast and this significant residential development is continuing today. As a result of the increased community anxiety about the appropriateness of ongoing significant development on the current flood plains, what resources are available to your department to review the appropriateness of some council approved developments on the flood plains?

**Mr FRASER:** I thank the member for Nicklin for his question and for his interest in ensuring that there are good planning outcomes. I note in passing that one of the key possibilities out of local government reform is in fact better planning outcomes because of the capacity of reformed local governments to not only better reflect modern communities of interest but also be able to attract the sort of staff and expertise that they require to make good planning decisions.

In relation to planning approvals that have been made, there exists and has done for a long time—in fact, the member for Warrego made reference to it at the start of the hearing—an ability for a call-in provision through the Integrated Planning Act. That can be exercised where the minister who is administering the Integrated Planning Act sees a state interest at play or a particular other interest that warrants the call in of a development to otherwise condition, approve or refuse it in some circumstances. There is also an ability to issue directions powers that reside within the act. But we also provide the sort of support and advice to councils when they seek it from us.

There is a state planning policy, which I think is administered by the Department of Natural Resources and Water, which is mitigating the adverse impacts of flood, bushfire and landslide. I am well advised that that is jointly administered by Emergency Services. The state planning policy is built into planning schemes to make sure that the impacts of possible flood, landslide and bushfire are incorporated into planning schemes in the first instance. I believe that there is an ability to ensure through the reforms that we are entertaining at the moment to the Integrated Planning Act that state planning policies do have a better reflection in local planning schemes so that those sorts of particular issues that you are referring to can be better reflected in the planning schemes that are there in the first place.

But, as for any particular development, it is always the case that there is an ability for the minister of the day through the Integrated Planning Act to be able to call in and assess a particular development where it is an issue. It has certainly been the case that that is not a power that is used every day of the week, and nor should it be. But in circumstances that warrant it where there is a particular risk to communities, not just where the development might be occurring but perhaps adjacent to the development as well, that is a reserve power which should be entertained by the minister of the day to ensure that overall development of a community, especially in a growing state like Queensland, is not to the detriment of the people who will be residing in the development—more to the point, to the people who will be residing close to a development—to make sure that we protect against decisions which are not made in the best public interest of growing communities. That is the system as it operates to ensure that we achieve that particular outcome.

**Mr WELLINGTON:** Thank you, Minister. Also on that same page of your Ministerial Portfolio Statement you refer to Queensland's unprecedented population and economic growth and how your department is uniquely positioned in government to respond to these challenges and to ensure the quality of life of Queenslanders is sustained for generations to come. Some people on the Sunshine Coast believe that the rapid population growth in the region is the very factor which is destroying the quality of life of many on the coast. What resources are available in the budget to allow your department to hold other government departments to account to ensure that the current quality of life of many on the Sunshine Coast is not destroyed by other possible developments proposed for the Sunshine Coast?

**Mr FRASER:** I thank the member for Nicklin for the interest that he has in ensuring that the great advance of the population that is occurring in the south-east corner is one that governments at all levels—and I include advisedly governments at all levels in this circumstance—ensure ultimately results are to the benefit of the people who reside in these communities and not to their detriment, because we want to protect what attracts people here in the first place. We want to ensure that we protect that and not discharge that in the way in which the area develops.

A key part of that obviously is the South East Queensland Regional Plan, which is administered through the Office of Urban Management in the Deputy Premier's portfolio. Within that, each council, as the member would be aware, is required to produce a local growth management strategy. That is something that is reviewed by the whole of government and OUM, as the lead agency for the local growth management strategies, ensuring that the protection of the interests of the state as a whole—that is, interests which relate to other aspects of the amenity and otherwise and infrastructure—are incorporated into the planning that occurs for those communities.

It is also the case from the perspective of the Department of Local Government, Planning, Sport and Recreation that we do a number of things. We have dedicated funding programs which provide support to local governments in the regional sense. The Regional Centres Program is one which provides funding assistance to councils to build the infrastructure that is needed in growing communities. The sporting programs are there to assist both councils and community groups provide for those facilities in those urban environments. We also have a range of other programs which apply across the state, and that certainly means that whenever there is that growth being experienced, as it is here in the south-east corner, we have the funding available to support councils to provide that infrastructure so that it is not overburdened.

In the first instance, it is of course the first order of business for councils in those circumstances to ensure that they have a planning scheme in place that accommodates growth and guides it. There are two problems to have in government in my view. One is to try to promote prosperity and growth in the first instance; the other is trying to manage it so that you protect what is there in the first place but gain the benefit for the broader community. The second problem is always a much better one to have than the first problem, but it comes with its own challenges. As a government department, both through sport but more particularly through our partnership with local government, and overall as the keeper of the planning system in Queensland, we have those three prongs, if you like, which are able to make sure that we protect the interests of the community in a growing part of the state like south-east Queensland so that in 30 years time we can look back and say that we got it right rather than we got it wrong.

**CHAIR:** I welcome the member for Kawana. Do you seek leave of the committee to ask questions?

**Mr DICKSON:** Yes, I do.

Leave granted.

**Mr DICKSON:** Thank you. Minister, what provisions is the government making in the local government reform process to manage the debts and liabilities of existing councils? Will amalgamated councils be expected to absorb these debts and liabilities? If so, how will the government ensure that the reformed or amalgamated councils will be financially solvent?

**Mr FRASER:** I thank the member for Kawana for his question and acknowledge his previous service within local government and his acute interest in local government and, more particularly, in possible local government reform on the Sunshine Coast. There are a great many issues to be resolved in relation to a transition process where it occurs. The first plank that will enable us to be able to make decisions both in a financial sense and a practical sense will in fact be the report of the Local Government Reform Commission. At present we are undertaking exploratory work in relation to all of those policy matters and working, as I said earlier, through the State Transition Committee. I want to emphasise to the committee that the State Transition Committee is one which is working very much behind the scenes and working in a way that represents the collaboration of all of the different stakeholders in local government so that transition processes are best managed. As I said, it has representation from the LGAQ, the LGMA, Indigenous communities, unions and state government departments.

Those issues about how we provide for the funding of a transition and any transitional arrangements are matters that are also before the State Transition Committee. But, more particularly in terms of an assessment about government funds for supporting the transition and the way in which we will achieve that, those are matters that we will be able to assess and determine post the release of the boundaries to work out the extent of the issues that we need to address. But I would say in principle that we do believe that there will be a requirement upon the state to provide funding assistance. The form of which that takes and the way in which that is applied will be determined through that process and can only be quantified in a matter of logic of time once the boundaries are released from the Local Government Reform Commission.

Ultimately what we are interested in achieving is financially sustainable councils. We are not going to be in a position where as a government we have undertaken a difficult reform process to arrive with a set of boundaries and a set of local government arrangements that are not to the benefit of those communities or hinder those councils. What we are interested in is providing a continued level of support and transition arrangements that ensure that at the end of it—finally with the new Local Government Act—what we have in Queensland is a modern system of local government that has the

capacity and the ability as an individual organisation to make those decisions to plan for their communities, to provide for that infrastructure and to not check with me if they need to shift \$50 from one account to another but to have an outlook which reflects those true modern communities of interest and, more to the point, a capacity within their organisations to make sound decisions.

**Mr DICKSON:** Thank you. Given that the government has guaranteed that there will be no local council staff redundancies for a three-year period after the reforms are completed, how will the amalgamated councils meet excess staff costs for that period? Will the government provide financial assistance? Will the government fund voluntary staff redundancies during that period of time?

**Mr FRASER:** I thank the member for his question again and for his constructive interest in the transition arrangements that might be required for local government reforms where the Local Government Reform Commission provides such recommendations.

As I said in my last answer, we are interested in providing a level of support, because we believe that that would be an appropriate investment, if you like. Prevention is better than cure. That is why we believe that the funds that we will have to appropriate to support the transition will be well expended. The MPS refers to \$12 million this financial year. We believe that funds beyond that will be required into the out years.

It is certainly the case that our employment package, which we announced, has as a key principle no forced redundancies, that is, redundancies will be taken only as a last option. It is the case that presently in local government one of the key issues that I am sure the member for Kawana is aware of is that many councils struggle to recruit the sort of skills that they need to into their organisations or, where they do recruit them, struggle to retain them within the organisation. So what we are interested in is making sure that we retain as far as possible the skills that exist in the sector, that through the transition period we get the organisational structure right, that where VERs and other situations arise and other transitional costs are provided, those are all matters that the government will consider immediately after the release of the boundaries so that we can ensure that what we provide for is a system of local government that is as strong and as sustainable as it can be into the future.

It is the case that we believe that we can achieve savings into the future both by dint of the fact that in many local governments there is a high rate of turnover, as you are probably aware from your time in local government, and there is also at present a skills gap, if you like, between the positions available and the people available to fill them. So we believe that through that flexibility and managing the employment change process well that we will be able to achieve outcomes which are to the benefit of the staff affected, which is a key and abiding principle for the government, but secondly also to the benefit of the councils as they are constituted.

The key principles of the package, I might just provide to the committee for the record. They are, one, maximising employment security. The first priority is to maximise employment security of local government employees. The code of practice will affirm the government's commitment to no forced redundancies for three years apart from CEOs, mayors and councillors. Two, maximising the retention of local government staff. Concerted efforts are to be made to maximise every opportunity to retain staff. Three, supporting local government staff through any transition. New councils will be strongly encouraged to implement effective change management strategies which engage and involve staff and the community in the change. Four, offering voluntary redundancies when other options are exhausted. Five, appointing interim CEOs, which I have touched on already. Six, assist with the resolution of disputes and industrial agreements. It is a significant body of work but with the best endeavours of everybody we will get through it.

**Mr HOBBS:** I refer to the financial sustainability review of council finances done by Queensland Treasury. As you are aware, I tabled in parliament a Treasury Corporation document that lists the 'weak' rating as generally average ratings with some underlying issues that are more difficult to address. When you look at the financial sustainability review criteria for 'weak' that came out in the glossy document with the forced council amalgamations agenda, the 'weak' category was changed considerably and made much tougher. That would engulf many more councils. In other words, there it is, it is 'weak'; generally average, it says. Then the next one that comes out, bingo, before the council amalgamations—

**CHAIR:** Member for Warrego, we need to get to the question.

**Mr HOBBS:** How can you have any credibility on forced council amalgamations when you deliberately doctored the books to make councils look worse financially?

**Mr FRASER:** Far be it for me to take great exception to the implications and the imputations of the member from Warrego. If I was going to go down that path I would have spent a good part of the previous session of the estimates committee taking exception. What I do, however, take exception to on behalf of the committee is this: the member for Warrego is presently suggesting that the Queensland Treasury Corporation, headed as it is by Sir Leo Hielscher, would be complicit in such an exercise. I remind the member for Warrego that Sir Leo Hielscher is a man who knows more about public finance in this state than anyone, in my view, and more particularly anyone represented by the member for Warrego in the pursuit of the argument that he has conducted today.

I might also remind the member for Warrego of the person's reputation and the organisation that he leads, being the Queensland Treasury Corporation. It is worth remembering that Sir Leo Hielscher's reputation—a reputation which far precedes him—was, in fact, built during his time as the Under Treasurer during the Bjelke-Petersen government. Many people are aware of Sir Leo Hielscher's role in undertaking the economic management that underpinned Queensland's growth at that time. So let me say this: there was no doctoring of the books. Let me say this: the document that the member for Warrego tabled in the parliament at the time—and I recall out of the vagueness of my memory a particular stoush at the time where the member for Warrego, in his slipperiness, tried to deny that he had a different document in his hand which, in fact, revealed the date and which revealed the fact that the sleuth of the member for Warrego was, in fact, slothfulness, because the document had been openly provided by the Queensland Treasury Corporation to the LGAQ. The member for Warrego was caught out in trying to deny that and refused to table it at the time. The only slipperiness that has occurred in this whole debate, sir, is on your part and not on mine and I stand by absolutely 100 per cent every day of the week what the Queensland Treasury Corporation says in its assessment and its advice. The only person and the only people who do a great disservice to the conduct of public debate in this state is you, sir, in your inability to comprehend the clear advice of the Queensland Treasury Corporation, PricewaterhouseCoopers, the Auditor-General and every other person of some economic credibility who has inquired into this matter. It is your Henny Penny economics that denies the point, seeks to turn back the tide, say black is white and invent and conjure up particular issues that are a chimera. That means that ultimately you will be judged at the ballot box, as you were the last time, as totally unfit for office.

**CHAIR:** The time for non-government questions has expired. We now move to government questions. I call the member for Mansfield.

**Mr REEVES:** I refer to pages 1-4 and 1-9 of the MPS where it refers to Torres Strait funding. The member for Warrego has raised questions about the Torres Strait. What funding does the government and, more to the point, the federal government provide for infrastructure in Indigenous communities?

**Mr FRASER:** I thank the member for Mansfield for his question and I thank the fact that I once again have an opportunity to talk about the Torres Strait. It is a pity that the member for Warrego is leaving, because I would like to actually talk about the Torres Strait for a moment.

In that regard, the member for Warrego was at pains earlier to paint himself as the friend of the Torres Strait. What we usually see with the coalition, however—and particularly at a federal level, I might add—is all talk and no action. With the Torres Strait, the truth remains again that the National Party leader in the Senate, Ron Boswell, has been out yesterday pretending to be the friend of Indigenous communities and talking about issues in relation to land tenure—an extraordinary claim, I would have thought, in the context of the present debate that is occurring across the country. But more to the point, Mal Brough has written to me saying I should be particularly interested in the outcomes for Indigenous communities. And interested I am but, more to the point, the Queensland government backs that up by putting our money where our mouth is.

The major infrastructure program is funded through the present state government to the tune of some \$56 million—\$14 million a year. It is a program that is usually matched by the Commonwealth government. Mal Brough has been making great hay about his concern for Indigenous communities. Ron Boswell put out a press release yesterday saying that he was greatly concerned. I say to them: I will take their concerns a lot more seriously when they come up with the funds to match that funding that has been on the table, because while the Queensland government has \$56 million over the next four years to provide for the sort of essential infrastructure that is required in these communities across the Torres Strait, the Commonwealth government, with the rivers of taxation revenue that flow to it, has come up with \$12 million. That is \$12 million versus \$56 million.

So when the member for Warrego walks into these parliamentary estimates and feigns a concern for the welfare of the people of the Torres Strait, I challenge him right now to go on the public record and call for his coalition colleagues to match the provision of that funding. If they do, I think it will be a wonderful day for Queensland but, more to the point, a wonderful day for the people of the Torres Strait who will get the matching funding, which means that the major infrastructure program, the strong record it has in providing funds across the Torres Strait, has the benefit of matching funding from the Commonwealth government so that we can get on and build the sort of infrastructure that is required in the Torres Strait and we do not have to have the sort of pretend and feigned indignation of the member for Warrego, who reads out a question which implies that he has the interests of the Torres Strait at heart. I say to the National Party at a state and federal level: put your money where your mouth is for once.

**Mr REEVES:** I refer to question on notice No. 14, which refers to page 1-10 of the MPS. In relation to the public information campaign that the government is running to give Queenslanders correct information about the local government reforms, what campaigns have the National Party been running?



**Mr FRASER:** I thank the member for Mansfield for his question and for the opportunity to place on the public record the facts surrounding the campaigns that have been conducted in relation to local government reform in this state. Before I do so, I seek leave to table for the benefit of the committee and the parliament the document that I transmitted to the *Council Leader* magazine that the member for Warrego referred to earlier in the estimates committee process, the date of which is on the top. For the benefit of the committee, it is 23 January.

Leave granted.

I am aware from public reports, in fact, that the member for Warrego has been approaching councils around the state seeking them to provide money towards a campaign fighting fund. I table for the benefit of the members of the committee an article that recently appeared in the *Tablelands Advertiser* which talks about the mayor of Cloncurry shire and now National Party candidate for the seat of Kennedy—shock horror—Ed Morrison also providing funds to that end.

Leave granted.

To that extent, I would also like to table for the benefit of the members of the committee and the general public the publicly available minutes of the Mareeba Shire Council. I will just read from them before I do so. They say—

ADH-11 ... Cr McGrath received a phone call from Howard Hobbs. A request was made by Mr Howard Hobbs that Council consider contributing \$25,000.00 towards a fighting fund against amalgamations. Councillors were phoned to canvass their opinions. Only one Councillor agreed so support for this request was not forthcoming.

The mayor returned to the chamber. I table that for the benefit of the members of the committee and of the public.

Leave granted.

Estimates committees are about making sure that we all account for the activities that we undertake and where public moneys are spent. So I have some questions for the member for Warrego. Has the National Party approached councils across Queensland to contribute to a council reform fighting fund? Has the member for Warrego personally phoned councils requesting monetary donations to the fund? If so, what councils and how much has he requested? Who were the trustees of the fund? Will this money be used in the upcoming federal election campaign? Did the fund pay for the brochures that have recently been distributed in south-east Queensland seats? I table a copy of that brochure for the benefit of the public.

Leave granted.

Who owns the reply paid envelope in the brochures that have been produced? What will be done about people's contact details from the reply paid process? Do you think it is appropriate, as a member of parliament, to be assuming the role of bagman for a campaign fund? Has the Cloncurry Shire Council, in fact, contributed \$25,000 at your instigation? Is the Cloncurry community aware that Ed Morrison, as the mayor, has endorsed the provision of \$25,000? Will the campaign fund be publicly reported under all electoral disclosure laws as it would be required to be given the stated intention to influence the federal election outcome?

I am sure the member for Warrego would take great delight in ensuring that the people of Queensland have full information about the public funds that he has sought to elicit from councils around the state to run this campaign. I believe in the estimates committee process providing for the transparency of government and, in this circumstance, it should apply to the member for Warrego as well.

**Mr REEVES:** Page 1-27 of the MPS refers to the difference between the 2006-07 estimated actual percentage and the target due to the increase in Queenslanders participating in the department's sport and recreation programs. Can the minister explain the reasons behind the difference in the figures in participation? What does this mean for the health and wellbeing of Queenslanders?

**Mr FRASER:** I thank the member for Mansfield for his question. It is clear that one of the things that we need to do as a government is not just provide the infrastructure at a community level for people to be able to participate as they wish, not just to provide for the support for emerging athletes through the Young Athlete Assistance Program to be able to go to state championships but also to provide for the assistance to people to be encouraged to participate through many different programs. What we have seen through the 2006-07 period, which is reported in the budget documents, is that over 426,000 Queenslanders have participated in the programs that the state government runs.

Those programs include the Get Active Queensland Schools Program, the Locker Rooms, which have the benefit of sporting personalities and people with great insight in running sporting organisations, and they are conducted in the community. They are also conducted in regional areas as well as regional workshops. We also have the Get Active Queensland Accreditation Program, which is run through the department's facilities as well. The growth in the Holiday Adventure Programs, which are being run at our recreation centres, in large part resulted in that growth—25,000 greater than the target. As I mentioned, our active recreation centres have provided some 43,747 hours through structured programs and 73,951 hours of unstructured activity since July 2006.

Those facilities exist in many parts of the state. It is an investment in making sure that we gain the best benefit out of those facilities to ensure that the funds we expend as a department get the best results for the ultimate benefit of people being able to participate in sport.

I dare say a good many parents around the state are also fans of programs that we have run during the holiday periods out of active recreation centres. I think it has been to the great benefit and wellbeing of the community as a whole. It ensures that people are occupied and, in fact, contributes to the ability of young people in this regard to enjoy a lifelong vocation of participating in physical activity. If we look at the future population profile and demographic profile of the country and what it means for the burden of disease and the prevalence of chronic disease in the community, to encourage participation in sport and physical activity at a young age is the best thing that we can do to ensure the sustainability overall of the social structures that underpin our community.

An abiding interest in physical activity which the department seeks to promulgate is at the forefront of the government's priorities. We expend a significant amount of money on it. It is an expense that I am happy to defend any day of the week as appropriate, because the same is true of local government reform as it is of sport, which is that prevention is better than cure.

**Mr HOOLIHAN:** Page 1-26 of the MPS refers to the support and assistance given to the Greyhound Racing Authority and the Queensland Harness Racing Board to progress corporatisation and achieve approval as control bodies by 1 July 2008, as required by the Racing Act 2002. Could you outline the benefits to be gained from corporatisation, the Queensland Racing Ltd experience, and how those issues are being managed interstate?

**Mr FRASER:** Again I thank the member for Keppel for his abiding interest in matters relating to racing and the conduct of wagering in this state. It is the case that the regulation of the Queensland thoroughbred industry was corporatised through the structure of Queensland Racing Ltd. That has been in place since 1 July 2006. There is a requirement amongst the greyhound code and also the harness racing code for corporatisation to proceed by 1 July 2008. What has been the benefit of it? The benefit in particular can be seen in what other states are presently contemplating. At present, New South Wales and Victoria are involved in very significant reforms to their racing industries.

The structure and the regulation of the racing industry has long been a favourite subject of debate in the Queensland parliament. I am quite happy to contribute to that debate in the following way. The path that the Queensland government has foreshadowed and the path that we have led in providing for the corporatisation of Queensland Racing Ltd is one which is now being copied and, indeed, taken up with gusto by other jurisdictions around the state as they seek to ensure that they have a modern regulatory regime and a commercial footing for the racing industry.

The racing industry is a great industry and one that provides great wealth. It does not need to be hindered by being administered in a politburo style, 19th century command economy way. As an entity, it needs the ability to be the master of its own destiny, to make commercial decisions and to make sure that the great benefits and the revenue streams gained out of the racing industry can be applied to the benefit of the overall industry and to grow the industry.

I believe that that is certainly what has occurred through the corporatisation of Queensland racing. I believe that, ultimately, the corporatisation process that was undertaken by 1 July for greyhounds and harness racing will also lead to similar benefits. We will see a much more rigorous commercial and economic industry that finds leadership from within the industry. It will be able to make commercial decisions on a footing of commercial reality to make sure that the economic benefits to be gained out of the pursuit of both thoroughbred greyhound and harness racing are there to be gained for the benefit of the industry and the broader community and members of the public like the member for Keppel who maintain an abiding interest in wagering in this state.

**CHAIR:** Minister, I refer to page 1-2 of the MPS and the reference to Queensland's changing household patterns. What is the significance of these projections for planning in general and housing affordability in particular?

**Mr FRASER:** I thank the member for Inala for her question. One of the more interesting facts, which has received some public attention but I do not believe that it has received the sort of public attention that properly attends a matter like this, is that as of March this year when the report was released, for the first time in Queensland the most common type of household is no longer mum, dad and the kids. It is no longer parents and children which, historically, has long been the most common type.

In five short years we will see lone-person households go past couple-with-children households. By 2026 it will be, firstly, couple households, then lone-person households and then couple-with-children households. That has very significant implications, not only for local government and governments at all levels but also, particularly, for the planning industry, developers, the property industry and for community organisations. They will have to come to terms with the fact that the commonly built household of the future will be very different.

For one thing, that is the wash through of the ageing of the population. It also reflects the way in which birth rates have changed. It reflects people's interest in living in different types of housing arrangements well into the future. That is quite significant when you consider the implications for governments at all levels and, as I say, for the industry more generally and also for the community as a whole.

The reflection of the ageing of the population will mean that governments, community organisations and, more particularly, industry will need to contemplate models of service delivery that take account of the fact that people will be living in those sorts of environments. You could easily imagine more single and couple households or two-person households in cluster arrangements. They will not necessarily be in supported accommodation, but the support that people will require, especially people in their senior years, will need to be provided close at hand. That is likely to be an outcome of the change in the demographic profile.

This is the most significant change that has occurred in the history of Queensland and we are in the middle of it right now. The time to make decisions that take account of that is right now. It is the case that nearly every local government area around Queensland, even where population growth is not accelerating, will have more households by sheer dint of the fact that smaller numbers of people will be living in those households. That is quite a stunning insight when you look at the future projections of the way in which we need to provide for the housing and other needs of the community into the future.

**Mrs SMITH:** On page 1-3 of the MPS there is a reference to \$4.5 million allocated to the regional planning process. Will you please advise what the project will deliver and what portion of the expenditure will benefit rural and regional Queensland?

**Mr FRASER:** I thank the member for Burleigh for her question. In adding to the discussion earlier about the promotion of the regions in Queensland, which has always been a key part of the make-up of Australia's most decentralised state, it is clear that one of the key things that we as a department of planning need to do is to provide for the sort of financial support that can assist regional planning in other parts of the state. The Blueprint for the Bush provided for a number of additional regional plans. This year in the budget we are providing \$4.5 million to support accelerated regional planning around Queensland.

At the lead of that is the far-north Queensland statutory regional plan. The far north is one of the growth hot spots for the state. It is an area that also faces considerable pressures in relation to protecting that growth as against the requirements of the environment, which is a strong attraction for people living in that area, and the need to protect the important agriculture area there.

That statutory regional plan will be the first statutory regional plan outside of the south-east corner. It is the pilot to make sure that we get it right; it is a model for areas outside of south-east Queensland. It is being driven at a local level. The funds and the resources from the department are located and supported out of the far north. It is not a far-north Queensland regional plan invented in George Street; it is a far-north Queensland plan being done out of Cairns.

On Friday I attended one of the workshops and I extended the time line for the draft regional plan because we want to get it right. It is not often the case that governments are asked to slow down. However, last Friday was one of those occasions and I was happy to slow it down in those circumstances. We have also put on a range of additional new staff to support our regional planning effort.

All of the \$4.5 million mentioned is being spent out of the south-east Queensland corner. We believe that the regional plans that it will fund will come to fruition in the budget year hence, that is 2008-09.

I recently launched the Wide Bay regional plan. We are also looking to fund the development and the implementation of regional plans in central Queensland, the Wide Bay as I said, the WHAM group which covers the Whitsunday hinterland and Mackay, and also the gulf. I believe that those regional plans will certainly provide for better outcomes across those areas. The money that we are expending in support of that is a suitable investment.

I note that AgForce has maintained its partnership in Blueprint for the Bush. I am at a loss to understand why the LGAQ believes that exiting from Blueprint for the Bush is to the benefit of people in western Queensland, which it has put at the forefront of its so-called concerns about local government reform.

**CHAIR:** The time for government questions has expired. We move to non-government questions. I call the member for Warrego.

**Mr HOBBS:** Minister, I thank you for reminding me about the funding for the Torres Strait. When I came back in, you mentioned that I should put the money where my mouth is. I recall that in 1995-96, we put \$750 million to \$800 million into the infrastructure program in that region. In those days, under the previous Labor government, they were dumping sewage on the beach and we fixed that up, as well as the water supply. They could not drink the water up there in many instances. I am pleased you raised that.

**Mr FRASER:** I presume that means that you will also be joining with me in calling on the federal coalition—

**Mr HOBBS:** Minister, I would ask you to let me finish the question.

**Mr FRASER:** Far be it for me to interrupt you.

**Mr HOBBS:** You can answer this however you like, but I note that the interest bearing liabilities and derivatives have gone from \$217,000 in the budgeted figure for 2006-07 to an actual figure of \$3.79 million in 2006-07, to an estimate of \$12.6 million. How much is actually owed by your department and do you expect this figure to increase after 2007-08?

**CHAIR:** Minister, you can treat that as two separate questions if you want. You can have three minutes on each.

**Mr FRASER:** No, that is okay. Before I ask one of the officers to expand on this answer, I would say that, as I understand it, the interest borrowings relate to the Department of Local Government, Planning, Sport and Recreation's involvement in the finance arrangements for the State Tennis Centre that we are building on the redeveloped Tennyson site. The financial arrangements for that involve loan arrangements and a prepayment to the developer, the proponent of the project. That is subsequently reimbursed. The interest costs relate to the fact that we are working at a feverish pace to make sure that the State Tennis Centre is constructed on time. Opening is scheduled for the end of next year so that national standard events can occur at the facility in January 2009.

It is also the case that we have undertaken some borrowings for the Racing Science Centre. In my view they are all entirely prudent. The State Tennis Centre funds, which we are undertaking as the lead agency as reflected in the budget papers, will be to the great benefit of people interested in tennis around the state. More to the point, recently the government announced that the arrangements for the asset ownership of the State Tennis Centre and its future operation will transfer to the Major Sports Facilities Authority to be part of the suite of facilities. We have been the original proponent for it, if you like the builder and financier of it.

The State Tennis Centre will be to the great benefit of people who have experienced the loss of tennis courts through the community in recent years, in part due to rising land prices. It will be the only facility that has all grand slam surfaces available, including clay, the synthetic surface that is used in other circumstances, as well as grass. There will also be many community facilities available for use. When the final project is brought to conclusion and opened on time and on budget at the end of next year, the people of Queensland will once again be able to point to the strong economic stewardship and prudence of our financial management.

**Mr HOBBS:** Minister, I refer to the MPS 1-26 at dot point 10. The Queensland racing industry is the third biggest employer in Queensland. Across the three codes, in the MPS you only give five lines to future development and three lines to recent achievements in that industry. When are you going to get a real interest in racing in Queensland? Five lines in the MPS!

**Mr FRASER:** I thank the member for Warrego for his question. I admire his abiding interest and determination to continue to conduct this afternoon's proceedings through the prism of personality based politics. It reflects greatly upon the conduct of the National Party and the opposition in this state that they seek to prosecute arguments through personality based politics.

I am happy to say that I take a strong and abiding interest in the racing industry—a strong and abiding interest that, if the member for Warrego was listening earlier, includes \$12 million provided to Queensland Racing Ltd for the future platform of what the future of racing will be in this state, and that is the synthetic tracks that will be implemented at Caloundra, Toowoomba and one between the Gold Coast and Brisbane when future arrangements are determined.

I note also that we continue to provide the Training Track Subsidy Scheme of some \$2 million a year. That scheme recognises the fact that the racing facilities provide the ability for people to train their horses, and that is the first input of the racing industry. I have had the great benefit of attending a good many racing events while I have been racing minister since September last year. The first event I attended was the Bowen Cup, which was also attended by many other people in that part of the world and from far and wide. I have also been to the metropolitan courses a number of times. I have also been to the Magic Millions. I firmly believe that, through the provision not only of the \$12 million but also through the regulatory scheme that we have put in place and the ability of the industry to lead, the future welfare of the industry is in the best hands possible—that is, it is in the hands of the industry itself.

I believe that the great wealth that is generated and the economic prospects of the industry are best served by the fact that the industry can be governed by itself. As I said earlier, I take some interest in the fact that other jurisdictions, most notably New South Wales and Victoria, are now moving to put in place the same sort of arrangement that has been put in place in Queensland, and that is to provide for industry leadership of the commercial growth and development of the industry.

Once again I say this: we have put our money where our mouth is on this issue. In terms of the Torres Strait, I assume your glib remark at the start of the questioning in this section means that you will be accepting my invitation to join with me in writing to the minister for Indigenous affairs and asking him for the provision of funds to match the \$56 million that the Queensland government has on the table. Because on any day of the week 12 does not equal 56, and I presume that your sincerity in this regard will mean that you will be calling upon the federal government to come up with the balance of those funds for the benefit of the people of the Torres Strait.

**Mr HOBBS:** Thank you, Minister. I am pleased with your response to the racing question, because I was a little confused with regard to 1-27 of the MPS and the output statement. It says that a number of significant initiatives have been implemented to support and assist the racing industry. In 2006-07 there were six; in 2006-07 actual there were six; but in 2007-08 there is zero. You have no significant initiatives implemented to support and assist the racing industry. Does it mean that you are a hands-off minister with no significant initiatives and no idea what to do for racing? There should be a significant issue of some sort surely. It is your document.

**Mr FRASER:** I understand that, member for Warrego. The provision of that line item in the production of the MPS related to a measure which has been discontinued by the department, because it in fact reflected the provision of policy advice and so forth or the stewardship of the regulatory environment. The answer to it is quite clear. There is no great mystery in that fact. I do not think it was a particularly rigorous line item that was deserving of calibration within the overall MPS. I believe that our support for the Queensland Racing industry is on the record, and as I have set out previously in the two answers that I have provided. I am not sure that the member for Warrego has quite happened upon the seam of gold that he might have thought.

**Mr HOBBS:** Thank you, Minister. I am interested in your answer. Further in relation to racing, racing is the third biggest employer in Queensland yet country racing is struggling with very poor prize money. Minister, as minister for sport, which includes racing, what efforts have you made to increase the prize money of country racing in Queensland?

**Mr FRASER:** As I said earlier, my first racing event as the racing minister was the Bowen Cup. I understand and appreciate the great value that country racing provides in many parts of the state. The country racing support scheme, as the member for Warrego would recall, was amended through the last parliament to provide for a greater quantum of funds to country racing. Ultimately, the benefit and the provision of those funds should be provided to events of best value and events that are deserving of the provision of that prize money. It is not a decision that I make on my desk, because the bottom line is this: I do not think as the racing minister that I should be deciding where race fields commence in different parts of the state. I think that the racing industry, as economic and as vibrant as it is, is best placed to make those determinations about where prize money should be applied, the quantum of that prize money and the scheduling of those supported races.

I ultimately think, and am supported in that instance by the moves in New South Wales and Victoria to move to that system, that the racing industry will be better off when those decisions are not made by the racing minister of the day sitting behind his or her desk but are made by the industry itself to ensure that the economic benefits that the member for Warrego talks about are derived for the benefit of the industry and are not misappropriated in a lumpy way through a command style economy to the racing industry.

It is a fact that the racing industry certainly undertakes a great deal of wealth creation in the state, and I acknowledge that, but ultimately those decisions about the provision of those funds are ones that are best made by the industry. To add to the answer to the previous question that you asked, the measures also included the monitoring of the control bodies. I am reminded also that the measures related to the execution of the transition of racing facilities, or racing assets, to clubs themselves. That process has now reached a conclusion through the provision of the title to particular facilities. That was a measure of it. That was an outcome of the racing reforms that we have undertaken. That process has drawn to a conclusion, and that is why the figures in the MPS reflect that.

**Mr HOBBS:** I make the point that it has been in the hands of the racing industry for some time and country racing prize money has not increased. Minister, I refer to page 1-26 of the MPS and the Queensland racing industry. I refer to the ultimatum by Queensland Racing chairman Bob Bentley that there is no room for two metropolitan racing clubs in Queensland and that a merger must occur or funding or race dates will be curtailed. It is quite apparent now from the industry that there is a need for two metropolitan tracks to remain in Brisbane. Do you support the racing industry or Bob Bentley?

**Mr FRASER:** I thank the member for Warrego for his question. I support Bob Bentley's stewardship of the racing industry in Queensland, and I support the racing industry both in the provision of the sort of support that it requires from government and in the provision of the \$12 million as I outlined earlier which will be to the great benefit of metropolitan racing in Queensland.

I have to say to the member for Warrego, given his attention to matters within the racing industry, that he would no doubt be aware that Queensland Racing has issued a subsequent policy to the one in which he is placing great store which says that the vote of the clubs in relation to a merger of the two

clubs is no longer contingent upon the divestment of one or other of the assets. I note for the record that the divestment of those assets was always going to be a matter that would be determined by the members of those clubs because those clubs own the assets, not the government.

There is in fact no ultimatum that resides or presently subsists. There is, however, a vote that will occur of the members of the two clubs. I might point out to the member for Warrego, who likes to be the nay-sayer in all these debates, that that is a vote that is occurring with the support of the boards of the following: Queensland Racing Ltd, the Brisbane Turf Club and the Queensland Turf Club—that is, the two bodies which are contemplating this. Once again, in similar circumstances as were exercised earlier, we have everyone who knows anything about a subject agreeing with a course of action and the member for Warrego hanging off the side of the ship telling everyone that the ship is moving in the wrong direction. The Brisbane Turf Club board supports it, the Queensland Turf Club board supports it, and Queensland Racing Ltd supports it. I believe that those people who are interested in securing the long-term future of racing in metropolitan Queensland will look to a merger of equals that involves the future platform for the prosperity of the racing industry in this state.

The development plans that exist individually at the two clubs are matters that are being worked on in a constructive manner with Queensland Racing. I look forward to the fact that people in the racing industry, many of whom operate in other fields of endeavour and in other commercial environments with great acuity and great professionalism, will be at the forefront of leading a debate that ensures we have a set of governance arrangements for Queensland Racing facilities in this state that better reflects the modern commercial operating environment that they exist in.

**Mr HOBBS:** Thank you, Minister. I refer to page 1-37 of the MPS and the income statement. I refer to the depreciation and amortisation of \$5.33 million. Minister, can you advise where this money is paid to? And does your department have any access to those funds?

**Mr FRASER:** You might ask the question again.

**Mr HOBBS:** Okay. I refer to page 1-37 of the MPS and the income statement. I refer to the depreciation and amortisation of \$5.33 million. That is the depreciation amount that is there. Can you advise where the money is paid to? And does your department have any access to those funds? Do you have access to spend those funds at all? Or are those funds quarantined to go to Treasury?

**Mr FRASER:** As the member for Warrego would be aware, the figures are in alignment with what was in the budget in the first place. I apologise for my delay in answering the question. I thought that there was some great revelation that the member for Warrego might have happened upon. Each and every government department under the accrual accounting system that has existed in this state for a long time provides for an expense which is depreciation through the books of the government agency to make sure that those funds are properly accounted for. What it means in the end, of course, in providing for the depreciation as we do is that our accounts are properly brought to account in accordance with the accrual accounting standards.

**Mr HOBBS:** Thank you, Minister. I think there is a broader answer to that, but maybe we might come back to that some other time. I refer to the departmental overview which states that all Queensland communities deserve access to financially viable and efficient local government. Minister, if, as you propose in your press statement and ministerial statement when the Local Government Reform Commission was announced and in your statement on ABC, councils will be amalgamated whether they like it or not, can you advise the committee how on earth by amalgamating large western shires which will end up larger than some Australian states they will be more efficient?

**Mr FRASER:** I think I am best advised in these circumstances to say to the member for Warrego that he would do well to wait for the report from the Local Government Reform Commission before he invites speculation on alternative scenarios.

**Mr HOBBS:** Are you saying you know the result of what the reform commission—

**Mr FRASER:** I am saying that I absolutely do not know it. In a general sense I am happy to talk about what structural reform can achieve. I have always said that the reform commission has a great ability to make decisions which take account of the different and competing needs of communities around the state. That means that what the Winton shire does is very different from what the Gold Coast City Council does, what the Whitsunday shire needs to do in the part of the world that I grew up in—

**Mr HOBBS:** A shire the size of Victoria?

**Mr FRASER:**—and what also needs to happen in places like Aurukun. The bottom line for people in different parts of the state is that there is no one size fits all approach. We have not sent this to a calculator with a set of graph paper. There will not be straight lines. There will not be quotas. There are not quotas of people. There are not quotas of square kilometres. There is not a function between people and square kilometres. The commission took account of what people were looking at in the first place—through the voluntary process to take account of communities of interest and the geography of natural resource catchment areas—of what is the true community of interest and what is a better outcome.

There is no quota of minimum number of local governments to achieve through all of this. I expect the commission will come back with councils of very different shaped sizes and very different population types. They will not come back with straight lines on a map, but I do think they will come back with boundaries that reflect the fact that it is 2007 and not 1907. As to what they decide in any particular part of the state, I do not know. We all get to find out on the one day, and my best advice to the member for Warrego is to go to bed early the night before.

**Mr HOBBS:** Thank you, Minister. I refer to 1-25, dot point 2 of the MPS. A total of \$2.1 million has been provided for the development of school based facilities for community use through the Major Facilities Program. Can you advise that the \$2.1 million for this program has been taken from the Major Facilities Program, or was additional funding provided?

**Mr FRASER:** I answered this earlier when the member for Nicklin asked me a question. It is being funded through the Major Facilities Program, which provides funds to different organisations to support those sorts of facilities around the state. We provide funds both to local governments and to community organisations and in this instance we have provided the funds which I set out earlier, you would remember, when I pricked your attention about the St George State High School which received funds. That \$2.1 million was funded through the Major Facilities Program because we changed the funding priorities under the program to make sure that the provision of facilities at schools was able to be delivered. It is something that communities have demanded and I believe that there is an expectation in the community for doing just that.

**Mr HOBBS:** I am not arguing against the need. I think it is quite a good need. All I am saying is that you put another program into it, sucked \$2.1 million out of it and so therefore there is less money available for original type programs.

**Mr FRASER:** That is an extraordinary leap of logic, member for Warrego, because these are facilities that are available to the community. Are you suggesting that we have somehow misappropriated funds to the benefit of the public by providing funds for the facility that is going to be built at the school in your electorate? What a ludicrous suggestion to make.

**Mr HOBBS:** You did do it, didn't you?

**Mr FRASER:** It does not matter whether the facility is built on a council reserve, on public land or other sort of land.

**Mr HOBBS:** Obviously you did.

**CHAIR:** Member for Warrego!

**Mr FRASER:** Obviously what we have done here, for the benefit of those in the cheap seats, is provide the funds so that we can build sporting facilities. The whole logic of the argument is to make sure that we can get them in places that are best able to serve the community, full stop. Not a really hard argument to understand.

**Mr HOBBS:** Obviously I was right.

**CHAIR:** The time for non-government questions has expired. We now move to government questions. I call the member for Keppel.

**Mr HOOLIHAN:** On page 1-3 of the MPS there is reference to the draft statutory regional plan for far-north Queensland. You mentioned that partly in another answer. Could you outline the estimated level of expenditure required to undertake that process in 2007-08 and the time frame involved?

**Mr FRASER:** I thank the member for Keppel for the question. As I was touching upon in my last answer, it is the case that the first statutory regional plan that is being conducted by the state government is the far-north statutory regional plan. It was an election commitment of the Beattie Labor government during the 2006 election campaign, and I am pleased to affirm that we are entirely on track to deliver upon that election commitment to ensure that there is a statutory regional plan in place for far-north Queensland and for the 14 local government areas that are included within that footprint.

There will be an urban footprint that is part of that plan that guides development in the same way that there is an urban footprint that was part of the regulation of the statutory regional plan in south-east Queensland. Last year there were growth rates of about 3.2 per cent through the area. That is nudging up there at the higher end of the sorts of growth rates that we are seeing around the state, in particular in coastal areas. One of the facts of life is that while in raw numbers people are still coming to the south-east corner, in terms of rates of growth—that is, the actual percentages—we are seeing many regions outside of the south-east corner now achieving growth rates in percentage terms that outpace the sort of growth that is being experienced, albeit from a much broader base, here in the south-east corner.

I believe that we will have the draft plan released by April next year. At that time it will be in the public domain for consultation through to the end of the year which I believe will mean that the draft plan can be then brought into legislative life, if you like, and thereafter take full effect. At that point it will be the second only statutory regional plan that exists in Queensland. It is particularly important, I think, to remember that the existing regional plan in the far north was coming to the end of its useful period of life.

What is also useful to recall is that the sort of statutory regional planning underpinned with the ability to look and plan for the infrastructure that is needed to support growth—a regional scale with infrastructure support—is, in fact, best practice in planning terms.

The Planning Institute of Australia gave its highest accolade to the South East Queensland Regional Plan last year because of the fact that it led best practice planning in that regard. I believe that the funds that we are providing, which is \$2 million this year and \$3.7 million overall, for the far-north Queensland statutory regional plan will be funds that are well expended to the benefit of the far north and will protect the environment that is attracting people there in the first place, provide for future growth and ensure that when we and others visit the far north some store can be taken in the fact that best practice planning underpins the future development of the area.

**Mr HOOLIHAN:** Following on from that, there is a reference on page 1-20 regarding planning for sustainable regions. Can you give an example of a successful regional planning framework for a high-growth area?

**Mr FRASER:** I can. Beyond the far-north Queensland statutory regional plan, which I was just discussing, I made reference earlier to the accelerated regional planning effort that is being undertaken by the government across the state. Recently with the member for Hervey Bay I launched the Wide Bay regional plan in Hervey Bay. That is a plan that represents a shared vision between state and local governments about the way in which growth will be chartered.

I mentioned earlier that many regions across Queensland are enjoying rates of growth which outpace the sort of growth that is occurring in the south-east corner. The Wide Bay is certainly one of those. We launched the plan on 23 May. It projects forward the way in which the Wide Bay will develop through to 2026. It is worth pointing out that the growth that has occurred in the Wide Bay over the last 20 years numbers some 85,000 people, which is quite significant when you consider the sort of development that has occurred particularly in the coastal areas. We are projecting that that growth will continue and accelerate beyond those figures. Over the next 20 years through to 2026 some additional 95,000 people will be resident in the Wide Bay. So it is one of those areas where we need to make sure that we provide for the sort of rigour and shared vision between state and local governments so that the plans that we have in place protect those issues that attracted people there in the first place and provide for the future infrastructure of the area.

**Mr REEVES:** I refer to page 1-4 of the MPS and the reference to enhancing fire safety in residential care buildings. Can the minister outline how the establishment of a new standard within the Queensland Development Code compares with fire safety policy in other states and territories across Australia and the need for national consistent building codes?

**Mr FRASER:** I thank the member for Mansfield for his question. Through the planning section of the portfolio we do have responsibility for the Queensland Development Code, which, amongst many other things, is the instrument through which the government has sought to address fire safety issues in particular sectors of the communities. That work has continued ever since the tragedy that occurred in Childers some years ago such that the budget accommodation project, which was overseen in part through the stewardship of the present director-general of the Department of Local Government, Planning, Sport and Recreation during his time as the DG of Emergency Services, has led to very significant results in budget accommodation.

Residential care has similar issues in relation to fire safety. I recently approved amendments to the Queensland Development Code which came into effect on 1 June which required new residential care facilities to contain sprinklers. Members would be aware of new standards that exist in the broader residential sector. From 1 June it is the case that new residential care facilities have to have sprinklers. In addition to sprinklers they also are required to have evacuation support plans. One of the key issues in those particular environments where people may not be able to exit a building themselves is that there is not just an exit plan but the support in place to assist people to exit or to compartmentalise, if you like, a fire event that is occurring in one part of a building so that the normal standard routine or standard practice for people being able to exit a building that is experiencing a fire is taken account of in those circumstances.

Queensland and Victoria are the only two states that require new residential care facilities to have sprinklers in place. We have been providing advocacy at a national level to promote and advocate for the fact that residential facilities across Australia we believe should have the same benefit. That is work that will continue at a national level because I ultimately believe that that is the sort of sensible and timely undertaking that should be a part of all the regulatory environments across states across Australia.

**Mrs SMITH:** Minister, page 1-20 of the MPS refers to accelerating implementation of the Smart electronic Development Assessment system. Could you please indicate the expected time frame for rollout of the Smart eDA and is Smart eDA expected to be successfully implemented by certain local governments in the near future?



**Mr FRASER:** I thank the member for Burleigh for the question. One of the things that we have been seeking to support as an agency and as a government is the development of the Smart eDA project. That is a project which is looking to put in electronic format the paper based system that exists for development approvals across the state.

Our Integrated Planning Act led the way in terms of the planning regulatory environment when it was first implemented. It is certainly the case that Queensland today, in terms of one of the key planks of that Integrated Planning Act—and that is the integrated development assessment system—is at the forefront of being able to draw together all the myriad approvals and issues that need to be assessed to be able to achieve a development approval in a circumstance.

What we are attempting to do here is to make sure that we can speed up that process through the benefit of technology. An integrated development assessment system is required. It needs to be integrated because there are many different agencies that are required to contribute both at a state and local government level. There is no small task in being able to have an electronic platform that seeks to be able to, in all those different systems, talk to each other in information technology terms, but it is certainly one that we believe that with support we will be able to see the rollout of in particular councils through the latter part of this year and certainly over the budget year that we are facing.

One of the great benefits of it going live in part when it does will be that there will be a lot more transparency in the system. There are always a lot of issues that are discussed more broadly in the community about the way in which development assessment proceeds through the system, where it is up to and who causes a 'delay'. What we are really doing here is making sure that there is a light shined on it, that there is greater access to it and that should drive better decision making by agencies and local government. Ultimately it will also provide us with the ability to lodge those forms electronically, rather than paper which is then converted to an electronic document, so that people are able to proceed and put forward development proposals, which means that in those circumstances that can proceed apace. That has great benefits to the extent that there is a cost involved in the development process with delays and to the extent that we create efficiency and transparency that should lead to a better overall outcome.

**Mr HOOLIHAN:** Minister, in relation to the MPS there is a reference to 24 high-growth local governments with priority infrastructure plans. Can you clarify what proportion of high-growth local governments this represents, what the department is doing to help high-growth local governments finalise their plans and what approach is being taken in relation to PIPs for other councils?

**Mr FRASER:** I thank the member for Keppel for his question. It has long been the case that local governments have been required to implement priority infrastructure plans into their local government planning environment. It has certainly been the case that to date only one has done so and that is the Gold Coast City Council. The original deadline for having priority infrastructure plans in place under the act was 31 March 2003. That was extended in February 2003 by two years through to 31 March 2005. Subsequently, on 17 September 2004, that was extended to March 2006. In March 2006 it was further extended to June 2007. Earlier this year I extended the provision through to 30 June 2008. It is certainly the case, I believe, that there has long been an opportunity for councils to put in place priority infrastructure plans which seek to calibrate the requirement of future infrastructure provision and ensure that those costs are appropriately borne by the parties who benefit from that development or take the benefit of the infrastructure provided.

As I said, there is only one in place to date and that is the Gold Coast City Council. In that regard I believe that there is an issue for us to address. It is one which we are focused upon as an agency. We are looking at deeming provisions and whether lower growth councils—that is, councils that are not experiencing high levels of growth, and there are many that do not experience what might be termed appreciable levels of residential development—in fact need to have a formal PIP in place or whether they can be deemed, through compliance arrangements, to have particular frameworks in place—for instance, regulated charges that might assist in those developments. That is so that we can really focus our energies and attentions on the local government areas that are experiencing the higher levels of growth so that those councils which have the greater pressures have the support to get their infrastructure plans in place and that, as development occurs in those communities, it is properly funded but, more to the point, properly calibrated and assessed. That is certainly something that we have taken a keen interest in as a government, and it is certainly something that we are looking forward to making further announcements on in the near future.

**Mrs SMITH:** The process of local government reform to improve the delivery of services to communities is outlined at page 1-11 of the MPS. What is the government doing to improve local government performance and accountability?

**Mr FRASER:** I thank the member for Burleigh for her question. As I said earlier, the key and most pressing issue that we have in relation to the local government sector in Queensland is the need to achieve sensible and timely structural reform—the sort of reform that we are going to achieve, in my view, given my confidence in the members and the expertise that resides within the Local Government Reform Commission and the ability of this government to implement their recommendations which we will achieve through that process.

Secondly, what we need to do is make sure that we have modern legislation that takes account of the fact that you have the sort of operating environment for local governments in which they can flexibly respond to the issues at hand. Finally, we need to ensure that their reporting standards—the way in which they report on their activities—are given a greater level of rigour and transparency.

Over the last year we have been reviewing the local government finance standard to ensure that there is that rigour in the financial conduct and activities of councils. We have also published on the web site the local government profile report which provides a series of benchmarks about how councils of particular categories and particular types are able to deal with issues. It is a great source of information for local governments generally to look at the way they benchmark against other local governments.

If you are interested in a system of government that provides rigour and the best account, then having that sort of transparency and that sort of accountability in the public domain is a key step along with ensuring that you have the structural reform as well as the legislative reform in place. What that means is that overall you get a local government sector that has the strength, the capacity and the ability to properly provide those services and account to the communities that it is meant to serve in the first place. That seems to me to be an outcome worth pursuing as a minister for local government.

**Mr REEVES:** With the local government reform program underway, as referred to in the MPS at page 1-11, and the elections to be held next year, what assistance is the government giving to councillors or candidates in the lead-up to the March 2008 election?

**Mr FRASER:** I thank the member for Mansfield for the question. It is important, given the experience in recent times, that we ensure as a department that we provide every support to candidates and then those candidates who are successful as councillors at the next election. As I said earlier, the next election will occur on 15 March next year. The election was scheduled to be in March next year. The adjustment we made was to bring it forward two weeks. There will be a full vote of everybody to elect those new councillors. The reason for that related to an interaction with the Easter four-day break. That was supported by the local governments generally.

We have an online training program that has been completed. That will be available for candidates and councillors. That is being delivered in partnership with the Brisbane North Institute of TAFE. We will be having a media campaign in relation to the provision of that support. There will also be available a dedicated elections web site. We will be conducting specific training programs for intending candidates to ensure that candidates are properly informed not only about the roles and responsibilities of being a candidate but also the roles and responsibilities of being a councillor to ensure that they are aware of the disclosure process. Promoting that level of transparency is something that we should have an abiding interest in as people involved in public affairs.

We will also be revising and reprinting the Candidates Handbook and also the Disclosure of Election Gifts Handbook given the many and substantial changes that we made to the local government legislation through the Local Government and Other Legislation Amendment Bill that we passed through the parliament in April. That was a piece of legislation that implemented the recommendations of the CMC inquiry into the Gold Coast City Council election of 2004.

That changed and strengthened the requirements for disclosure and the way in which elections will operate. That puts an onus on us as a government department and as an agency to ensure that we provide support to people intending to be councillors and candidates so that they can be fully aware of their obligations in that regard. As I said earlier, we like to see full disclosure of these matters.

**Mrs SMITH:** Minister, your previous answer clearly set out the level of support being provided to local government by the Queensland government. To what extent is the federal government also involved in funding local government?

**Mr FRASER:** I thank the member for Burleigh for her question. We saw great fanfare when the federal minister for local government attended Barcaldine on federal budget day. What did he deliver for local government across the nation? The answer was not very much. The key request of the Australian Local Government Association was a \$250 million infrastructure fund. I think the minister for local government federally would have been better served talking to the Treasurer on budget day than gasbagging out at Barcaldine. The minister for local government, in concert with Senator Boswell, ran around with a lot of hot air and concern for local government but what did they deliver in terms of the budget? The answer is a declining share of the proportion of funds to local government nationally. They stand condemned, I believe, as the sort of people who are interested in making hay out of a political issue but not putting their money where their mouth is.

**Mrs SMITH:** Can I have an extension of time?

**CHAIR:** Did you have anything else to say, Minister?

**Mr FRASER:** Absolutely.

**CHAIR:** I did allow a two-minute extension for non-government members.

**Mr FRASER:** Excellent, with sheer delight. Senator Boswell and Minister Lloyd have been keen participants in the debate that has been occurring around Queensland. The essence of the argument for them remains this. Within that argument they have been unable to provide funding support that has been asked of local government to meet the issue of financial sustainability—the \$250 million that has been sought each year by the Australian Local Government Association to fund infrastructure provision in those communities, which is directly contributing to the financial sustainability issues that are occurring in those communities. More to the point, we have seen the level of funds overall decline.

It is in fact the case that when I met with Minister Lloyd recently he seemed somewhat stunned that the federal government has a national principle which he signed off on in relation to council structural reform—a principle that would not be there if it opposed structural reform; a principle that provides for the preservation of assistance grants to councils that go through a structural reform process, including, at the minister's instigation, a sentence that includes it applying to councils that are involved in involuntary amalgamation. The federal government stands condemned by its hypocrisy in taking sort of an AWB approach to amalgamations—that is, it pretends it does not support it but it is happy to fund it.

**CHAIR:** The time for government questions has expired. With only five minutes remaining it is proposed that there will be one more question from non-government members and one more question from government members. I call the member for Warrego.

**Mr HOBBS:** How many councils in Queensland were refused a request to Queensland Treasury for loan funds over the last two years? How many councils received financial management assistance from your department over the last two years?

**Mr FRASER:** I thank the member for Warrego for his late in the day interest in the constructive provision of support of financial assistance to local governments across Queensland.

**Mr HOBBS:** Do you know the answer or not?

**Mr FRASER:** I do have that information to hand. Certainly it is the case that there are councils that seek approval for borrowings. That is something that is required under the Statutory Bodies Financial Arrangements Act, which is an act that is administered by Treasury.

In 2006-07 we approved 45 loans totalling \$760 million. There was a total of five loan applications that were not recommended for approval in 2006-07 for a number of reasons. Those are not recommendations for loan borrowings that have been closed off in a formal sense but they are the sort of loan borrowings that when the council in question seeks the approval from the state agency we review to ensure that those loan borrowings are appropriate and that they are not going to place the council in financial stress.

The government has worked very closely with two councils in particular. One is the Johnstone Shire Council. The issues concerning that council have readily been in the public domain for a long period of time. We have provided particular financial assistance relative not only to Cyclone Larry but also in terms of the situation it finds itself in more generally. Murgon Shire Council is another shire council which we have been providing with assistance through a financial management plan. That is in the form of practical assistance to the Murgon shire. We continue to work very closely with them given the state of the books. I might add for the benefit of the record that for both of those shires the problems that have manifested themselves in recent times were in fact deep-seated and relative to issues that had been part of deeper, ingrained matters in relation to the structure of their finances. But we have provided that financial assistance as well as continuing to play an important stewardship role in ensuring that the loans that are requested through the state government are properly assessed and that the ones that are prudently in the interests of communities are approved. We always make sure that, where that is not the case, we do not recommend them. That is an appropriate decision to make.

**Mr HOBBS:** Five out of 157 is not very many, is it?

**CHAIR:** Thank you, member for Warrego.

**Mr FRASER:** That is true.

**CHAIR:** The time for non-government questions has expired. The final question will be asked by the member for Keppel.

**Mr HOOLIHAN:** In asking this question I must thank you for your recent visit to central Queensland to present funding for the small communities water supply strategy. I realise that that is a future strategy and it will hopefully help the communities to which I now refer. Several Queensland communities are reportedly already carting water or are on the verge of having to. Does the government assist these councils financially? What programs are available for councils that need to cart in water because of the drought?

**Mr FRASER:** I thank the member for Keppel for his question. The Urban Drought Water Program is an emergency program that is administered by the Department of Local Government, Planning, Sport and Recreation. It provides emergency funding assistance to local governments for townships that are experiencing a failure in their water supply. It is required that councils provide early notification to us of that presently being a matter that has come to their attention. We respond through a range of measures. A 75 per cent subsidy applies to ensure that a water supply can be continued in those communities.

It is the case that a number of local governments, through the last financial year, had the benefit of that program. That is because there was a range of towns across Queensland which did experience that sort of failure or anticipation of that sort of failure. Presently, subsidies being made available under the program are for carting water to the townships of Killarney in the Warwick shire, to Kumbia in the Kingaroy shire, to Warra in the Wambo shire and to Boulia in the Calliope shire, which is in the central Queensland area that the member referred to. In addition, we have also provided subsidies for construction of an emergency pipeline for the benefit of the township of Yarraman in the Rosalie shire. We are also providing for the pumping of water above the weir to maintain water levels at Cecil Plains in the Millmerran shire. There is also a continuing commitment relative to the Emerald shire.

There is particularly an ability of the government to step in to provide that sort of emergency assistance in those circumstances. It is the case where there are smaller townships and by definition smaller water supplies that the sort of drought that is common in this nation of ours can thereafter lead to these sorts of water supply failures. So rather than that being borne entirely by those individual communities, which are usually a lot smaller and therefore have a lesser ability to be able to provide emergency funds, we do provide that level of funding assistance. We provide it each and every year and we will continue to do so.

**CHAIR:** There being no further questions, that concludes the examination of the proposed expenditure of the portfolio of the Minister for Local Government, Planning and Sport. I thank the minister and his departmental officers for their attendance. The transcript of this part of the hearing will be available on the Hansard page of the parliament's web site two hours from now. Do you have any closing comments, Minister?

**Mr FRASER:** I thank the members of the committee for their attendance today. I hope that, upon reflection, when the people of Queensland review, as I know they do, the *Hansard* of today, they will make their own sensible, informed conclusions about the cogency of the reform program for local government that the government is pursuing.

**CHAIR:** That completes the committee's hearing into the matters referred to it by the parliament on 23 May 2007. Before I conclude, on behalf of the committee, I thank the Hansard staff, the timekeepers and attendants for their assistance. I declare the public hearing closed.

**Committee adjourned at 4.45 pm**