

## TUESDAY, 15 JULY 2008

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### ESTIMATES COMMITTEE A—LEGISLATIVE ASSEMBLY

#### Estimate Committee A Members

Mr SD Finn (Chair)  
Mr PA Hoolihan  
Mrs BM Kiernan  
Miss FS Simpson  
Mr LJ Springborg  
Mr RA Stevens  
Mrs BG Stone

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#### In Attendance

Hon. MF Reynolds, Speaker  
Mr N Laurie, Clerk of the Parliament  
Mr M Ries, Deputy Clerk  
Mr M Hickey, Director of Corporate and House Services  
Mr S Gay, Executive Officer, Office of the Speaker  
Mr C Atkinson, Manager, Financial and Administrative Services

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#### Committee met at 8.30 am

**CHAIR:** I declare this meeting of Estimates Committee A now open. Can I start by acknowledging the traditional owners of the land on which this hearing is taking place today. I am Simon Finn, the member for Yeerongpilly and chair of the committee. Joining me on the committee are Paul Hoolihan, the member for Keppel; Betty Kiernan, the member for Mount Isa; Fiona Simpson, the member for Maroochydore; Lawrence Springborg, the member for Southern Downs and deputy chair; Ray Stevens, the member for Robina; and Barbara Stone, the member for Springwood.

The committee will examine the proposed expenditure contained in the Appropriation (Parliament) Bill 2008 for the Legislative Assembly and in the Appropriation Bill 2008 for the portfolios of the Premier, the Deputy Premier and Minister for Infrastructure and Planning, and the Minister for Public Works, Housing and Information and Communication Technology. We will examine the estimates in that order.

The proceedings today are lawful proceedings subject to the standing rules and orders of the parliament. As such, I remind all visitors that any person admitted to this hearing may be excluded in accordance with standing order 206.

In relation to media coverage of the hearing, the committee has resolved to allow television film coverage and photography during my introduction and during opening statements by Mr Speaker and ministers. The committee has also agreed to the live broadcast of the hearing via the Parliamentary Service's web site and to receivers throughout the parliamentary precinct. I ask at this stage that mobile phones be switched off.

The first item for consideration is the estimates for the Legislative Assembly. I welcome Mr Speaker and the advisers that have come with him today. The committee will examine estimates for the Assembly until 9.30 am. The time limit for questions is one minute and three minutes for answers. A warning bell will chime 15 seconds before the time runs out. An extension of time may be given with the

consent of the questioner. For the benefit of Hansard, I ask advisers, if called to give an answer, to please state their names before speaking. I now declare the proposed expenditure for the Legislative Assembly open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Mr Speaker, would you care to make an opening statement?

**Mr SPEAKER:** Thank you very much, Mr Chair, and members of the estimates committee. First of all, I acknowledge the traditional owners of the land upon which this parliament stands and the custodians of the sacred lands of our state. Can I formally introduce our new Deputy Clerk of the Parliament, Mr Michael Ries. Michael is a former acting director in the Department of the Premier and Cabinet, and we very much welcome the presence of Michael in his first estimates committee here on behalf of the parliament.

The 2008-09 budget estimates of the parliament are the second of which I am directly responsible as Speaker of the Legislative Assembly of Queensland, and I feel privileged to appear before the committee today in that capacity. As committee members would be aware, the Appropriation (Parliament) Bill seeks to provide funding for salaries and allowances for members of the Legislative Assembly and funding for the Parliamentary Service, which provides administrative and support services to the Legislative Assembly.

The total appropriation sought for the parliament in 2008-09 is \$64.55 million, an increase of 0.5 per cent over the last year's appropriation. The increase is required primarily to meet enterprise bargaining salary increases for staff, and salary and allowance increases for members that go back to the 2007-08 year. These increases will be offset by a reduction in capital works expenditure compared to 2007-08. However, a range of very significant capital projects will be delivered in 2008-09 including major facilities and air-conditioning infrastructure upgrades within the parliamentary precinct.

As Speaker of the Legislative Assembly of Queensland, I have responsibility for preparing the budget for the parliament and supervising the management of the Parliamentary Service. Throughout 2007-08 a principal focus for me and senior management of the Parliamentary Service has been the review of security arrangements in electorate offices. As the committee is aware, the review of security in all members' offices was sparked by a serious incident in the Cook electorate office in March 2007. Following the incident I established an electorate office security working group, which was chaired by The Clerk of the Parliament and included representatives from the Parliamentary Service including an electorate officer, the Queensland Police Service, the Department of Public Works, unions and Ministerial Services Branch.

The purpose of the group was as follows: with specialised assistance, assess the current security of electorate offices; with specialised assistance, identify the most appropriate matters required to improve office security; improvements to be considered to include but not limited to physical security, electronic security, training and relative work practices; to make recommendations to me, as Speaker, on proposed improvements; and to coordinate assessments, and plan and oversee the implementation of any matters approved. The electorate office security review has now been completed and a final report containing recommendations for security improvements has been submitted to me. I have endorsed all recommendations in the report that has been submitted to government for consideration of the funding implications that arise.

Significant work has been underway over the past few months to prepare for the upcoming regional sitting of the parliament in far-north Queensland. The sitting week held in Cairns will build upon the success of previous regional sittings in Townsville and Rockhampton, and will once again be a unique opportunity for far-north Queensland students and the general public to experience democracy in action and to gain an understanding of the processes of the Queensland parliament through a visit to this sitting. The Parliamentary Service is playing a lead role, in conjunction with the Premier's department, in planning for the sitting. Hosting a regional sitting requires a tremendous amount of work including everything from developing a sitting program, legislative amendments, travel and accommodation bookings, equipment, IT and transport logistics, chamber preparations and community engagement events.

In 2007-08 we also saw the introduction of a new tabled papers database, which is a single repository of electronic copies of all papers tabled in the Queensland parliament accessible via the Queensland parliament web site. Papers tabled since 2003 have been added to the database with ongoing online access to over 13,000 documents now available. In this financial year a further six years of tabled papers will be added to provide an archival record dating back to 1997.

In closing, I thank the Premier and the Treasurer. Throughout the 2008-09 budget development process we have had discussions concerning funding for the parliament. They have been conducted in a positive and cooperative manner with appropriate recognition of the principles underpinning the separate appropriation bill currently before the parliament. I also thank The Clerk of the Parliament, Parliamentary Service staff and my executive team. Mr Chair, I wish the committee well in its deliberations and I look forward to any comments and questions it may have.

**CHAIR:** That concludes the Speaker's opening statement. I call the member for Southern Downs to begin questioning.

**Mr SPRINGBORG:** Thank you very much, Mr Chair, Mr Speaker and members of the Parliamentary Service. Mr Speaker, I refer specifically to your program statement in relation to looking after parliamentary security. Can you please outline for us this calendar year what quantity of dangerous items have been collected via the security screening process at the Parliament House doors? Can you indicate how many knives, syringes—excluding those that may be for recognised purposes and genuine medical use—and other dangerous items have been confiscated from Parliament House visitors?

**Mr SPEAKER:** Can I say first of all that as Speaker of the Legislative Assembly I treat security matters with the utmost priority. As you would well know and the opposition office knows, sometimes those areas are extraordinarily sensitive in terms of opening them up to public scrutiny. In terms of the parliament, the parliamentarians and our staff, I am always extraordinarily sensitive to ensure that matters that we put out there before the public do not lead to further insecurity in regard to the parliament itself. You would be aware of incidents that have occurred that I have kept extraordinarily confidential, but can I say at the same time that I am a great supporter of the estimates committee process. As I have indicated to you by way of questions on notice, some things I am willing to share confidentially with the committee if I believe that in any way, shape or form those matters could in fact lead to an insecurity for our staff, our members and the general public and visitors.

Can I say first of all that only small pocketknives, fruit knives et cetera have been found and have been taken away from visitors who have been coming into the Assembly. As I understand it, no guns have been found in the security system and there have been no large knives or other materials that have been gathered there. What I am indicating to you is that in terms of knapsacks, in terms of the belongings that individuals may be bringing into the House, I think inadvertently some younger people at times, or adults as well, may think that they can bring in a small pocketknife or fruit knife that they may be using on a day-to-day basis. I am very pleased to say that our parliamentary security staff here do a great job in terms of making sure that we, the parliamentarians, are safe and that they are safe themselves. But the very institution of parliament, which we all cherish so much, is well positioned in terms of any threats that may be made in that regard.

**Mr SPRINGBORG:** Mr Speaker, please be assured that I and the opposition have the utmost respect and appreciation for the job that parliamentary security and all the other members of the Parliamentary Service actually do around here. I suppose the issue for us is getting a clearer picture of the sorts of things that people who work in those positions confront each day. I note from your response you indicated that some younger people may have actually come in with pocketknives or other smaller knives.

**Mr SPEAKER:** And possibly some adults as well.

**Mr SPRINGBORG:** And some adults. We all understand that people do carry small knives from time to time, not necessarily dangerously. However, you did say that some younger people may have done so. Have any of these items been taken from students from visiting school groups at the time of coming through security?

**Mr SPEAKER:** I have just been advised by my staff, Mr Springborg, that there have been occasions when students, in the main, have had a pocketknife in a knapsack coming in. Not only are those items taken off them; the teachers are also advised in regard to counselling the students in regard to security. In the main they have been students coming in who I think inadvertently—as you say, most of us, probably including you and me as students—would have them in a knapsack or something like that. But if they were unaware that they could not bring those articles into Parliament House, they have not only had the pocketknives taken off them but the teachers have also been advised so that they can counsel the students.

**Mr SPRINGBORG:** I suppose the point of my question was that we understand that adults may have a small penknife or something, but when you are dealing with students who are coming from a school group probably straight from their school and they have a knife in their possession, in their knapsack, it is highly likely that they are carrying those in a school environment and that is something which we probably all should be concerned about. I welcome that you have said that their teachers have been advised so they can counsel them. Have you set up any liaison or have you indicated to the minister for education that the security services here are finding knives in students' possession as they are coming in in visiting groups?

**Mr SPEAKER:** This is a very rare occurrence. I do not think we should be overplaying the fact that this is an instance that is a major cause of concern and that parents and students should be concerned that this is happening at parliament. This is a rare occurrence—a very, very rare occurrence, I am advised. If there were any security matter which we felt we would need to either confidentially take up or take up with any other stakeholder, we would take it up. But in this case it is a very, very rare occurrence and I do not think it is any major concern we have here. It is the inadvertence of a student who has probably on a very rare occasion done this. I do not think we should be in any way taking it up to that next level of concern. In terms of the issues of security and terrorism, the government and, I

know, the opposition have support for this, as does the parliament. We need to make absolutely sure that we are not trying to press the panic button in areas where we do not have a major concern. In this case, the teacher responsible is very much the person who would be told and counselled. But this is very much a rarity.

**Mr SPRINGBORG:** But it has happened on more than one occasion, has it?

**Mr SPEAKER:** If it has been on more than one occasion, it has been a rarity. We get thousands of schoolchildren in here on an annual basis. Again I would say in the public confines of the estimates committee, it would be our judgement and the Parliamentary Service's judgement that this should not be uplifted to a major concern that we should be sharing with the minister for education or the director-general of education. We can limit this to a particular teacher or school. I think that is the most important thing.

The Clerk has further informed me that school students having these is pretty much a rarity—very, very rare. There have been pocket knives or fruit knives found in adults' knapsacks but they have mainly been for use for lunch. Tradesmen have had them. In terms of schoolchildren, that has been pretty much a rarity and is not something that has been a constant. It is pretty much a rarity.

**Mr SPRINGBORG:** I suppose we are in a privileged position in the parliamentary precinct of having security, for obvious reasons. Our security services do an absolutely excellent job. What this does do is provide an interesting snapshot in time about what is happening. It may be a rarity. I would just ask if something like this could be brought to the attention of school authorities because parents out there are becoming more concerned about potential issues of violence in schools. Something like this might provide interesting information for the department and the minister as they consider further security arrangements. Has parliamentary security come across knives or any other dangerous objects which have been hidden outside prior to the security screening process?

**Mr SPEAKER:** Can I go back to one comment you made before I answer that question. Basically, I think there is also an onus and obligation on the parliament as a whole and all parliamentarians to ensure that we do not uplift this to a situation where people are concerned about coming to their parliament and concerned about the level of security that we are offering. I am very firm in my answer when I say that I believe our security staff are well trained and well managed in ensuring that the security of the parliament is very much their uppermost concern.

I do not want to uplift this issue either and say we should be dashing out and doing this or that. That is not the situation. I think there is an onus and obligation on everyone, including you and me, to ensure that we do not uplift these things so they become a major concern in the community because they are not. Can we ask for clarification with regard to your question. You are asking: has there been any material left outside the parliament?

**Mr SPRINGBORG:** That has been found somewhere in the parliamentary precinct, not necessarily within the building.

**Mr SPEAKER:** Outside the parliamentary precinct?

**Mr SPRINGBORG:** Let us say, for example, someone might be about to come through the security screening process and realises that they have a piece of contraband and they hide it outside the security screening process within the precinct or just outside the precinct?

**Mr SPEAKER:** Not that we are aware of.

**Mr SPRINGBORG:** The knives that have been picked up I think you indicated earlier—particularly those that have come in with students—certainly would not have been handed back or made available to the teachers. Can you give us a bit of an indication of what might have happened there?

**Mr SPEAKER:** I am seeking some advice with regard to that. Can I say respectfully to the opposition leader that this is being blown out of proportion in terms of what you are asking of the parliamentary officers today. In the last financial year there have been no knives found—certainly no flick-knives. It is very rare to find pocket knives on students. There have been none in the last financial year. That material is given back to the teacher.

**Mr SPRINGBORG:** But it has happened prior to the last financial year?

**Mr SPEAKER:** It is a rarity.

**Mr SPRINGBORG:** It is a rarity, but it has happened.

**Mr SPEAKER:** Let us not blow this out of proportion, Mr Opposition Leader. This is a rarity and to try to paint the students who are coming into the House as carrying any type of collection of knives or flick-knives is not correct. I think we can blow this out of proportion possibly for a headline, but I say to you that this is not the case. There is no concern. You have asked the question. It is a rarity. I have said that quite clearly.

**Mr SPRINGBORG:** Mr Speaker, I did not say that there were necessarily flick-knives. With due respect, I simply asked whether there have been knives or other forms of dangerous objects that have come in here.

**Mr SPEAKER:** You have asked the question and I think I have adequately answered the question.

**Mr SPRINGBORG:** All I am saying is that there would be a concern because if a student carries that in here then the student may very well be carrying that into their school.

**Mr SPEAKER:** Can I assure you once again, Mr Opposition Leader, I have faith in our security staff.

**Mr SPRINGBORG:** So do I.

**Mr SPEAKER:** The questions you have asked you could have asked me on notice as well. I have faith in terms of the procedures and processes and the management of our security system. I would not like out of this estimates committee today any skerrick of doubt with regard to the fact that we are secure or that indeed students are bringing into this House these things. That would be an insult to the students who we so carefully foster to ensure that they come into the House and have a very good educational and social experience. These are not delinquents who are coming in or anything else. They are here to get an educational and parliamentary experience, and I do not think we should be blowing this out of proportion.

**Mr SPRINGBORG:** Moving to the issue of electorate office security. You raised this matter earlier on and I acknowledge that. This is following the audit which was conducted following the incident in the member for Cook's electorate office. Can you indicate how many electorate office security issues have actually been identified as a consequence of the audit? I note that you have indicated that you have done your job and it is over with Premier's and they have to actually consider what may need to be done.

**Mr SPEAKER:** I have answered this question on notice. I have indicated to the committee that I am willing to release that report to you on a strictly confidential basis. I have no intention of any further talking about security matters to the detriment of electorate officers and parliamentarians around the state. These are confidential security matters. I have offered the committee before the meeting actually started the opportunity to have a look at that confidential report as long as it is kept confidential by this committee.

**Mr SPRINGBORG:** Mr Speaker, you have indicated that the Premier has been given both of those reports. Have you had an indication to this stage of what action may be taken with those reports?

**Mr SPEAKER:** The electorate security report has gone to her in early June. That was submitted by me to the Premier at that time. The government and the Premier in her then capacity as Acting Premier indicated that they as a government would be very favourably disposed to taking up the matters of electorate office security. I have no other information.

As I indicated in my answer to you, I would be very keen to ensure that the program outlined in the report can be done with government funding provided to the parliament, but in particular to the Department of Public Works so it can undertake the work that is suggested in that report.

**Mr SPRINGBORG:** You would be aware of the Premier's comments with regard to electorate office security that there may be a need for bulletproof glass in some of the offices. How many and which offices are they? Are there any that currently have bulletproof glass?

**Mr SPEAKER:** Can I indicate that we have already communicated with the now Premier some time ago—in her capacity as Deputy Premier—and with the then Premier that we do not believe that bulletproof glass is required in electorate offices. Therefore, no electorate offices have bulletproof glass. It is not seen as a requirement by the police or the Parliamentary Service.

In putting that report together the police did do a threat assessment. We have relied very strongly on the professionalism of the Queensland Police Service. The assessment was conducted by the Security Intelligence Branch and the State Crime Operations Command. The assessment examined data obtained over the last five years from various sources, including QPS crime reports, calls for assistance, SIB databases, advice from federal enforcement security agencies and open source information. The assessment also took into consideration the responses from the abovementioned office survey. The key findings of the analysis are included in the final QPS report to the electorate office security working group which has now been recommended by myself to the Premier.

**Mr SPRINGBORG:** I acknowledge the work which you and your staff are doing in that area. Is there an indication that electorate office staff may be able to have some security upgrades undertaken this year? I understand the incident in the member for Cook's electorate office was some 15 months ago?

**Mr SPEAKER:** Yes.

**Mr SPRINGBORG:** Is there an indication that we may see some of that security upgrade work undertaken?

**Mr SPEAKER:** Yes, there is.

**Mr SPRINGBORG:** I note it is not budgeted for this year. It depends on what might come down from—

**Mr SPEAKER:** I would be very optimistic that the government would see fit to allow financial support to the parliament for us to get on with the program. At the time the Deputy Premier, now Premier of the state, expressed her very strong concerns. Sometimes answering these questions in the way that we are now is difficult for me and indeed you as a parliamentarian and your electorate staff. That is why I offered the security report confidentially to you. It does no good to publicly talk about security matters which could be adverse to the safety and security of your own electorate staff and you as a parliamentarian.

**CHAIR:** That brings to an end the first session of non-government members' questions. I would now like to turn to some government members' questions and begin Mr Speaker by referring you to an answer you gave on notice to the Leader of the Opposition in relation to workplace health and safety. I am wondering whether you could provide the committee with any additional information in relation to workplace health and safety initiatives?

**Mr SPEAKER:** I thank you very much for the question. The Parliamentary Service has been very active in promoting and improving workplace health and safety in recent years. Key activities and developments have included in 2006 the conduct of a full workplace health and safety audit of the parliamentary precinct by external specialists, the National Safety Council of Australia, and the establishment of a program to address audit findings. In 2007-08 safety assessments within the precinct were conducted. Assessments included in October 2007 the loading dock work area, in February 2008 all firefighting equipment and in April 2000 plant rooms. In all cases a range of risks were identified and corrective actions instituted. In 2007-08 safety assessments were also conducted in electorate offices through the electorate office security review. In addition, the Parliamentary Service inspected 10 offices and conducted a safety assessment and coordinated the preparation and distribution of fire and evacuation plans for a number of electorate offices.

Of course, one of the more noteworthy workplace health initiatives of recent years is the Parliamentary Healthsmart Program, which has only recently concluded. That is an ongoing program, of course, but the actual formal part of that program concluded recently. I should place on record here my appreciation for the work of the Workplace Health and Safety Management Group. The group—which comprises representatives of electorate office staff, Parliament House staff and also management—has been very active in promoting workplace health and safety in the precinct and at electorate offices. I also note that in 2007 as a priority I was able to secure new funding for the appointment of a full-time workplace health and safety coordinator. The appointment of the coordinator late in 2007 has been instrumental in advancing workplace health and safety within the service.

**CHAIR:** Mr Speaker, I congratulate you on the Parliamentary Healthsmart Program. I know a number of members of parliament have been involved in that, as have lots of parliamentary staff. There has been some very positive feedback about that around the parliament, so I congratulate you on that. I now turn to another matter. Any member of parliament, visitor to the parliament or parliamentary staff member would be aware of the significant kitchen refurbishment over the last two years and some of the changes that have been happening around the place. Could you advise the committee as to why this project was necessary?

**Mr SPEAKER:** Yes, thank you very much. The major kitchen refurbishment program has now pretty much been completed. I would like to thank the honourable members here and members generally for their patience and tolerance during the work that we have done, but I think that you will agree that the outcomes have been very positive.

There has been considerable change in the volume and type of services delivered by Catering Services in recent years, with a consequential impact on the demands placed upon kitchen facilities and the staff using them. Up until 1995, the primary focus of the kitchens was on servicing members. However, since that time more and larger functions are now required of the kitchens. In 1995, function revenue was approximately 50 per cent of all revenue. However, now function revenue is approximately 73 per cent of all of our revenue.

In each of the last four years, Catering Services has delivered over 1,000 functions attended by in excess of 50,000 people per annum. Numerous and large functions place very different demands or loading on the kitchens. Looking forward, it is likely that there will be further changes in the volume and type of services delivered by Catering Services. It is also expected that new obligations associated with the soon-to-be-introduced food safety program will have further implications for kitchen usage and configuration.

In 2006 a review of the Parliamentary Catering Service was conducted by an independent expert from John Dickson Strategies. The review identified a range of specific problems with kitchen equipment, usage and maintenance. The review also noted a number of more fundamental problems with the existing kitchen configuration. The review indicated that these configuration problems posed a risk to the parliament and the Parliamentary Service and should be addressed through a major refurbishment of the kitchens. The recently completed kitchen refurbishment program, worth approximately \$4 million, has addressed all of the issues raised in the independent review and established, I believe, the infrastructure necessary for Catering Services to deliver the services now demanded of it.

In this day and age, and as we compare this state parliament with other state and territory parliaments across Australia, I have no doubt that the service and the number of functions that we hold in Parliament House far exceeds what other parliaments do. But that is part of our engagement approach, about having the people of Queensland come to Parliament House in order to enjoy dining with parliamentarians, lunching with parliamentarians and working with parliamentarians. I think the \$4 million kitchen refurbishment has been a very essential part of our committee budget over the last two financial years.

**Ms STONE:** Thank you, Mr Speaker. With regard to your last answer, I actually have the school captains from the three high schools in my electorate coming in today and we will be enjoying some lunch in the parliamentary precinct.

**Mr SPEAKER:** Good to see.

**Ms STONE:** So we certainly will be noticing that. I want to ask you about the Parliamentary Internship Program. I know that you had a question on notice in reference to that program. In particular, I want to ask you about encouraging participation by regional universities. What steps have been taken by the Parliamentary Service to expand the internship program?

**Mr SPEAKER:** I thank the member for Springwood for that question. The Parliamentary Internship Program is one that we have supported for a long period of time. As Speaker of the parliament and as a regional member, I have been very concerned at the lack of take-up of that program by regional universities. I know that some of our staff in their visitations across the state have been to James Cook University in Townsville, for example, and other universities regionally to try to get a greater take-up. The Queensland Parliamentary Internship Program is a program in which university students are attached to a member of parliament or a senior officer of the parliament to undertake a mutually agreed research project. Ideally, a number of us as parliamentarians have research that we would like to see undertaken, and this is an ideal opportunity to partner with an intern in that regard.

The internship program aims to give university students a firsthand appreciation of the relationship between political practice and theory, an in-depth understanding of the political processes and the role of the parliament, and the opportunity to obtain relevant research experience in a new environment—and I could not think of a better place than an electorate office to look at that mix, if you like, between political theory and practice.

The internship program has been in operation at several Queensland universities since 1996. The University of Queensland, the Queensland University of Technology and Griffith University have all participated in the program annually. Most recently, between July and December last year 17 interns enrolled in the internship program. All of these students were from Brisbane metropolitan universities. Regional participation in the internship program has been low in the past as a result of several factors, including the absence of the program as an elective subject in the appropriate discipline within selected faculties of regional universities; problems with administering the program regionally; and an inability to provide adequate mentoring, monitoring and supervision of the interns.

Given the lead that I have taken as Speaker in the renewed focus on regional Queenslanders and young people through the Community Engagement unit, education staff from the Community Engagement unit have written to all of the vice-chancellors in regional universities inviting them to encourage students to participate in the Queensland Parliamentary Internship Program. As a result, James Cook University has enthusiastically taken up the offer and this has enabled the first regional parliamentary intern from James Cook University's Cairns campus to be placed with the member for Cook for semester 2 of 2008. I know that discussions are currently underway in terms of placing another JCU student in Townsville with one of our local members as well.

**Ms STONE:** Thank you. With regard to the youth parliament event that occurred in Ingham hosted by Abergowrie College, can you just give us some information on that event, please?

**Mr SPEAKER:** This regional youth parliament is the first youth parliament that has occurred north of Brisbane. With regard to our intention to take the parliament and the work we do in the metropolitan area out to the regions, this is a very good example of it. I was very keen to be able to partner, as the Speaker of the parliament, with the member for Hinchinbrook. Indeed, this was a good collaboration between the local member's office and the parliament.

The Parliamentary Service delivers a half-day youth parliament program which provides students with a parliamentary experience based on the procedures and processes of the Queensland parliament. In April this year 90 students participated in a youth parliament in Ingham hosted by Abergowrie College. Indigenous and non-Indigenous secondary students from Abergowrie College, Ingham State High School and Gilroy Santa Maria College debated a range of youth issues during the event.

The event occurred in this regional area because students from Abergowrie College made a very valuable and enthusiastic contribution to a recent inquiry undertaken by the Legal, Constitutional and Administrative Review Committee. During the committee process, students indicated an interest in participating in a youth parliament. Upon becoming aware of the students' interest, the member for Hinchinbrook, Andrew Cripps, and I ensured that the youth parliament occurred in that region. Staff from our Community Engagement unit—indeed, our senior education officer and our Indigenous liaison officer—partnered with the Department of Communities to make the necessary arrangements, including briefing and advising students and teachers on parliamentary procedures, arranging the venue and undertaking activity in such a way that resulted in positive outcomes for the Hinchinbrook community.

In addition to the usual parliamentary program, this youth parliament also included a session where Indigenous governance was modelled using traditional yarning circles. As a result of that, at the Abergowrie youth parliament recommendations from the Youth Violence Task Force report were debated, and during the yarning circle it emerged that many local students supported the establishment of a police and community youth centre—PCYC—in Ingham. Information on youth violence issues raised during the adjournment debate was provided to the Department of Communities. This is another way in which this forum can actually feed back to ministers and communities, and that can only be seen as a very good outcome. In terms of the youth parliaments generally, we have had a number of youth parliaments this year. We have just completed the very successful YMCA Youth Parliament.

**Ms STONE:** Thank you.

**Mr HOOLIHAN:** Mr Speaker, in part of an answer to a question on notice you mentioned the development of a new suite of Parliamentary Education resources and changes to the parliament's web site. Could you outline for this committee what new materials have actually been produced?

**Mr SPEAKER:** Yes. I would like to thank the member for Keppel for that very important question. I am delighted with what we have been able to produce. During 2008 an extensive review of the current Parliamentary Education information resources, which includes fact sheets, historical booklets and brochures, has been undertaken. Initially, a distinctive marketing brand for the Queensland parliament under the banner Everyone's Parliament was created. For the benefit of members of the committee, I table examples of the branding of Everyone's Parliament that we have done. I seek leave to table that information.

Leave granted.

**Mr SPEAKER:** Those examples of Everyone's Parliament that I am tabling have been used on items such as pencils, rulers, stickers and tattoos which are used to assist parliamentary staff engaging with young people across Queensland. Following the establishment of a cohesive and marketable brand, the number, content and format of other Parliamentary Education information resources was also reviewed. As a result of the review, the parliament has produced an updated range of publications and some new information resources. They include an Everyone's Parliament two-pocketed presentation folder which holds the entire Parliamentary Education information publication range and a new range of fact sheets under the Everyone's Parliament brand. Up to 50 fact sheets will be included in the new range, which is a substantial increase on education resources produced previously. Currently, more than 30 of the new fact sheets are available and more will be updated online as they become available.

An updated version of *The Parliament of Queensland* brochure has been produced and explains the roles and the functions of the Queensland parliament. There is also a new brochure on *The Wind Yarn and Cultural Art Display* which highlights the creation and significance of the Queensland parliament's didgeridoo, the Wind Yarn. We have also substantially updated and reformatted a brochure on Queensland's Parliament House which details the history and significance of the parliamentary buildings. We also have a virtual tour of the parliamentary precinct which is available online through the Queensland parliamentary web site, enabling even greater access for Queenslanders to their state parliament. There is a map of Queensland that cross-references members and their electorates, updating a brochure previously produced in hard copy. We also have an interactive educational DVD on Queensland's state emblems and an updated teachers educational resource kit. All of these are available through the Community Engagement web site. The Community Engagement web site details the many ways Queenslanders can engage with their parliament and their members. It is a very significant way of getting that message across to the people of Queensland.

**Mr HOOLIHAN:** Thank you, Mr Speaker. In addition to that, the committee is aware that you have established a Speaker's Advisory Committee within the Queensland parliament. For the benefit of members of the committee, could you please outline the role of that committee and give examples of some of its work?



**Mr SPEAKER:** Yes, thank you very much. At the last estimates committee hearings in July last year I alluded that I would be setting up a Speaker's Advisory Committee. I note the presence in this hearing of the member for Mount Isa, who is a valued member of the Speaker's Advisory Committee. Section 9 of the Parliamentary Service Act 1988 empowers me as Speaker to establish a committee of Legislative Assembly members to advise me on issues arising under that act. The advisory committee consists of members appointed by me as Speaker. It is a committee of the Assembly and it is subject to the standing orders of the Legislative Assembly.

The establishment of this advisory committee enables me to facilitate in-depth consultation with a representative group of members on various issues relating to the operation of the parliamentary precinct, its services and facilities for members; the strategic direction of the parliament's Community Engagement unit and the establishment of links and relationships with other legislators.

In selecting the committee, I have taken into account the following factors: the committee should be as representative as possible, with representatives from the governing party, opposition and Independents; the gender balance of the committee reflects the mix in the House; the committee should include members from regional areas; and the Deputy Speaker should be on the committee. The members who have been appointed to the committee include Mr John English MP, the Deputy Speaker of the Legislative Assembly and the member for Redlands and deputy chair of the committee; Mrs Liz Cunningham MP, member for Gladstone; Mr David Gibson MP, member for Gympie; Mrs Betty Kiernan MP, member for Mount Isa; Mr John-Paul Langbroek MP, member for Surfers Paradise; Ms Carolyn Male MP, member for Glass House; and Mrs Christine Smith MP, member for Burleigh.

In accordance with standing order 209, the proceedings of the committee are confidential until reported or authorised for release. I can assure members of the estimates committee that we have had a number of meetings and very good discussion on issues that have been raised in estimates in the past. For example, we have looked at issues regarding the lifts in the parliament. We have had some very good discussion and pretty rational discussion in regard to that issue, which has been around for a long, long time. I am pleased to say that that was productive, and we have been able to have it across the parliament itself.

I think the Speaker's Advisory Committee will play a very productive and rewarding role for me as the Speaker. It is an area where I can take matters for advice, and I think it has been a very good process thus far.

**Mrs KIERNAN:** I have to endorse those comments with respect to the advisory committee. I know as a regional member it certainly gives us the opportunity to feel like we are part of parliament and the process. I am also very aware of the training courses that parliament undertakes for electorate officers. I am aware of the June 2008 course. Could you advise the committee of any additional information in relation to this training?

**Mr SPEAKER:** Yes, I am very pleased to—

**CHAIR:** I might just note that there are 10 seconds left of government time in our 20-minute allocation. Member for Southern Downs, we might give the Speaker the opportunity to answer this question and then we will allocate time accordingly. We have three minutes to answer this question.

**Mr SPEAKER:** Thank you. I thank the honourable member for the question. The Parliamentary Service's recent enterprise bargaining agreements have included clauses regarding training for electorate office staff. I think that is a very positive way that we have been able to work with our staff and their industrial representatives. The current agreement provides that the parties acknowledge that training in conflict resolution, mediation, anger management, dealing with difficult clients, cultural awareness, harassment and some computer programs, particularly when programs are upgraded, will be prioritised by the subcommittee. I should say that since that time, of course, we have had the security review done as well. I am very pleased to be able to say that we have included a pilot program, which was attended by eight staff in June. It was a very substantive component—in fact, one day of the two days—that has delivered training in security because of the heightened awareness in that regard.

The new pilot training program was designed to build on previous training provided between 2005 and 2007 but to incorporate new material where appropriate. With the new pilot course that was conducted in June 2008, we have now preliminary feedback that has been received from those staff who attended the pilot course. That feedback was generally very positive.

I conclude by saying that, as Speaker, I believe that parliamentary training for our electorate officers is a critical component of the support that we need to give to our electorate officers, particularly those in regional, rural and remote areas who do not have the same contact that electorate officers and members generally in the metropolitan or large provincial city areas have.

**Mrs KIERNAN:** Thank you.

**CHAIR:** Thank you, Mr Speaker. We now have 10 minutes remaining and we have had a few minutes extra. So we have about eight minutes of non-government questions, I would think, on my reading of that. The member for Southern Downs.

**Mr SPRINGBORG:** Thank you very much. Mr Speaker, I just want to clarify a matter that arose prior to the government's session in relation to potential security breaches at parliament. You indicated that in the last financial year or this financial year—I just want clarification—no knives have been found on students. Which financial year are you talking about? 2007-08?

**Mr SPEAKER:** 2007-08.

**Mr SPRINGBORG:** Thank you very much. You mentioned earlier the operation of the Speaker's Advisory Committee and some useful discussions you have been having about the issue of the lifts here. Are you in a position to describe to us what the resolution might be, because all members—and I would say most staff—are finding increasingly frustrating year by year the issue of being able to seamlessly transition from offices to our parliamentary chamber obligations.

**Mr SPEAKER:** The committee's deliberations have been confidential to this time, but I can say that there was a unanimous view by the members of the committee—and a very pragmatic view taken—that the cost of the expenditure to be put forward for new lifts for the Parliamentary Annexe should not be an ongoing debate in regard to the lifts. The pragmatic view of all the members of that committee was that there are other ways, including good exercise that some members could get in terms of the use of the stairs, especially one or two stairs from time to time.

We have asked our staff while parliament is sitting not to use the lifts that are in the tower itself. I think it would be fair to say that one of the very good things about the Speaker's Advisory Committee is the ability to look across the parliamentary views that you have there. I have to say that members generally felt that no more time should be spent debating the lifts matter. It is a matter of fact, of course, that when the Annexe was being built many years ago there was a misinterpretation at that particular time by the Speaker of the day and the government of the day in regard to the fact that there were going to be only two lifts. In that regard, the Speaker's Advisory Committee has said, 'Let's not waste our time.' There are other ways in which members can ensure they get to divisions on time. There are pragmatic ways in which we can deal with it rather than looking at tens of millions of dollars that would need to be spent on lifts. I know in the past members have indicated that we should have other lifts, but as Speaker I would not be one to now look at tens of millions of dollars being spent on new lifts for the parliamentarians who may require them at a time when those tens of millions of dollars could be spent on other aspects of government or parliamentary work that we require.

**Mr SPRINGBORG:** If that is going to be the case—and I respect the work of the committee—I remember a number of years ago, it might have even been in the earlier part of when you were elected to this place or it might have been before then, there used to be a security officer in the lift when divisions were on to ensure that the lifts were able to go where they needed to go and priority was given to members. Regardless of how many times you put out an edict—and the Clerk puts out a number of them on your behalf—saying, 'Please don't use these lifts' and 'Please be courteous' and all of that, it continues to happen. So are you prepared to look at those sorts of things? Is that a part of the deliberations?

**Mr SPEAKER:** It is a part of the ongoing management of the parliament, which I am sure the Clerk will attend to on an ongoing basis. We occasionally have contractors and the contractors who are working here on the kitchen may not have been as aware, if you like, in that regard. I have to say to you that this year I do not think I have had one complaint from any parliamentarian in regard to the fact that they have had a problem getting to a division. I was very pleased to hear from across the political spectrum at the advisory committee that we really feel that these things are not of the magnitude to really discuss very much in regard to the management of the parliament itself. We seem to be coping pretty well and management can certainly enforce people who should not be using the lifts from time to time.

**Mr SPRINGBORG:** My next question relates to the potential development of North Bank and some comments which I saw recently from the Deputy Premier in which he indicated that it might encroach upon one of our car parks here at Parliament House. Have there been any discussions with the government, or the Deputy Premier, regarding this? How is it envisaged that this would not be a disadvantage to Parliament House, visitors and staff by the loss of car parking areas?

**Mr SPEAKER:** Can I say first of all that, yes, as Speaker I have discussed these matters with both the Premier and the Deputy Premier. As all members would be aware, the government is currently undergoing a process in respect to the development of the north bank of the Brisbane River. I am unaware of what proposals the government will pursue in this regard. However, I am confident that the government will consult with me in relation to any proposals that will impact upon the parliamentary precinct, including parliamentary car parks.

I note that the government has consulted with the Parliamentary Service previously in respect of earlier North Bank proposals. The Parliamentary Service was also represented at the recent inquiry by design workshops. Many would see the North Bank concept as clearly a significant proposal with obvious community benefit. However, as Speaker of the Legislative Assembly, I have an interest in preserving the parliamentary precinct and, in the case of the parliament's car parks, maintaining the capacity of constituents and other visitors to attend the precinct. The parliament receives thousands of

visitors each year and many of these visitors have little choice but to use their motor vehicles to attend. Members often receive constituents and other visitors to the parliamentary precinct during sitting weeks and the availability of car parking obviously facilitates such visits.

I will be eager to preserve car parking capacity for the parliament in one form or another. In the past, the government has consulted with the parliament in relation to its North Bank proposals. I am confident that it will continue to do so in the future. I reiterate again that my job as Speaker is to ensure that we have the parking that is necessary for the work of parliament to continue in the years to come.

**Mr SPRINGBORG:** Thank you.

**Mr SPEAKER:** I think there is three minutes remaining. There is time for one more government question. Member for Mount Isa?

**Mrs KIERNAN:** I am aware that we receive a number of visiting delegations to Parliament House each year. Mr Speaker, could you provide the committee with some details about the delegations?

**Mr SPEAKER:** Yes. I would like to thank the member for Mount Isa for that question. I am very happy to answer it, because it allows me an opportunity to discuss the ceremonial duties undertaken by the Speaker of the day.

As members would be aware, my office is managed in accordance with the guidelines for the financial management of the Office of the Speaker. The guidelines define the role of the Speaker as including a ceremonial role and hosting visitors to and guests of the parliament. As I go around the state, people quite often ask me or are surprised to hear that the job of the Speaker—or the role of the Speaker—is more than just chairing the parliament. People do not know the other aspects of the Speaker's job.

Official visits to the parliament include visiting parliamentary or governmental delegations from overseas and meetings with members of the diplomatic corps in Australia. When senior members of the diplomatic corps come to Queensland, they would call on the Premier, or her delegate minister, the Governor and the Speaker. The Deputy Speaker occasionally assists me in fulfilling the duties of hosting official visits. Both the Deputy Speaker and I are very capably assisted by the new protocol officer, Sarah McCallan. Ms McCallan is responsible for facilitating official visits to the parliament and works closely with Protocol Queensland and my office in this regard. I am aware that other members also utilise the services of the protocol officer for the various activities that they also undertake as parliamentarians.

Amongst the official visitations received by the Deputy Speaker and me last financial year are, for example, business by the Ambassador and Consul General of the People's Republic of China, a parliamentary delegation from the Gyeonggi Provincial Assembly in the Republic of Korea, the Consul General of the United States of America, the Secretary of Committees from the Parliament of Tonga, a delegation from the Legislative Affairs Office at the State Council of China, a delegation from Wuyi County in Zhejiang Province in China, a delegation from the Minas Gerais Parliament in Brazil, a delegation from the Maharashtra Legislature in India, the Austrian Ambassador in Australia—so you can see that there is a very strong degree of diplomats who come to the parliament. It has been my role, of course, to ensure that they are able to see and to speak to me and other parliamentary officers.

**CHAIR:** Thank you. The time allotted for the consideration of the proposed expenditure for the Legislative Assembly has now expired. Thank you to your advisers and assistants as well. The committee will now examine the estimates for the portfolio of the Premier.

**Mr SPEAKER:** I thank you very much, Mr Chairman and members.

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

Hon. AM Bligh, Premier

**Public Service Commission**

Mr B Wilson, Chief Executive Officer

**Commission for Children and Young People and Child Guardian**

Ms E Fraser, Commissioner

**Department of the Premier and Cabinet**

Mr K Smith, Director-General

Mr N Elliott, Chief Financial Officer, Financial Management

Ms F Parker, Principal Project Officer, Corporate Capability

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**CHAIR:** Good morning all. I declare this meeting of the Estimates Committee A now open. Welcome, Premier, to your first estimates hearing as Premier and happy birthday for yesterday as well.

**Ms BLIGH:** Thank you, Mr Finn.

**CHAIR:** I am Simon Finn, member for Yeerongpilly and chair of this committee. Joining me on this committee are Paul Hoolihan, member for Keppel; Betty Kiernan, member for Mount Isa; Fiona Simpson, member for Maroochydore; Lawrence Springborg, member for Southern Downs and deputy chair; Ray Stevens, member for Robina; and Barbara Stone, member for Springwood.

The committee will examine the proposed expenditure contained in the Appropriation Bill 2008 for the portfolio of the Premier. The committee will examine the portfolio until 12.50 with a 20-minute break at 10.30 am. The proceedings today are lawful proceedings and subject to the standing rules and orders of the parliament. As such, I remind all visitors that any person admitted to this hearing may be excluded by order of the committee in accordance with standing order 206. In relation to media coverage of the hearing, the committee has resolved to allow television film coverage and photography during my introduction and the Premier's opening statement. The committee has also agreed to the live broadcast of the hearing via the Parliamentary Service's web site and to receive this throughout the parliamentary precinct. Before I go any further, if anybody has their mobile phones still on can they please be switched off now.

The time limit for questions is one minute and three minutes for answers. A warning bell will chime 15 seconds before the time runs out. An extension of time may be given with the consent of the questioner. I should just note at this point that we are allocating questions in 20-minute blocks, but if there is an amendment to that, in order for the clock to be changed we need to give them five seconds to do that before people go into their answers or questions. For the benefit of Hansard I ask advisers if you are called to give an answer to please state your name before speaking. I declare the proposed expenditure for the portfolio of the Premier open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Premier, I believe you have an opening statement.

**Ms BLIGH:** Thank you, and thank you for your well wishes on my birthday yesterday. Can I say good morning to the committee and make a few opening comments. As you know, I became Premier last year and on doing so said that I wanted to lead a government that plans for the future, one that anticipates the challenges ahead and deals with them. I have to say that it is an exciting time to be Premier of a state like Queensland as our state is being transformed into a modern and progressive community.

Queensland is positioned well ahead of the pack with the strongest economy in the country. For the 13th consecutive year, economic growth this year will lead the nation. Given the growth of Queensland, clearly there is a real need for a government that is forward looking and is building for the future. Our growth is welcomed by my government, but we accept that it needs to be managed carefully and we recognise the big challenge that that involves.

Over the past 10 months we have been getting on with meeting these challenges, whether it is in the area of building and rebuilding infrastructure with \$17 billion this year—or just on \$2 million every hour of every day—being spent on the infrastructure that Queensland needs. I chair an infrastructure cabinet committee to drive that infrastructure program to make sure that the projects are being delivered as quickly as reasonable.

We are getting on with the business of tackling congestion here in the south-east corner of the state with projects like Airport Link, which is the nation's largest road project, better public transport like the Inner Northern Busway, the new Northern Busway and now the Eastern Busway. We have established a new transit authority to ensure that public transport services are there when and where people need them and, importantly from my perspective, that our public transport services have a very clear customer focus. We have also invested in significant additional rolling stock on the Citytrain network and on the south-east network, including the train to the Gold Coast.

We are working hard to improve Queensland's important health services, building and rebuilding eight major hospitals across the state including three major tertiary hospitals. To ensure that that gets undertaken as comprehensively as possible, we have established a Queensland Health Major Infrastructure Project Office to oversee those dedicated projects. We have taken a decision to introduce fluoride into our drinking water, and the process will begin this financial year. We are also continuing to invest in improving services in Queensland Health and continuing the important role of changing culture in that organisation, and to that end the appointment of a new director-general has been much welcomed.

We are also moving to protect our environment and to tackle issues like climate change. With a commitment to a 50 per cent increase in the national park estate by 2020, that will be a national park estate that will amount to something like twice the size of Tasmania. We have also introduced a solar panel scheme, committed significant funds to solar schools and committed to a solar thermal generator in Cloncurry. Our ClimateSmart Home Service has been funded from the Climate Change Fund as part of this year's budget and will begin to provide households with much needed assistance and access to information about how they can reduce their own energy demand.

Importantly, we are working hard to help ease the financial pressure on families, particularly those young people who are trying to get into the home market with their first home, with a range of affordable housing measures including the abolition of mortgage duty from 1 July and increasing the transfer duty threshold for first homebuyers from \$320,000 to \$350,000. That will save first homebuyers close to \$10,000 from 1 September 2008. Recently I announced that Queensland will introduce unit pricing on groceries.

We are also moving to strengthen our Indigenous communities with the Family Responsibilities Commission beginning its work and alcohol reforms being embedded. We are also working to create a more effective public sector with an expenditure review committee—a new Public Service Commission. A strong public sector is what delivers many of the commitments from government. All in all, we are working hard to create a stronger Queensland, a smarter Queensland, harnessing our best technology and our best people and a greener Queensland that is protecting our environment.

**CHAIR:** I call the member for Southern Downs to begin non-government questions.

**Mr SPRINGBORG:** Premier, my first question relates to the role for the Commissioner for Children and Young People and Child Guardian. As you would recollect, Premier, in 2005 the CMC recommended that the child guardian audit the Department of Child Safety on its compliance with Indigenous child placement under section 83 of the Child Protection Act. This was mandated in section 155AA(1)(c) of that act, and I ask: when did the commission complete its first review of this section and when was it received by the Premier's department?

**Ms BLIGH:** I will call the children's commissioner for that level of detail. Can I say while the children's commissioner is making her way up to the front table how important I believe the role of the children's commission is in monitoring and overseeing the activities of the child safety department. It is one of the primary purposes for the establishment of the commission for children and young people. As you identified, it has some very specific duties in terms of overseeing and monitoring the activities of that department both in terms of responding to individual complaints, which from time to time arise from either natural parents or foster-parents or children themselves about the nature of the care that they are receiving, or much more comprehensively on a systemic level. We have seen material put into the parliament recently looking at the survey that the children's commission did to outline the views that young people in care have of the care that they are receiving. In relation to the specific dates that you are referring to, I will ask the children's commissioner if she wants to add to that.

**Mr SPRINGBORG:** You have received it, though, have you not?

**Ms BLIGH:** I am not sure that I have. It might have been before my time.

**Ms Fraser:** Elizabeth Fraser, Commissioner for Children and Young People and Child Guardian. We have been working towards building the capacity of our own ability to monitor the Indigenous child placement principle and how we would report on it and we have looked at what the principle requires you to look at. Some of that obviously is looking at the data and how you would pull that together. We have done quite a lot through our Community Visitor Program and through our survey work in trying to establish what is actually happening for children and young people who are in care and whether there has been an acknowledgement of whether their Indigenous status is identified, discussions in terms of where they would be placed, looking at whether or not the family arrangements are there and whether

the cultural connections are being made. As a result of that, we did develop a process by which we looked at a small number of placements in terms of the application of that and we have been working through the finalisation of it. It has not as yet been made public and we are proposing to release that probably in the next month or so.

**Mr SPRINGBORG:** Mr Chair, through you to the commissioner, has it been sent to the Premier's office and when was it sent?

**CHAIR:** Order! The questions actually go to the Premier directly.

**Mr SPRINGBORG:** I asked the Premier and the Premier asked, Mr Chairman, that the commissioner handle the detail.

**CHAIR:** You can ask a question of the Premier.

**Mr SPRINGBORG:** That is fine. I am happy to do it. Through the Premier to the commissioner, keeping in mind what the Premier said that for that level of detail the matter should be addressed to you, when was it received by the Premier's department? When did the Premier receive it?

**Ms Fraser:** The final report has not been sent to the Premier at this stage. When we prepare an audit we discuss it with the agency, we get feedback on any of the comments that we have made and then we integrate that into our final report. We have discussed the methodology with the Premier's department and how we are proposing to do it and what the focus is. That is at officer level, but I have not provided a final report to the Premier as yet.

**Mr SPRINGBORG:** An interim report has gone to the Premier, has it?

**Ms Fraser:** I have provided a draft in terms of how I am proposing to approach it and the methodology and how I have looked at some of the particular cases.

**Mr SPRINGBORG:** When was that provided to the Premier?

**Ms Fraser:** The draft discussions?

**Mr SPRINGBORG:** Yes.

**Ms Fraser:** I have not got the precise date, but it would have been towards the end of last year or the beginning of this year.

**Mr SPRINGBORG:** I ask the Premier: did the commissioner's draft report to you, Premier, indicate significant compliance issues and significant failings with regard to the placement of Indigenous children throughout Queensland into foster care arrangements?

**Ms BLIGH:** I think if you listen to what the children's commissioner said, she said that what she had provided to the Department of the Premier and Cabinet was a discussion about the methodology that would be used, the way that data would be collected, that that process has then been ongoing over the last six months, that the commission is in the process of finalising it. I am not sure that the document that you are asking about is a document that indicates that sort of material. We are talking about the difference between a discussion on methodology and data collection, and then six months on what that data collection has actually demonstrated.

**Mr SPRINGBORG:** I have here what I believe to be a copy of the document that went to your office or to yourself and the executive summary. I would like your indication, Premier, of what may have changed in that time. It indicates that the child guardian has reviewed 101 placement decisions involving 28 individuals, and 82 or 83 of those have happened since the enactment of the new provisions. Not one single one of those placements has complied with each of the steps recommended as needing to be complied with post the CMC's investigations and recommendations and the new procedures. Has anything come forward in your discussions with the commissioner that would indicate that that initial assessment needs to be changed?

**Ms BLIGH:** I am not sure what the document is and you would have to provide it to both myself and the children's commissioner for me to make any comments on its accuracy. I can advise you that I have not received any material from the children's commission in relation to this issue, in relation to the outcome of the report and any substantiated documentation on which the government could give any consideration or act. As outlined by the children's commissioner earlier, she anticipates providing a report to government some time in the next four to five weeks. If you could provide the document, I am happy to tell you what document it is.

**Mr SPRINGBORG:** I want to quote from this, but I am more than happy to get a copy of the executive summary so you can have a look at it.

**Ms BLIGH:** It sounds to me like you are quoting from a document that is a draft that is still held by the children's commission.

**Mr SPRINGBORG:** Which has actually been sent to you, as I understand it. Maybe the commissioner, through the Premier, could confirm that the child guardian looked at 101 placement decisions as a part of its initial audit and that none of those placement decisions at that stage complied fully with all of the provisions that have been laid down post the CMC's investigation for the placement of those children?

**Ms Fraser:** Basically, if you are looking at a draft document that has been provided to you—and I do not know how—I do not actually like to talk about reports until they are, in a sense, finalised. But what we did look at was some placement decisions relating to Indigenous children who were not placed with Indigenous carers, in order to ascertain whether the various steps applicable to the child placement principle had been complied with. In terms of what we looked at—there were issues relating to full compliance, and that was one of the things that we were wanting to check and make sure that the information that we had looked at was accurate. That is the process that we are working through. I will finalise that and release the report.

**Mr SPRINGBORG:** Did the—

**CHAIR:** I am sorry, member for Southern Downs, can I ask which document you are referring to? Do we have a—

**Mr SPRINGBORG:** I am referring to this document, Mr Chairman, which I understand was sent from Ms Fraser as the Commissioner for Children and Young People and Child Guardian to the Premier. I understand it to be earlier this year or late last year, and that matter was confirmed by the commissioner. I am seeking to clarify what steps may have been taken to prove and substantiate the information, keeping in mind that it is the initial audit findings since the implementation of the new child safety regime for the placement of Indigenous children.

**CHAIR:** This is not a document that other members of the committee have in front of them. Are you seeking to table this document?

**Mr SPRINGBORG:** Mr Chairman, I have no problem with that. As I understand it, basically any matter we bring here can potentially become a matter for the committee. It is not a problem for me.

**CHAIR:** I am happy for that. I am trying to clarify which document. Please continue.

**Mr SPRINGBORG:** Thank you. I ask again if the commissioner can confirm, through the Premier, that the document which was sent to the Premier earlier this year contained an audit of 101 placement decisions, 83 of them made after the new regime came into place, and which at that stage indicated that there was not complete compliance with all of the provisions in any of those cases?

**CHAIR:** Member for Southern Downs, before we go on—and you will be given an opportunity to ask this question—I would say that we are examining the Appropriation Bill so we need to make sure that we refer to the appropriation. I will take the answer to the question, but I remind you that this committee will not examine every document in government. I will allow the question and we will get a response, but I am reminding you of that.

**Ms BLIGH:** What is the question?

**Mr SPRINGBORG:** Will the Premier or the commissioner confirm that the document that was sent to the Premier either late last year or early this year—

**Ms BLIGH:** Before you go any further, we really need to see the document. I have not seen it. I do not know what document you are referring to and the commissioner does not know.

**CHAIR:** I ask the member for Southern Downs to table the document.

**Ms BLIGH:** If you want to ask a question about a document, I need to see it.

**Mr SPRINGBORG:** I have no problem with that, but surely the people who are responsible for drafting or seeing documents would be able to say whether 101 placement decisions were investigated involving 28 children? That is a simple reality. If you say 'no', obviously the document is not a substantiated document.

**CHAIR:** Member for Southern Downs, are you seeking to table this document?

**Mr SPRINGBORG:** I have no problems with that.

**CHAIR:** Leave is granted. Pass this document to the Premier, please.

**Ms BLIGH:** I think the difficulty here for the commissioner is, as she outlined, before reports are final and therefore, as you say, substantiated, the agencies concerned are given an opportunity to respond to the data and that process is still underway. But as I outlined at the beginning, it is the role of the children's commission to monitor the performance of this agency. If there are matters that require some further attention, this is exactly the sort of thing that we established the children's commission to do and provided them with powers under the act.

It is important to understand the child placement principle in the broader context of the Child Protection Act. The child placement principle is an important factor but it is only one factor that must be taken into account. The overriding factor that must be taken into account in the placement of a child is the best interests of the child. There will be some circumstances where that provision overrides other provisions of the child placement principle. In the context of your assertions about whether or not there was full compliance with every part of the child placement principle, you need to understand that in the broader context of the decision making in every case. I am sure that is something that the commission has taken into account. I am happy to ask the commissioner to make some comments in that regard.

**Ms Fraser:** I agree in the context of what we have been looking at is making sure that we are aware of how the principle is applied. In particular I can confirm that we did look at an audit of a number of placement decisions in the area where we were interested to see what had actually happened. We are in the process of finalising that at this stage.

**Mr SPRINGBORG:** Can you confirm, through the Premier, or can the Premier confirm that indeed the audit did involve the number of people I have indicated—the number of children?

**Ms Fraser:** I can confirm that it did include that number of people.

**Mr SPRINGBORG:** Can either the Premier or yourself confirm that that particular document is the draft audit report that went to the Premier—that document there, the executive summary at least?

**Ms Fraser:** In terms of the executive summary, I have not gone through every page but it does look like what went in the original draft.

**Mr SPRINGBORG:** And can you confirm that it says that there had not been any placements at that stage that complied with each discrete step, that is, none of the 82 placements—in one place it referred to 83—complied with those entire steps?

**Ms Fraser:** I am happy to indicate that that is what it says in the executive summary here. As I say, the context of that needs to be clear, that this was actually looking at the application of the principle where Indigenous children were placed with non-Indigenous carers. It is not actually an audit of all placements of Indigenous children. Obviously a number of Indigenous children are placed with Indigenous carers, but the application of the principle requires a certain number of steps.

**Mr SPRINGBORG:** And I very much understand that. It was a certain snapshot of 101 placement decisions involving 28 children over a period, and 83 since the new arrangements came in. Is it also true that the child guardian found a difference in reporting methodology between the Department of Child Safety and what you dug up with regard to your audit, which is that they give a different impression with regard to kinship placement than what you are able to substantiate, at least in the initial stages of this audit?

**Ms Fraser:** I think basically what I was talking about in the beginning is that part of this audit was to establish the methodology. Up until now, most of the reporting in terms of how the Indigenous child placement principle is adhered to across jurisdictions has been essentially a count of the number of children who are placed in Indigenous placements, and that number is a raw number and it is a reasonably high number. The application of the principle requires a whole lot of other steps to have taken place and therefore we needed to talk about how that was being measured, how it was being accounted for, how the data was being collected. Some of that needs a bit of work in terms of building that capability to ensure that you have actually got an effective way of reporting on the application of that principle. We have discussed that with the department. We have discussed it in terms of methodology also with the Premier's department and we have discussed it with the Aboriginal and Torres Strait Islander health partnerships group in order to try to get some agreement on how we should count and monitor that. But in particular we thought it was important in the circumstances to be clear what was happening for children who were placed with non-Indigenous carers.

**Mr SPRINGBORG:** I understand. Through the Premier, commissioner I do respect the role of the commissioner which, in a very independent way, ensures compliance with provisions that have been laid down under the act and also the implementation post the CMC report. However, it does disturb me—and I would be interested to know if there is any change to this proposition—that of the children surveyed less than half expressed that they had as much family contact as they would like. The responses also showed that the children did not have their possessions treated with respect, their home was not cleaned, they did not have enough space and they had significant problems at school. Given that this has been with the Premier's office or the Premier for the past five or six months—and the Premier might answer this—has anything substantially changed your original audit report to the Premier? When can we expect to see this document made public so we can finally judge the outcome of our child safety reforms in this state?

**Ms BLIGH:** In relation to that question, having had an opportunity to peruse some of the material, what is indicated in the findings of this draft report is that in numbers of cases there are no records to substantiate whether or not that particular step of the principle was complied with. That, of course, does not mean that it was not complied with. It means that there was insufficient evidence for the commission to determine. A lack of record keeping is not desirable, obviously. Good record keeping is a very important part of the role that this department, along with other agencies, undertakes. However, an inability by the commission to find records of something does not mean that it did not happen. If you look at the five steps of the child placement principle, they go to questions such as giving an opportunity for a recognised organisation to participate in the decision making about the child.

I ask for an extension of time. At a regional level you expect to see good relationships between child safety officers and some of these Indigenous child organisations, and discussions are held often on a regular basis. I believe that they should be accurately recorded and I certainly do not in any way condone a lack of recording of them. But the fact that a child safety officer may not have fully filled out all



of the file material is not an indication necessarily that the appropriate discussions and the appropriate step did not occur. I note that some of the recommendations from the commission in the draft report go to the question of better record keeping, and I think that is a very admirable recommendation.

**CHAIR:** Thank you, Premier. The first session of non-government questions has expired. It is now time for government questions. Premier, I would like to come to the Service Delivery Statement.

**Ms BLIGH:** Just before you start questions, I do have something to put on the record in relation to a question on notice put to me by the opposition, if that is okay. In relation to a non-government question on notice in relation to entitlements for the former Premier, I apologise that the response did not include two payments relating to the taxation obligations of the benefits provided to former Premier Beattie. A payment of \$100 has been made in relation to payroll tax obligations associated with the secretary attached to his office. Benefits provided to the former Premier attract a fringe benefits tax obligation of \$1,090, and a further invoice of \$100 has been paid in relation to home security arrangements. That means the revised cost of assistance provided to former Premier Beattie is \$26,590. I offer my apologies to the committee for what are relatively small but important accuracy details on that matter.

**CHAIR:** Thank you, Premier. The committee appreciates that clarification. Turning to the Service Delivery Statement, on page 1-37 there is reference made to the government's program of reform for the Queensland Public Service. Could you outline what other public sector reforms are being undertaken?

**Ms BLIGH:** Yes, as I outlined earlier, Public Service reform is a very important part of my agenda as Premier. Obviously we have a very large public sector workforce and when we are talking about any area of delivery, such as health and the need for us to reform the health culture or whether it is delivering new and additional police resources, it is what is actually happening out there on the ground with our public servants that makes all the difference to effective service delivery.

One of the first things I have looked at is bringing together the Service Delivery and Performance Commission and the Public Service Commission and created a new Public Service Commission. What that is intended to do is to bring together the performance with the human resource management policies and activities of government. I think we will start to see some very important outcomes in the very near future as a result of the deliberations of that newly formed commission.

Further, we have put in place an Expenditure Review Committee. The Expenditure Review Committee is designed to ensure that Public Service agencies and ministers are driving efficiencies where appropriate so that all of the dollars invested by taxpayers are going to the highest priorities and to front-line services of government. I think this is obviously a relatively new feature of government operations in Queensland, but it is quite well known in a federal context and in some other states. There have been some areas identified as early priorities for the Expenditure Review Committee and its work, and I look forward, as the chair of that committee, to being able to advise the parliament in the not too distant future of some of the priorities that that committee will undertake in its work.

Beyond that, I would like to say as Premier that I think one of the areas that is important for us as an employer is the attraction and retention of good quality staff. For a long time the public sector salary package has been seen as an attractive one not only because of its wages components but because it offers a high degree of security of employment. I have to say that in today's very mobile labour market we need to recognise that that is something that people have put a lower value on, particularly younger workers. One of the things that they are putting a higher value on is getting the balance between work and family right.

We have some very important and I think valuable conditions of employment that support young families, to have a family and to come back into the workplace. These are often not as understood as well as they should be, and I have asked the new Public Service Commission to make the work and family entitlements better known across government and to work with particularly the middle level managers to ensure that they know those entitlements and are actively promoting them, and assisting and supporting workers in those circumstances.

**CHAIR:** Thank you, Premier. Premier, I along with all Queenslanders I expect, welcome the appointment of Ms Penelope Wensley as Queensland's next Governor. Can you advise the committee on the salary arrangements for this position?

**Ms BLIGH:** Yes. I was very pleased to advise that the Queen had assented to the appointment of Ms Wensley as Queensland's 25th Governor. She is a very distinguished Queensland, a career diplomat, someone who has made her mark on the world stage and is now returning home to serve our state. I would like to put on record my thanks to the opposition for the very warm welcome it has given Ms Wensley as our next Governor. I advise that there will be a swearing-in here on 29 July on the Speaker's Green.

In relation to the salary arrangements for the new Governor, for the past five years, as you know, the post has been held by the Governor-General designate, Ms Quentin Bryce. Ms Bryce's five-year term is due to end on 29 July. Earlier this year I invited Ms Bryce to consider an extension of her appointment and she accepted, and that appointment was extended for a two-year period. The current

Governor has had no increase in salary for the five years that she has held the appointment, including no CPI updates. She therefore sought some reconsideration of the Governor's salary to be put in place at the point of the acceptance of the extension of the contract.

When I looked at the Governor's salary arrangements in Queensland I found that the Queensland Governor was not only the lowest paid Governor in Australia by a long way but was also really the only Governor who does not have their salary linked to any form of tribunal or any other role. Most of the other Governors of Australia are attached to a percentage of a judicial appointment, with the exception of New South Wales but the New South Wales Governor of course is a part-time appointee. So I have taken advice on that matter, and I table for the benefit of the committee a table that outlines that the Governor's salary in Queensland will rise to a sum of \$266,374. I have agreed to set it at 90 per cent of a Supreme Court judge's salary. That brings it into line with a number of other states, but it makes Queensland above New South Wales, which is part-time, and above South Australia but below Victoria, Western Australia and Tasmania. While it does represent an increase in the salary, those arrangements were approved for the extension of Governor Bryce and they will be put in place for the new Governor when she takes up the role and will become effective on 29 July.

**CHAIR:** The Premier seeks leave to table that document. Leave is granted.

**Ms BLIGH:** I should say that in 1992 the then government fixed the Governor's salary at 95 per cent of the Governor-General's salary. That practice was ended in 1996. At the current rate, if the Queensland Governor was paid at 95 per cent of the Governor-General's salary it would be a salary of \$346,750. These are frankly never easy judgements to make. But my view very strongly was that attaching the salary to a percentage of a judicial appointment means that it is now at arms-length from government where frankly I believe it should be, and I hope that becomes the convention.

**Ms STONE:** Good morning, Premier. I want to come back to the Commission for Children and Young People and Child Guardian. On page 1-62 of the SDS, it states that the commission estimates that 256,000 employment screening applications were processed in 2007-08 with an estimate of 250,000 expected to be processed in 2008-09. Can you give us an overview of the number of applications received since the blue card was introduced?

**Ms BLIGH:** As at 30 June 2008, a total of 267,833 applications have been processed. The work of the commission is in this regard some of the best in Australia. Those 267,000-odd applications consisted of 242,784 blue card applications and 25,049 authorisations to confirm the blue card status of an individual. In 2007-08, 444 applicants were prohibited from the provision of child related services after receiving a negative notice and 24 were banned for life.

There has been a lot of discussion about the blue card. The commissioner, myself and other commentators are always at pains to make sure that parents understand that a blue card is no guarantee. What it does do is provide a very effective filter at the employment stage so that people who have a record that makes them an unsuitable person to be working with children can be prevented from entering that workplace and taking up a position that would give them the opportunity, potentially, to go on to re-abuse children.

I think it is instructive to note that, as I just outlined, 444 applicants were prohibited from the provision of child related services. These are people who were seeking to be employed in a child related area whose background and record under the act made them unsuitable. That is 444 people who may well have ended up in circumstances that put children at risk if it had not been for the legislation and the work of the children's commission. So I congratulate the commission in that regard.

Since the inception of the commission, 1,352 individuals have been issued with a negative notice and 136 have now been banned for life from those designated positions in employment. In 2007-08, the blue cards of 63 cardholders were immediately suspended after they were charged with an excluding offence prohibiting the provision of child related services until the charge was finalised and the suspension lifted. Again, since the inception of this process, 214 cardholders have had their blue card suspended immediately.

Again, while it is not a guarantee, it is not just a question of screening at the front door. If someone does secure a position in one of these areas of employment and they commit an offence that brings them to the attention of the police or a relevant authority, I think there is a very good system in place now where the relevant authority can advise the children's commission and ensure that it can take immediate action and advise the child-care centre or the relevant employer. We have seen since the inception 428 positive notices cancelled after receipt of further information or a change in criminal history. So I congratulate the commission on the work it is doing in that regard.

**Ms STONE:** Remaining on the subject of the Commission for Children and Young People and Child Guardian, it obviously has a statewide role to play and contributes to the government's priority of protecting our children and enhancing community safety. Can you please advise the committee on how the commission is fulfilling its role?

**Ms BLIGH:** As you note, the commission has a mandate to promote and protect the rights, interests and wellbeing of children, particularly those who are in or may enter alternative care or detention or who have no appropriate person to act on their behalf or who are not able to protect their rights, interests or wellbeing and who are disadvantaged because of a disability, geographic isolation, homelessness or poverty.

The commissioner and the child guardian regularly visits and reports on outcomes for children in the child safety and juvenile systems. I think it is important to understand that the work of the commission is involved in things like audits such as those that were the subject of discussions in the previous session. But beyond that they also have a very substantial community visitor program where they can ensure that operations continue to align with reforming the child safety system and they continue to regularly visit children. I do not think that for these particularly vulnerable children there is any substitute for having someone sit down with them alone and giving them a chance to talk generally about their circumstances and how they are feeling and where necessary to disclose if something bad is happening to them.

That, I think, is one of the most powerful and important parts of the work of the commission. It actively seeks the views of children living in alternative care, and we have seen that reported recently in the parliament. I think not only seeking the views of those children but also making them public is a very good way of testing the work of the system. It is a good way for our child safety officers to see how children feel about the services they are providing, and I think it is a very good way for our foster-carers to see what they are doing well and where we could be improving. It is a very difficult area of government activity, and I do not think it will surprise anybody to know that, given the nature of these children's circumstances, it is often very difficult to find the right placement and to make that placement work. So when it is working it is good to see that feedback going back to the people who are working at the front line.

The commission has also engaged both community groups and relevant agencies to strengthen access to critical support services for families with young children. They have informed over 200,000 people about the blue card system and consulted with over 3,300 stakeholders on the operational efficiency of the system. They have also provided regulated organisations with continuous monitoring of the status of the blue card holders. Since its inception, over one million cards have been issued and over 2,700 people prevented from providing child regulated services one way or another. So it is a very substantial safety net. I think it is instructive to remember that it is only just on 10 years old, and it is providing one of the most comprehensive filters and safety nets for children generally through the blue card system and for very vulnerable children, as designated under the act, for those particular services, particularly those children in care.

**Mrs KIERNAN:** Good morning, Premier. I want to follow on from the interviewing of children and the views of children, which is quite vital, and the work of the commissioner for children and young people as stated on page 1-61, where it mentions that the commission had sought the views of children who are living under state care. Premier, could you provide an overview of how the commission engages with those children? I think hearing from these young people is a vital component.

**Ms BLIGH:** I thank the member for Mount Isa for her question. As I have indicated, the commission takes its role in this regard very seriously, not only visiting personally but also undertaking a number of other activities to ensure that not only the voice of carers and child safety officers, health workers and others are being considered in this process but also the voices of children themselves are being heard. In the last financial year the commission engaged children and young people in a number of activities. For example, the commission played a lead role in organising the Young Delegate Program as part of the 11th Australasian Conference on Child Abuse and Neglect. Young people in care raised issues such as wanting to stay in touch with their family, their friends and community, and to do the same things as other people and to have a say and be heard.

Community visitors continue to regularly visit and engage with children in alternative care. Importantly, they conducted the second biennial survey of children and young people who are living in alternative care. The responses from those children indicated that 98 per cent of children and 99 per cent of young people felt safe in their current placement. Obviously I am very concerned that there are two per cent of children and one per cent of young people who do not feel completely safe, but I think it says something about the good work that so many people are doing that such a high number do feel a sense of safety. Eighty-nine per cent of children and 93 per cent of young people considered they were better off since coming into care. Similarly, you would expect or hope over time that you see that number increase, but I am very mindful that this is a complex area and often children, even though they might have been in abusive situations, miss their parents and other members of their family when taken into care. That is a statistic that I think is very hard to interpret in a straightforward way.

There are also issues where we need to see improvement, and that includes children and young people experiencing several placement changes. Clearly that is very difficult for children and they do not like it. They want more contact with their own family and their own child safety officers, and they want to receive much more timely permission from the Department of Child Safety for activities where that is required.

On 18 and 19 July 2007, 10 workshops were held which facilitated 200 young people participating in the Croc Festival at Thursday Island, which was a great opportunity for them to be involved in some of the most interesting cultural activities that I think are held anywhere in the country.

In this financial year the commission will continue to engage with young people and to use information captured to guide future work and the direction of the employment screening system, its policy and research priorities; the child guardian, in particular the community visitor processes and training, monitoring and investigative work; and advocacy about laws, policies and procedures. Again, I congratulate the commission on its work. It is not an easy area of activity. I think that data indicates that the Department of Child Safety is starting to make a real difference after some of the reforms that have been implemented. I congratulate those officers as well.

**Mrs KIERNAN:** Thank you, Premier. On page 1-49, the Queensland Audit Office expects that the number of clients will reduce in the 2008-09 year as a result of local government amalgamations. Could the Premier provide an overview of the other benefits of council amalgamations?

**Ms BLIGH:** This one, as you know, has been a very controversial one.

**Mrs KIERNAN:** Indeed.

**Ms BLIGH:** In 2007 the government undertook the most significant reform of local government ever in the history of Queensland. The reform process we believe will deliver a stronger, more sustainable local government that is better placed to deal with challenges that are confronting a rapidly growing state. The statewide boundary structure was delivered at the 15 March 2008 local government elections, resulting in the amalgamation of councils from 157 down to 73. The electoral composition of councils also changed through a reduction in the number of councillors from 1,250 to 526 to emphasise the need for stronger strategic leadership.

The government provided councils with \$27.1 million to assist with amalgamation costs. The local government reform process is not yet complete. The focus is now on legislative reform, and performance management and capacity building for local government. I should say that, while some councils have indicated that they have further costs associated with amalgamation, the government has invited any council which feels that it requires further assistance to make a submission and to give us an opportunity to work with it on its financial concerns. No council to date has put in a submission seeking any further funds. That may yet occur, but I just advise the committee that to date no council has done so. The Queensland Audit Office's schedule includes audits of abolished councils and alignment of accounting and financial policies across the operations of new councils.

**CHAIR:** Can we set the session time for five minutes for non-government members? We might manually record the time and work out in the break how we do that. Member for Southern Downs, you have five minutes.

**Mr SPRINGBORG:** Thank you, Mr Chair. I will follow on from where we left off before. I am pretty concerned about this issue of compliance with child safety guidelines, because four years ago we had an election in Queensland about the protection of children and at the time the premiers sat around the cabinet table. I remind the Premier that in 2003 the Queensland Ombudsman reported his concerns about record keeping in relation to baby Kate. The CMC similarly did that in 2004 as well. Given that the commissioner for children and young people has identified that as one of the major failings still of the Department of Child Safety, can you indicate for us how much money has been spent over the last four years in enhancing record keeping in Queensland to meet the expectations of the Ombudsman and the CMC, and what has been legislated to protect children?

**Ms BLIGH:** Your question is in relation to budget allocations for the Department of Child Safety?

**Mr SPRINGBORG:** Budget allocations. And given that this record-keeping issue has been a problem for a number of years and was supposed to be fixed, why isn't it and how much has been spent on fixing it?

**Ms BLIGH:** As the member would know, there have been extensive budget increases over the last four years—the largest budget increases into Child Safety ever. We now see Child Safety in Queensland spending at a higher rate than the national average for the first time in the history of Queensland, and significant amounts of those funds have gone into improved record keeping and improved computer systems. In the cases that are being referred to here, some of them go back two or three years when the child came into care and the child placement principle would have been expected to apply.

I am able to advise the member further that I was briefed on 8 February on the draft report in relation to this matter. I indicated on it in writing that I thought the report seems to focus more on process than on children. There was quite a debate between the Department of Child Safety and the children's commissioner at the time about the methodology. For example, 75 per cent of the sample was preselected to be children in non-Indigenous placements. Clearly, the commissioner indicated earlier that they focused on that because that is one of the areas where the child placement principle—looking at what led to the placement of the child in a non-Indigenous placement. Not surprisingly, the Department of Child Safety's view was that that had the potential to skew the sample towards cases of noncompliance. That is an argument about methodology. There are arguments for and against.

The Department of Child Safety indicated that it was considering releasing a discussion paper at the same time as the public release of the report. The report is scheduled for public release when it becomes a public document. People will be able to comment fully not only on the content of the report but also on the recommendations. This is the process by which these reports are done. It is a very open and transparent activity of the commission. From the documents that you have been provided with, I think you would have to say that the commission has done its job without fear or favour and that is what it is charged with doing. I see this report as another example of the checks and balances in the system working to ensure that where improvements can be made they will be made.

**Mr SPRINGBORG:** Mr Chair, further to the amount of public moneys that may have been expended over the last four years to deal with the issue of compliance and record keeping, is the Premier aware of any outstanding issues with regard to the database or the data entry interface dealing with Indigenous child placement? Are there any issues? Is the system working well now?

**Ms BLIGH:** I think it is clear from the report that you have tabled and which the commissioner indicates she is finalising and will make public that there are areas for improvement, and her recommendations will go to those areas for improvement. That is something that the Department of Child Safety will have to address and will have to put on the public record. It may well be that some of those matters are already being addressed as a result of increases in this year's budget, but that is a matter that the child safety department will have to put on the public record when this report is made public. The government and the department will indicate, as we always do, which recommendations are being accepted and how they will be implemented.

**Mr SPRINGBORG:** Have you or the commissioner got any idea how much has been spent on the record-keeping system upgrading with regards to IT over the last year, the previous year or the year before that?

**Ms BLIGH:** I am happy to take that on notice and provide it to the member. You would appreciate that this is not a matter for my portfolio. I do not have the records in front of me in terms of the expenditure, but I am very happy to provide it. I am sure you would be aware that the implementation of the recommendations of the CMC inquiry were the subject of a CMC review that was tabled in the parliament, and the levels of expenditure in all of these areas have been very transparently recorded and provided not only to the parliament but also in the public arena. You are asking specifically, just so I can be clear, for an indication of the amount of funds that have been spent on improving record keeping and data collection by the Department of Child Safety over the last four years; is that right? I will provide it on notice later today.

**CHAIR:** I think we have time for one government question. I know that Mr Hoolihan has a question.

**Mr HOOLIHAN:** Good morning, Premier. I will move to another area. Page 1-37 of the Service Delivery Statements deals with the Public Service Commission, which you mentioned in your opening statement commenced operations on 1 July. I think the major hospital project office did as well. Could you provide the committee with an overview of these new entities and why they are important?

**Ms BLIGH:** I thank the member for the question. He is right that on 1 July the new Public Service Commission took effect. The establishment of the new commission will deliver immediate savings of around \$1.5 million, and I expect to see further savings generated. One of the significant features of the new commission is its advisory Board of Commissioners. The commissioners will provide the vision and strategic guidance to deliver innovative solutions to Public Service workforce and performance issues and drive the modernisation of the Public Service.

The Board of Commissioners I think is a very strong board. It includes Mr James Strong, Ms Ann Sherry, Mr John Story, Marian Micalizzi, and academics Dr Jackie Huggins and Anne Tiernan. It also has senior public servants: Mr Ken Smith, DG of DPC; Under Treasurer Gerard Bradley; and the director-general of the industrial relations agency, Mr Peter Henneken. The key challenges that I have asked the commissioners to address include a cultural shift to a more outcomes focused service delivery model, the retention and attraction of talented and skilled people.

Driving performance improvements is a regular part of business, as are accountability, openness and transparency. For example, the FOI changes being considered by government will mean that the creation, monitoring and storage of information will need to change. We need to see a cultural shift in that regard. The next is the quality of reporting on government priorities. There have been a number of Auditor-General's reports in the past 12 months that go to the question of how government reports on its activities. I think there is substantial room for improvement. I have told the PSC that I want to see that. As I indicated earlier, work and family balance I regard as a priority.

All departments will benefit from that work including, for example, Queensland Health, where, as I outlined earlier, the new Major Hospitals Project Office will oversee its five major projects, being the Gold Coast University Hospital, the Sunshine Coast Hospital, the Queensland Children's Hospital and the major expansion and redevelopments of the Cairns and Mackay hospitals. Given the very large task that the director-general and senior management of Queensland Health have in delivering a reform

program across a state the size of Queensland—those five projects alone are worth \$4.6 billion—it was my view that they needed to be taken out of the main area of Health and put into a dedicated office to drive them as capital works projects. Obviously they still need to have constant reference back to clinicians and others who will be working in our hospitals. They will put in place arrangements to do that. Mr Michael Walsh has taken up the position of CEO. He was formerly a deputy director in the department of infrastructure and has substantial experience across government.

**CHAIR:** Before breaking for morning tea I point out that I think, Premier, you retained the tabled document from the member for Southern Downs. I will ask the attendant to pick that up. If you would like a copy of that the attendant will arrange that for you. We will have a short break for morning tea and resume at 10.50. I thank all of the advisers who have been with us for this session.

**Proceedings suspended from 10.32 am to 10.50 am**

**CHAIR:** We will continue with consideration of the Premier's portfolio. I call the member for Southern Downs.

**Mr SPRINGBORG:** I refer the Premier to page 1-3 of the Service Delivery Statements at dot point No. 1, 'Building on economic success'. As Queenslanders know, within the next four years the government is planning to clock up in the vicinity of \$65 billion in borrowings. Can the Premier indicate to this committee what the government's debt repayment strategy is? When will it actually start and over what period of time would the government be hoping to start to reduce the current level of its borrowings?

**Ms BLIGH:** I thank the member for the question. The government's debt repayment strategy is as it has been for a number of years. Wherever there is a surplus that can be directed to the retirement of debt, that is a priority. We have yet to draw on the debt that we have forecast in a budget because we have been in a position in every budget year to identify possible surpluses to ensure that the debt that we might have forecast that we would be drawing on was, in fact, not drawn on.

Obviously, until we see all of the revenue from a range of sources it is impossible to forecast whether that may be the case in this financial year. You would be aware that we also have a number of assets that will be going into the market this financial year—that is, the two airports and our share in the Brisbane Airport Corporation. We have to see what the market return on those assets is. I have indicated that any surplus to what we forecast to gain from the two airports will remain for regional priorities in those regions. Depending what comes back from the Brisbane Airport Corporation, it could be used for other regional infrastructure or it may be that it could be used to retire some debt for existing or planned regional infrastructure that has currently been scheduled for debt funding.

We believe it is important where possible to pay down the debt that government has, but we are equally comfortable, as you have heard me and the Treasurer say on numerous occasions, with the debt funding of infrastructure. We believe that as long as it is a responsible level of borrowing with a manageable level of repayments then that is exactly what Queensland should be doing at this point in its economic development.

In our view, it would be irresponsible for us to simply wait until we had enough money in a box under the bed. That would mean that many of the major projects that are completed or currently being completed, like the Tugun bypass or the upgrade of the Gateway or many other projects across the state, would simply have to be put on the backburner. Every household makes responsible use of debt. Every business makes responsible use of debt. We have the strongest balance sheet in the country and not to be using it to ensure generational equity in the development of infrastructure in my view would be a very irresponsible way to approach the business of running Queensland.

Our view very strongly is that we subject ourselves to the ratings agencies. We believe the AAA credit rating is a very critical part of Queensland's economy. We will continue to ensure that our debt levels and our repayment strategies are such that we continue to retain a AAA credit rating because it is that credit rating that ensures we are well placed in the market to access low-cost funds.

**Mr SPRINGBORG:** My next question relates to the Mercer report. I refer to that report which you commissioned to justify a \$100,000 pay rise for your chief of staff to accommodate the needs of the most recent appointee to the position—a person who was discredited in the Shepherdson commission of inquiry for vote roting, Mike Kaiser. Can you indicate to the committee today what the cost of the Mercer report was?

**Ms BLIGH:** I thank the member for the question. First of all, I dispute one of the assumptions he made in his question. This report was not done to accommodate any particular applicant or anyone to fill the position. It was undertaken, frankly, at the suggestion of the Ministerial Services Branch in light of what was a very significantly lower salary. I had talked to the Ministerial Services Branch about the likelihood of advertising this position.

The then incumbent had indicated from day one that he would not be in it permanently. While, as is on the public record, I had had some discussions with my current chief of staff, Mike Kaiser, the decision for him was a very significant decision. It involved moving his family and moving his three

children out of schools where they were settled. There was by no means any certainty that Mr Kaiser would accept the offer I had made him. If he had said no, I would have advertised this position nationally. I wanted to make sure that in advertising it it would be competitive and that we would attract high-quality, high-calibre candidates.

So the Mercer report was undertaken in that circumstance. It cost \$1,732. That includes GST. I understand that is consistent with other Mercer reports. As you would be aware, Mercer is an agency contracted by agencies all across government to do assessments on job classifications. As I understand it, that is pretty consistent with the standard costs of these things.

As it turned out, I accepted the recommendations in relation to the salary. Those salary arrangements were put in place immediately and the then incumbent of the position attracted that salary until he left the position at the end of January. This is a salary which I frankly believe should accrue to this position.

I note your continued reference to it. I note that in doing so you never indicate that should Mr Smith occupy it if and when you are Premier you would reduce it. I think until you are prepared to say you will not pay Jake that then your credibility on this is not high.

**Mr SPRINGBORG:** You are making some broad assumptions about who may or may not occupy such a position.

**Ms BLIGH:** So he is going to get the chop! Not only will he not get the pay but he will also get the chop!

**Mr SPRINGBORG:** The issue is for you to answer the question. Did the report say that a \$100,000 pay rise for Mr Kaiser should be paid without consideration of the pay relativities of ministers who now earn less than Mr Kaiser and his policy and media colleagues? Will the Premier outline what the report said with regard to that?

**Ms BLIGH:** I do not have it in front of me. My recollection is that you have received the entire report and I presume you have read it. My recollection on this issue was that it went really to the question of what the role of the chief of staff is and the seniority of the position.

On a serious note, I do think it is important to understand how critical this role is not just in my government but also in every government of all political persuasions. This is a role that very senior people—whether from other levels of government around the country or the business community or churches or community organisations—who need to get to the Premier quickly to get some indication from the government on a matter of critical importance to the state need to have confidence in. They need to have confidence in the chief of staff as the key connection between a Premier and the community and the public.

I believe that the Mercer report is a very thorough and comprehensive analysis of the role of chief of staff. They advised that the salary being paid in Queensland was significantly lower than that paid for any other chief of staff in the country. Frankly, I do not think there is anything that indicates that Queensland is worth less than other states or indeed the Commonwealth. Arguably, there is more happening in this state than in any other part of the country. I have no concerns about ensuring it was appropriately remunerated.

**Mr SPRINGBORG:** This morning the Premier indicated the Governor's salary had been reviewed to arrive at its new level of \$266,000. How did Mercer find that your chief of staff was worth more—a total package of \$268,000?

**Ms BLIGH:** I do not have the Mercer report in front of me, but my recollection of it was that it did not compare to the Governor; it compared to other chief of staff positions around the country. That is the appropriate level of comparison. It could have been compared to the head of Telstra or a whole lot of other things, but it did not. It took what I think is an appropriate comparator and that is other officers of a similar rank with similar duties around the country. The role of Governor is of a different order entirely.

**Mr SPRINGBORG:** What about deputy chiefs of staff or ministerial office heads in other departments in Queensland? Are they out of kilter with what is happening around the rest of Australia?

**Ms BLIGH:** I have not done that comparison.

**Mr SPRINGBORG:** Why not? Would it not be justifiable and fair?

**Ms BLIGH:** I think the chief of staff to the Premier position is of a completely different order to all of the other ministerial staff. If you have a different view, you will have opportunity to prosecute that.

**Mr SPRINGBORG:** Why would that be?

**Ms BLIGH:** I presume that if you believe that all these positions should be increased you would have an obligation to tell the people of Queensland that that is what you would do before you go to the next election.

**Mr SPRINGBORG:** I was simply saying that what is good for the goose must be good for the gander. There must be a range of aggrieved people there who are feeling that they are a bit undervalued and unloved when the chief of staff of your office has been given a privileged position. Even ministers are getting a bit out of whack now.

**Ms BLIGH:** The chief of staff position has always had a very different salary. Even though it was significantly lower than other states, it was still higher than other senior positions in ministerial offices. I think ministerial staff understand and accept that. These jobs, as you know from your own time in the ministry and as Leader of the Opposition, are hard jobs. They require a lot of extra hours. People do them, in my experience, because they not only like the work they are doing but also feel a sense of satisfaction in being in a role that allows them to feel that they are achieving something that is important to them.

**Mr SPRINGBORG:** Has there been any change in the rates of pay for any media or policy advisers or chiefs of staff in any other ministerial office in your government?

**Ms BLIGH:** There has been no change to the rates of pay. There have been people who have been promoted from one position into a higher position but, in doing so, would have got the salary that the position attracted, which is not what you are asking, I am assuming. Have I assumed the right thing about your question?

**Mr SPRINGBORG:** You can assume what you want.

**Ms BLIGH:** I am trying to answer you accurately. I am assuming you are not asking whether there have been people who have achieved promotions to existing higher positions, because there probably have been.

**Mr SPRINGBORG:** I am talking about comparisons with regard to pay rates and whether other pay rates have been lifted for ministers' employees. Among other things, the Mercer report justified Mr Kaiser's salary on the importance of his position as a role model for other government media and policy advisers. Describe for me, please, Mr Kaiser's capacity as a role model for advisers in the office of the Attorney-General which has the responsibility for electoral integrity?

**CHAIR:** Just before you answer this question, Premier, I point out that I have given a far bit of leeway with this line of questioning. I drew your attention to repetition over the Mercer report and I drew your attention to the need to examine the appropriation. I will allow the Premier to answer the question, but I think we need to be focused on the appropriation in this hearing.

**Ms BLIGH:** I thank the chair for his observations, but I am happy to make some comments on this question. Let me say two things. Firstly, the Mercer report was a report done on the role of the chief of staff, whether they are in my office or your office or the office of any other premier around the country. Frankly, I think it is important to understand that the person who occupies that role will inevitably have a leadership role in relation to the staff of other offices. It is an important role and certainly one that my chief of staff takes very seriously. It is my observation, in the discussions I have had with ministerial staff, either individually or collectively, that they regard Mike Kaiser, the incumbent, as someone who has an extraordinary range of abilities and as someone with whom they enjoy working.

**Mr SPRINGBORG:** Premier, since this pay rise has been awarded to Mr Kaiser, have there been any catch-up increases in the salary of the Deputy Premier or of yourself or other state ministers? What is your intention for such increases this year and would you rule them out?

**Ms BLIGH:** Any increases to my salary or the salary of any member of parliament would, as you would and should know, be gazetted. They have not been and there have not been any. Secondly, I am already on the public record on several occasions indicating that Queensland's parliamentarians, including yourself, cannot receive a pay rise this year because we are attached to the federal salary rates, and the Prime Minister has orally indicated there would not be any increase this year. Even if we were not attached to the federal parliament's decision, I have certainly indicated that Queensland would have followed suit even if we did not have to.

**Mr SPRINGBORG:** Premier, as you are responsible for the Office of the Public Service Commissioner, can you advise what is the biggest single increase in salary allocated to any Public Service position—that is, without a major change in the duty statement—in the past financial year? What were the top 3 increases paid and on what basis were they paid?

**Ms BLIGH:** I think you would appreciate that I would have to take that question on notice. Bruce Wilson, who is the acting Public Service Commissioner, has joined us. I might give Bruce an opportunity to look through the documents to see if anything is recorded in the way that you have asked the question. If not, we will take it on notice. I presume you are wanting to make a comparison here again with the Mercer report in relation to my Chief of Staff's position. If you look at that report in any detail and make an honest assessment of it, it makes a number of significant points about a change in the expectations of the role from myself as Premier to the role that was played by the previous Premier's Chief of Staff.

**Mr Wilson:** No, I do not have information in front of me at the moment about changes over the last year. We could take that on notice.

**Ms BLIGH:** We will take that on notice.



**Mr SPRINGBORG:** Okay. I refer to your answer to a question on notice from me on ministerial staff breakdowns. Are all ministerial staff employed directly by the ministers or are you or your office involved in the process? Are you aware of any occasion where you or your office has replaced staff in ministerial offices since you became Premier?

**Ms BLIGH:** Ministerial staff are employed by the Ministerial Services Branch. They are therefore technically directly responsible to the director-general of the Department of the Premier and Cabinet. I think the second part of your question asked if any of them had been moved; is that correct?

**Mr SPRINGBORG:** Yes.

**Ms BLIGH:** There have certainly been some staff who have moved from one office to another. I can get you the details of that. You would be aware that this is a mobile workforce and from time to time people move from one ministerial office to another. There have certainly been such movements. I do not have a list in front of me, but they have all been done through the Ministerial Services Branch in accordance with the requirements of that branch.

**Mr SPRINGBORG:** Premier, I refer to your answer to my question on notice No. 2 in which you referred to an employee from your department who had lodged a grievance in relation to recruitment and selection processes. While not asking you to break confidentiality on the name or specific details of this staff member, will you confirm that the person worked on the Q150 project? Again stressing that I do not require any personal information of the individual, will you also inform the committee how much the Queensland government paid out to this person and the associated legal costs? What was the cost to the Queensland taxpayer of this settlement?

**Ms BLIGH:** In relation to the first part of the question, I can confirm that the officer involved is not the person that you suggested. Without going into detail that would identify the person, I can confirm that it was a person who was employed in an overseas trade office as a locally engaged staff member and the grievance related to, as I understood it, a promotion matter. So it was in relation to a trade office when the former Department of Trade was part of the Department of the Premier and Cabinet.

**Mr SPRINGBORG:** All right.

**Ms BLIGH:** In relation to the second question, I am sorry but I do not know if I have the detail. The second question was in relation to question No. 2—that is, what was the cost of the settlement?

**Mr SPRINGBORG:** Yes, the cost of the settlement and the legals.

**Ms BLIGH:** I will have to come back to you on that. I will take that on notice. I do not have it in front of me, but I will take it on notice.

**Mr SPRINGBORG:** My next question to the Premier relates to web sites. Will the Premier indicate why her government continued to pay for the domain name registration for peterbeattie.com after he ceased to be Premier of Queensland? Were you expecting a return or were you expecting to silence him by doing this?

**Ms BLIGH:** I did not expect the former and I do not think anyone can achieve the latter.

**Mr SPRINGBORG:** Why was it paid for by the government?

**Ms BLIGH:** I think you would find that when there is a transfer of leadership in other states and in other jurisdictions you would see this for some period of time. It is not unusual for people to seek information—biographical details and other information—about former leaders. These are the subjects of school assignments and university assignments. People go on to web sites looking for information about people to introduce them at events—

**Mr SPRINGBORG:** Trade commissioners?

**Ms BLIGH:** Sorry?

**Mr SPRINGBORG:** Trade commissioners?

**Ms BLIGH:** His web site is there as a former Premier. I do not think that there is anything unusual about that.

**CHAIR:** It is now time for government questions.

**Mr HOOLIHAN:** Premier, if we could go to some of the detail in the Service Delivery Statements. At page 1-3 there is a comment relating to providing leadership to the Queensland Public Service and reform. What steps has the government taken to decentralise government accommodation?

**Ms BLIGH:** I thank the member for Keppel for this question. You may have heard me make some comments in the past about my views that we need to ensure that public servants are employed in appropriate places across major areas of activities and that the government is a very large employer and should be planning its employment in a way that meets the decentralisation aims of the south-east Queensland plan for example. So I am pleased to advise the committee today that cabinet has approved that we will see 20 per cent of state government office accommodation that is currently located in the CBD moved out of the city over the next number of years. That 20 per cent amounts to

85,000 square metres of office space and it would involve approximately 5,600 public servants moving from the CBD, where they are not only located in probably some of the most expensive office space but also utilising public transport and our roads to get into the CBD.

We anticipate doing this in a four staged process to see public servants move out of the city into three new major hubs. Firstly in terms of stage 1 by 2011, we will go to the market in the next couple of months looking for the market to provide 20,000 square metres of space in the Brisbane north area. Some or all of that is likely to be in the Bowen Hills redevelopment. In stage 2 in 2012 we would be looking to move 15,000 square metres of space into the western corridor. Beyond that in 2013 we will move 20,000 square metres into the south metropolitan area. Somewhere between 2013 and 2017 we will see 30,000 square metres moved to the north and west metropolitan areas.

The timing estimates here are very conservative estimates because we do want to take into account the impact on the property cycle. We are very conscious that there is already a lot of activity in the construction market. We also need to take into account the existing government lease expiry profiles. Clearly we will not be moving people out where they have four- and five-year leases to complete because that would be an unnecessary cost to the taxpayer. We are also looking to ensure that we can match this move out of the CBD with broader urban planning strategies in south-east Queensland's regional plan. There has been extensive work over the past 12 months by the Department of Public Works and it has identified eight non-CBD locations. On the north of Brisbane these are Bowen Hills, Chermside and Strathpine; to the west of Brisbane, Ipswich; to the south, Buranda, Boggo Road, Upper Mount Gravatt, Logan Central and potentially Beenleigh; and to the east of Brisbane we are looking at the Cannon Hill area.

It is a targeted program aimed to stimulate urban development and will use existing or planned transport infrastructure. So these agencies will be selected where possible to ensure that they will be moving into a hub with agencies involved in similar service delivery or specialties. In the northern hub we are targeting transport based agencies such as Main Roads and Queensland Transport. In the western hub as part of the Ipswich city rejuvenation we are looking to include water infrastructure and statutory authorities and in the southern hub health and ecoscience agencies such as the EPA, DPIF, DNRW, Mines and Energy, and Health.

**Mr HOOLIHAN:** Thank you, Premier. Also in relation to the Service Delivery Statements at page 1-6, your department states that it has lead agency and whole-of-government coordination responsibility for policy advice on economic, environmental and social impact matters. Can you comment on some of the exciting new coal infrastructure projects that can take Queensland to another level in our capacity to export coal to markets across the world?

**Ms BLIGH:** I thank the member for Keppel for this question. I am sure he will be very interested in some of the answer, because today I would like to talk about a trifecta of proposals for the Bowen, the Galilee and the Surat coal basins that could deliver, as you say, a quantum leap for Queensland's coal industry. These projects could see the state fully harness the opportunities the resources boom can offer by delivering a 40 per cent increase in our exporting capacity. The first and largest of these projects is a \$5.3 billion Galilee coal project being proposed by Waratah Coal. This extraordinary project consists of a new mine near Alpha with the potential to produce 25 million tonnes of thermal coal for export per year. It also involves a new Australian coal port. This will be the first deepwater coal exporting port in a quarter of a century in this country. It will be built near Shoalwater Bay between Rockhampton and Mackay with a capacity of up to 100 million tonnes of coal per year. It will require a new 500-kilometre rail line reaching from the Galilee Basin to the new port at Shoalwater Bay, and that would open that whole Galilee region to coal exports for the first time in Queensland. The project is expected to create around 2,200 jobs during construction and some 760 permanent jobs during operation. We are now in discussions with the federal government about the use of Defence land for this project. As the member for Keppel would know, Shoalwater Bay is adjacent to the Byfield National Park. I can confirm that not one centimetre of this park will be required or used. That is why we are in discussions with the defence department and I can report that Defence is having discussions and is interested.

The second proposal is the Bowen Basin growth project consisting of two new mines at Daunia and Caval Ridge and an expansion of the existing Goonyella Riverside mine north of Moranbah. It is a BHP Billiton Mitsubishi Alliance proposal that could boost coal exports in the area by a further 20 million tonnes. Both of those major coalmining proposals have been declared significant projects by the Coordinator-General and will now undergo a rigorous environmental assessment process, and that includes the Shoalwater Bay proposal. Nothing will go ahead unless they satisfy that environmental hurdle.

The third proposal is for a 30 million tonne a year open-cut coalmine near Wandoan by a consortium led by Xstrata Coal. It was declared a significant project in December last year. It could create around 1,000 new jobs during construction and up to 600 permanent new jobs. I can inform the member for Keppel and others on the committee that my government is determined that we be in a position to take advantage of our abundance of natural resources. Between state government initiatives and private industry investment, there is now \$900 million committed to clean coal technology to ensure that we have a future for this industry.

**Mr HOOLIHAN:** Thank you, Premier. While I get my breath I have another question, particularly in relation to the regional parliament. Page 1-3 of the SDS states that your department is coordinating the government's involvement in the regional sittings of parliament in Cairns from 28 to 30 October. Could you outline and discuss the benefits of having regional parliaments?

**Ms BLIGH:** I thank the member for the question. As someone who comes from central Queensland, I am sure that you will recall what I think was a very successful regional parliament in Rockhampton. The first regional parliament of my government will be held in Cairns this year from 28 to 30 October.

I am advised that attendance figures for the far-north Queensland sitting of parliament are anticipated to be higher than for other regional parliamentary sittings. The Townsville one in 2002 saw an attendance of just on 8,400 people, and 3,763 members of the general public and 4,665 students made up that total. That is an extraordinary number of people. Similarly, in Rockhampton we saw 4,940 people, including 3,000 students.

I am very conscious when I sit here in the chamber of the number of school groups who come to visit the parliament, who see democracy in action and who are able to then discuss that at a very real level when they return to their classrooms and how difficult it is for regional students—children in our primary schools across the regions of Queensland—to access a similar experience. I think it is important that we take parliament out there to give those children the same chances. I know that we will see students, as we did in Townsville, from as far away as Mount Isa and Cape York—students who would otherwise never, ever get this opportunity.

Community leaders and others will be part of a state reception that will be jointly hosted by me and the Leader of the Opposition. We will see a community barbecue, which will give the people of Cairns an opportunity to not only see parliament in action but also go and meet directly with people from all sides of politics—to sit down face to face and talk to ministers and talk to the opposition and raise their issues. I have every anticipation that the people from far-north Queensland will not be backward in coming forward in that regard. I know that there are many issues they are concerned with.

I should say that there will be a youth parliament associated with it. That will occur on 22 August at the Cairns Civic Theatre. It is a half-day event with a full assembly of 89 students. I am pleased to see them going into regional Queensland as well.

Finally, I confirm that the schools subsidy scheme will be able to assist students from the electorates of Cairns, Cook, Barron River, Mount Isa, Mulgrave and Tablelands. Eligible students can receive funds of between \$200 and \$1,000 to assist them in their transport and accommodation to come along to the regional parliament. So I would certainly encourage the member for Mount Isa and other members of the parliament to ensure that their schools know about this and are able to access it.

I said when I became Premier that I wanted to govern for all Queensland, and I think that does mean taking government to people, particularly in a state the size of ours. The regional parliament is a great example of that. I think we are the only state in Australia that does it. I have certainly talked to the Prime Minister about it, because it is very different from a community cabinet. It brings the whole parliament—all sides of politics—for a lengthy period of time so that people can be part of democracy in action.

**Ms STONE:** Premier, you will be pleased to note that in the public gallery today the 2008 school captains for Springwood State High School, John Paul College and Shailer Park State High School—all from my electorate—are here watching the proceedings today.

**Ms BLIGH:** I welcome them.

**Ms STONE:** Yes. It is timely. Page 1-4 of the Service Delivery Statements for your department refers to the Smart State Strategy 2008-2012 and finding innovative solutions to real-world problems, such as stem cell research. Could you discuss how the government is supporting this innovative research?

**Ms BLIGH:** I thank the member for Springwood for the question. She is right: stem cell research is an emerging biotechnology activity around the world. It does offer potential cures and assistance for diseases and conditions that have previously eluded scientists. It is an emerging and competitive strength, in my view, for Queensland.

On 3 April 2008, the Queensland node of the Australian Stem Cell Centre was opened at the University of Queensland. So there is an Australian Stem Cell Centre and Queensland now has a node of that national body and it is based at UQ. The Queensland centre builds on the Australian Stem Cell Centre's decision in June 2007 to appoint the Queensland based researcher, Professor Melissa Little, as its chief scientist, collaborating with the best stem cell scientists in Australia and abroad. Those of you who have had the privilege of meeting Melissa will know that she is one of Australia's most outstanding scientists. We are very lucky to have her here, and to have her here as the chief scientist of the Australian Stem Cell Centre I think is a real feather in the cap of Queensland science.

So I am very pleased today to inform the committee that the Queensland government will be committing \$308,000 to the Australian Stem Cell Centre. The funding will support the expansion of stem cell research in Queensland and specifically it will assist the Queensland node to develop and manufacture induced stem cell lines and undertake a world-first comparison of induced pluripotent stem cells. Induced pluripotent stem cells, for your information, are adult cells that have been reprogrammed to behave like embryonic stem cells, without the associated ethical issues that are attached to embryonic stem cells. Because of that, obviously there are many people who favour this new technology over therapeutic cloning, as there is no need for a supply of human eggs. It could lead to new cellular therapies for chronic diseases. So this centre will be undertaking a world-first comparison of those adult stem cells that have been reprogrammed to behave like embryonic cells.

The project will be internationally recognised and it will considerably increase Queensland's profile in stem cell research. This is one of the most contentious but potentially one of the most exciting fields of scientific endeavour globally. For Queensland to be out there at the cutting edge of this particular area of research is certainly keeping us on the international scientific radar.

The Queensland node's research will be run in tandem with other significant stem cell research in New South Wales and Victoria. Research in this area will help improve the lives of people suffering from degenerative diseases and injury. The cooperative approach on stem cell research heralds an exciting spirit of collaboration between the states. We have a very healthy level of competition between the states in this area that is seeing our scientists and our research institutes and our universities compete actively, but a high level of cooperation in a country our size is also very important, and it is pleasing to see it.

**CHAIR:** Issues relating to climate change are providing some of the greatest challenges to governments across Australia today. I know from the volume of information coming through my office that there is considerable concern about climate change issues in my community. I note on page 1-4 of the Service Delivery Statements that your department is working on the state's position on a national emissions trading scheme. Could you provide the committee with an overview of this scheme and how it will affect the state?

**Ms BLIGH:** I thank the member for the question. This is emerging as one of the big national challenges, in a policy and program sense, for all levels of government over the next couple of years. On 4 July this year Professor Ross Garnaut delivered his draft final report on implications of climate change for Australia and made recommendations on policy options to address the challenges. In releasing the report, you would have heard Ross Garnaut describe it as a problem of diabolical proportions. The complexity of it is certainly without precedent in modern times.

The draft final report will also be supplemented in about four to five weeks with the release of all of the Treasury modelling on proposed costs in relation to the price of carbon and what the modelling tells us about each of those levels of cost. So while the draft final report from Professor Garnaut is important, it is really the first in what will be a range of documents, including the federal government's green and white papers, that will help us determine this.

The review received approximately 4,000 submissions on a wide range of related topics such as land use, financial services for managing risks, the science of climate change, an emissions trading scheme, planning and other issues. The Queensland government made a submission to the public discussion paper on an ETS. Queensland supports emissions trading and many of the design features proposed by Professor Garnaut. However, I think there are a number of key design features that need further exploration.

The priority for an emissions trading scheme—design issues identified in the government submission—included, firstly, the setting of emissions reduction targets and trajectories. I think we need real clarity around that issue. Queensland established targets last year, but that was in the absence of any national leadership or national targets. When we see those national targets, we are in a better position to know where and how Queensland can best fit in. We need to have much further work done identifying a disproportionate and negative impact on electricity generators. We need to do more work on defining adequate thresholds and assistance to trade exposed emission-intensive industries—and here in Queensland we have a number of those, particularly in the aluminium sector—and the challenges of extending emissions trading scheme coverage to the transport and agricultural sectors. Both are very critical to Queensland and particularly regional Queensland.

The three main observations put forward to Professor Garnaut in the submission were a case for transitional assistance, including electricity generators for the disproportionate burden they are likely to bear; that an interim emissions target should strike a balance between setting ambitious targets and an assessment of the realistic capacity of technology; and that the international competitiveness of trade exposed emission-intensive industries should be preserved. These are huge policy issues. They are very complex, but this is something which we believe passionately needs to be actively engaged in. Queensland will be an active player in the public debate.

**Mrs KIERNAN:** Page 1-3 refers to the Cape York welfare reform trials that are now being implemented. Could you provide the committee with an overview of the initiative?

**Ms BLIGH:** I thank the member for Mount Isa for her question on this issue. She is, I know, as the member for Mount Isa acutely aware of some of the very serious disadvantages faced by remote Indigenous communities, and particularly by the children and young families in those communities. The welfare reform trial is a radical departure from all of our existing ways of delivering services into these communities. For that reason it is a trial in four communities.

I can confirm to the committee that in the first 14 days of its operations the Family Responsibilities Commission has already received 11 notifications. The first formal sitting of the Family Responsibilities Commission will be held under the leadership of the commissioner, David Glasgow. It will be held in Coen on Tuesday, 12 August. It will sit in Aurukun on 13 and 14 August, in Hope Vale on 19 and 20 August and in Mossman Gorge on 21 August.

In relation to notifications to the Family Responsibilities Commission as of 14 July, we have received five notifications from Aurukun—they have been Child Safety notifications—one from Hope Vale, three from Coen, and again from Child Safety, and two from Mossman Gorge from the Magistrates Court. Members will be aware that notifications can be received from schools, but I draw your attention to the fact that school went back only today. So I would expect to see other notifications in coming weeks from schools.

**Mrs KIERNAN:** It is good to hear—

**CHAIR:** Sorry, the time for government questions in that session has expired. We will come back to you in the next block of government questions.

**Mr SPRINGBORG:** Thank you, Premier. I refer to your department's Performance Statement in the Service Delivery Statements on page 1-16, which details the total flying hours for the Air Wing. Premier, can you explain why you estimate that there will be an additional 100 hours flown by the Government Air Wing in the current financial year? Is it because there might, in fact, be an election planned in that time, or are you relaxing the rules for the use of it by ministers?

**Ms BLIGH:** I can assure the honourable member that there has been no provision made in the Service Delivery Statements for an election in this financial year. The member would also be aware that in a year when an election is due there is generally an allocation made to the Queensland Electoral Commission. No such allocation has been made to their budget, either. You are looking at page 1-16?

**Mr SPRINGBORG:** Yes.

**Ms BLIGH:** The most increases that are predicted are, firstly, in the area of organ donation and retrieval. If you look at the documentation you will see that the total flying hours not only includes ministerial travel and other official travel such as travel by the Governor; it also picks up organ retrievals and search and rescue. I am advised that there have been slight increases every year in organ donation and transferral and in the area of search and rescue. Frankly, I hope to see even more than predicted for the organ retrieval program.

**Mr SPRINGBORG:** We all do.

**Ms BLIGH:** I do not think there would be any dispute that that is an entirely appropriate use of the Government Air Wing. With the recent announcement from the Prime Minister about additional resources into our hospitals, that will allow us to hopefully see more organs being donated and decisions being made in a timely manner in relation to those organs that we will be able to see more organs being made available. If that is the case, I will be making sure that the Government Air Wing is out there to pick them up.

**Mr SPRINGBORG:** I note the Premier a moment ago was talking about the issue of the Garnaut report and also the issue of climate change and the reduction in emissions. Premier, as we go further ahead on this, obviously provisions need to be made to offset carbon emissions. Are you making any provision to offset carbon emissions from the extra hours that the Government Air Wing will be flying?

**Ms BLIGH:** Yes. We made a decision earlier this year—or maybe at the end of last year—to offset all air travel by government employees and government ministers, basically, that the government's air travel would be offset, whether it was being flown through Virgin, Qantas or the Air Wing. We are in the process of identifying an appropriate offset program. We will also have offsets being made for Q-Fleet. I made that announcement at the same time as I indicated that we would be moving to a better green rated vehicle level. From memory, we are talking about offsetting 50 per cent of Q-Fleet for a period of time and then moving to 100 per cent offset.

**Mr SPRINGBORG:** Premier, have you got any idea whether that is going to cost anything this year, and what provision have you made for that?

**Ms BLIGH:** The offsetting of air travel will be managed within existing agency budgets. I am trying to recall the number. When I looked at it, it is actually a remarkably modest amount. It is anticipated that the cost of offsetting the emissions for the period of 10 December 2007 to 31 March 2008—so this is not an estimate, this is what it actually cost—has been \$6,257.10. It is a very modest sum. That is for a period of about four months. So if you wanted to extrapolate from that you could anticipate that the cost of government over a 12-month period might be as high as \$20,000. That is something which we are requiring agencies to manage within their travel budgets. I think that is more than—

**Mr SPRINGBORG:** So how is that calculated? What sort of base is it for a tonne of carbon? How are you calculating those things?

**Ms BLIGH:** It is a standard calculation. Basically, the Government Air Wing, the Department of the Premier and Cabinet—I just want to be accurate for you on this. The Department of the Premier and Cabinet and the Government Air Wing—not the whole-of-government—produced approximately 417.14 tonnes of carbon emissions for the period 10 December to 31 March. It is an estimate only, but that is basically what it costs to offset those emissions.

**Mr SPRINGBORG:** On which standard?

**Ms BLIGH:** Accredited Australian Greenhouse Office programs.

**Mr SPRINGBORG:** Premier, I refer to my question on notice about the carbon footprint—the greenhouse gas emissions produced by your department this financial year and last. I note that last month the federal climate change minister, Senator Wong, released data showing Queensland has overtaken New South Wales as the largest greenhouse emitter of all Australian states. Given the drastic action now proposed by Senator Wong and the ramifications for Queensland industries and major job and wealth generators such as the aluminium industry, why can you not answer the question about how much greenhouse gas is generated by just one Public Service department in Queensland of which you happen to be the responsible minister?

**Ms BLIGH:** I thank the member for the question and for his interest in this area of government activity. As you would be aware, this is something that I have made a priority since becoming Premier and I have indicated a requirement that in the annual report of every agency will be the greenhouse gas emissions that they are generating. We will be in a much better position than we have ever been before to determine the best place to invest and the best-placed strategies to reduce those emissions. You will appreciate that in a department like the Department of the Premier and Cabinet in order for there to be an accurate baseline data collected it requires certain modelling and assumptions about, for example, how much electricity the Department of the Premier and Cabinet uses out of all of the electricity used by the Executive Building, by way of one example.

The Department of the Premier and Cabinet has a number of other offices for which it is responsible and they are located similarly in buildings where they are multioccupied buildings as well as having regional buildings. While I agree with you it is not rocket science, it is something that for the first baseline we want to get very accurate with a high level of precision. As I indicated in my question on notice to you, that will be reported publicly not only for my department but for every agency in their annual reports. I would anticipate that those agencies that have a lot of front-line service delivery that involves vehicles may well have a higher level per capita than other agencies that, by and large, do not have large vehicle fleets, just as an example. That is precisely why we want to see it agency by agency.

Going back to the earlier comments in your question about Senator Wong's material, I should say that Queensland for some time has been the highest emitter per capita in Australia. I think it is now in total terms that we have eclipsed New South Wales. There are a number of reasons for this. Firstly, because of our extensive coal resources Queensland has traditionally relied very heavily on coal as the major source of its energy supply. You would be aware that we instituted a 13 per cent gas policy in 2001. That has seen, for the first time in Queensland's history, a shift out of coal into a much lower emission technology source of energy, and we are seeing some of the largest ever investments in the development of gas-fired generation than we have ever seen.

I anticipate that will continue with our increase in our gas target. But we are also committed to looking at other forms of energy, whether it is solar or others. Queensland is not as blessed as some states with high levels of wind capacity that are within cooee of the grid, but that is something that we are currently looking at and the Department of Mines and Energy is doing some work to identify potential sites for wind-powered generation. Queensland has a much higher reliance on gas for the source of its energy per capita and we also have very high emitting industries, such as the aluminium industry and others.

**Mr SPRINGBORG:** Premier, I note what you are saying with regard to trying to calculate this across the government departments and in particular your own department. However, Ross Garnaut has made some significantly strident statements about the impact of what may be around the corner and certainly Australia's largest 100 polluters are going to have some very stringent requirements placed on them. How long do you think it will actually take before you can develop a consistent, believable methodology about the amount of emissions not only for your department, but also for other government departments? Can you also explain for the committee what the difficulty is in actually trying to calculate the electricity component of it when one would imagine that you would have separate electricity metering opportunities available to you?

**Ms BLIGH:** In relation to the first part of the question in terms of how long will it take, every agency is in the process of doing it now and they will be required to report in this year's annual reports. I think they are all probably due to be tabled in the parliament by the end of September. So they are all currently in the process of finalising the data, ensuring it is comparable and consistent across

government. This is a new area of activity and I think it is important to get it adequately assessed and get it benchmarked properly. We can have a guesstimate, but I do not think that is what you or the committee are after. You are after information that has been adequately tested and is consistent and comparable with other government departments. You will appreciate that there are a range of sources of greenhouse gas emissions, and ensuring that we capture all of those sources and accurately making assessments in relation to things like electricity use in multi-user environments is important. As I say, I am not claiming for one minute that it is rocket science, but it is not a straightforward issue either. That is why we are getting a whole-of-government response. You will see it in the annual reports and they will be tabled in the parliament.

**Mr SPRINGBORG:** You have basically said that you need to have a consistent model with regard to assessing the greenhouse output from your department and others and consistent methodology. I again turn to the issue of electricity consumption. Can you or any of your staff here indicate what is the electricity consumption of the building that you actually occupy? Can you extrapolate that off to other ones you may not be in but are associated with the Premier's department if you can? How much greenhouse gas does that generate? It is not a churlish question because I think we are all now receiving in our household power statements an indication of CO<sub>2</sub> emissions. Can you indicate for us what you are finding in your own department when most householders in Queensland are now aware of that?

**Ms BLIGH:** You would be aware that greenhouse gases are emitted not only from electricity. I do not have that data in front of me and I do not think anybody would reasonably expect me to have it. What I have indicated is that I think—and I am not sure—Queensland may be the only jurisdiction in the country that will be requiring government departments to report this publicly. If so, we will be the first. It will be made publicly available as soon as we have got it. As soon as we have got it, you will be one of the first to hear it because we will table it in the parliament. Greenhouse gas emissions not only derive from electricity—

**Mr SPRINGBORG:** I understand that.

**Ms BLIGH:**—but from a range of other activities. We will be capturing every part of that and reporting it accurately. Then what I want to see is every year, where possible, reductions occurring.

**Mr SPRINGBORG:** Premier, would you agree then that it would have been possible as far as answering my question on notice to be able to provide an indication of the amount of CO<sub>2</sub> emissions for electricity which has been used by government departments? I understand that there is a whole range of other things—you are dealing with motor vehicles and other things—that might be a little bit more extraneous or difficult to calculate, but nevertheless you are going to have to. Certainly on my household electricity bill I have an amount of CO<sub>2</sub> emissions. I would imagine you would have, as would your director-general and a whole range of other people in this room. Is that something that can be made available so we can get a clearer picture of what is going on? It is actually being done now by the electricity companies for us all.

**Ms BLIGH:** I think it is likely that it would have been possible but it was not the question you asked.

**Mr SPRINGBORG:** Will you undertake to provide it to us? If you have only got bits of it, it is often useful to provide what you have actually got.

**Ms BLIGH:** I am happy to look at what might be available. There are no secrets about this. Government departments use electricity—

**Mr SPRINGBORG:** That is fine.

**Ms BLIGH:**—and they create greenhouse gas emissions. There is no secret. This is about government wanting to ensure accuracy and wanting to ensure that there is standard data that is comparable across agencies.

**Mr SPRINGBORG:** Premier, do you have any indication at this particular stage from preliminary assessments because things are moving pretty quickly in the area of dealing with carbon emissions, capping and trading and all of those sorts of things of what the impact may be on the Queensland economy, particularly those industries which are at the higher end of pollution but nevertheless are probably very important to underpinning the state of our economy, its strength and the tens, if not hundreds of thousands, of people who are employed as a consequence of those wealth-generating industries in Queensland?

**Ms BLIGH:** As you would expect, the Treasury department is working with the department of energy and other relevant agencies across government looking at the Garnaut document. As you would also I am sure be aware, the Garnaut document does not name prices of carbon or do any modelling for that, but that will be available publicly as I indicated in my earlier answer. When that is there, we would expect to be in a much better position to calculate with any precision the likely effects on generators, for example. Queensland, along with a couple of other states but not all other states, continues to be an owner of generating capacity, which you would be aware of. So there are not only general issues of economic significance; there are direct budget impacts potentially as the owner of coal-fired generators.

In terms of the process here, on 17 July, as I understand it—so later this week—the federal government will be releasing its green paper on emissions trading. Professor Garnaut's work is one piece of input to this consideration, but only one. Then work will be finalised to provide COAG with recommendations for the October 2008 meeting of COAG. That will be an opportunity for there to be a very broad discussion between Premiers, the Prime Minister and the Treasurers in relation to that.

In answer to your question, we are not in a position at this stage to say, 'This is exactly the cost of it,' until we actually see the modelling that has been done. I should say that most of the modelling that will be relied upon around the country has actually been done by the Queensland Treasury. Professor Garnaut's work has started and all of this has been done because the previous federal government refused to do any national work on this and therefore would not make the officers of the federal Treasury available for the modelling. Thankfully, when the new Prime Minister was elected, he did then make the federal Treasury available and they have worked with the Queensland Treasury as the two main developers of the models that will be used by every state to then determine the impacts on that state.

I think it is also important to understand in the context of the Garnaut report and the federal government green paper that we need to balance those costs against the cost of doing nothing. If there is any message out of the Garnaut draft report it is that there are very serious consequences for Queensland and Australia of a business-as-usual approach. Queensland, as you know, has an extensive tourism industry worth billions of dollars based around one of the great natural wonders of the world, the Great Barrier Reef—and the Gold Coast, I am being prompted by the member for Robina. However, the critical issue for the reef is that, even if we see a 60 per cent reduction in emissions, we are likely to see a two per cent increase in water temperature by 2050 and that would be the end of the barrier reef. That would affect tourism operators all over Queensland. That is something that we need to understand is a cost of doing nothing.

**Mr SPRINGBORG:** Premier, I believe that, considering the rate of greenhouse output across Australia, our average increase is three per cent. Do you expect that when the audit comes in for the Premier's department it will be in tune with the increase that is being generally calculated for Queensland? If you are unsure of how much greenhouse gas is actually emitted from your department or across government, how can we have absolute confidence in the submission that you put in to the Garnaut review, or will you indicate that that is just broad principles and you will catch up with the other bit as we go along?

**CHAIR:** Premier, that is a detailed question to answer in 35 seconds. Do you wish to answer it now or come back to it?

**Ms BLIGH:** Let me just say how pleased I am to see the Leader of the Opposition accept that greenhouse gas emissions are created by human beings in the Premier's department and other places. It is very important that government agencies monitor this. I can tell you that in dealing with the big policy issues and the complexity of the greenhouse gas effect on our environment, the Department of the Premier and Cabinet is not going to be one of the big problems.

**CHAIR:** It is now time for government questions. We are back to you, member for Mount Isa.

**Mrs KIERNAN:** Thank you, Mr Chairman. Premier, I go back north to the cape. Your statement about 11 notifications in 14 days clearly demonstrates that people are embracing and asking for this change, and that it is not just the elders; certainly it is also the younger emerging leaders in the Indigenous community. At page 1-4 of the Service Delivery Statements the Department of the Premier and Cabinet states that it is undertaking work to address alcohol abuse in Indigenous communities. Could the Premier inform the committee of the new money and support being provided to Indigenous communities to help them tackle drug and alcohol related violence and abuse?

**Ms BLIGH:** I thank the member for Mount Isa for her well-known interest in this area. I can advise the committee that earlier this month, as the member would know, the legislation to remove canteen licences from councils and tighten the supply of alcohol into communities came into effect. For the benefit of members I can advise that Mornington Island and Napranum are now without a canteen and Woorabinda has gone dry. Other councils that will lose their licences before the end of the year include Aurukun, Kowanyama and Lockhart, which will relinquish their licences on 1 November. Palm Island and Pompuraaw will relinquish theirs on 1 December and the northern peninsula area will relinquish its licence on 31 December. Obviously this requires significant support and services to ensure that the real issues of alcoholism can be dealt with.

I am pleased to advise the committee that additional support for these reforms basically sees a \$66 million plan over four years to tackle alcohol abuse in those communities. I believe this to be the biggest single boost to drug and alcohol funding in remote Indigenous communities in Queensland's history. It is already delivering services to support these reforms, and the rollout of more continues.

In terms of detoxification services, a total of \$29.6 million has been provided over four years for alcohol and drug treatment services. New medically supervised detoxification services are now available in Cooktown, Mossman, Weipa and Bamaga. Those services will be further enhanced in September 2008, when additional nursing staff are recruited. To coincide with the community going dry



on 1 July this year, a new medically supervised detoxification service commenced in Woorabinda. Funding of \$560,000 over four years has been provided for nursing staff at Woorabinda Multipurpose Health Service for those detox services.

Funding for other detoxification services is as follows. In Weipa—which will service Old Mapoon, Lockhart, Napranum, Aurukun, Coen, Pormpuraaw and Kowanyama—funding of \$620,000 will provide for additional dedicated detoxification nursing staff at Weipa Hospital. In Cooktown, servicing Hope Vale and Wujal Wujal, funding of \$620,000 over four years will provide additional nursing staff for the detox services at Cooktown Hospital. Similarly, at Mossman Gorge funding will provide additional nursing staff at Mossman Hospital. In Bamaga, \$620,000 will be provided over four years for detoxification dedicated services at Bamaga Hospital, and at Townsville, which will service Palm Island, \$625,000 will be provided for additional staff there. Cherbourg will see similar amounts for Cherbourg Hospital.

From March 2009, medically supervised detoxification services will be available also in Doomadgee, Mornington Island and Normanton. Mornington Island will see funding of \$515,000 over four years and Doomadgee will see \$515,000 over four years. It is important to understand that those funds will go directly, and I will ask for a small extension of time on this one. Mornington will also receive \$515,000 over four years for Mornington Hospital. Those services will be funded and provided through Queensland Health.

Similarly, diversionary services of \$22 million over four years are being rolled out in a number of those communities to support this program. As I said, this is a very substantial program of new services. I have said on the public record before, and I am happy to repeat here, that, while I am a great supporter of our alcohol management plans, if we have learnt anything from their implementation it is that we needed more detox, rehab and diversionary services to back them up. That is what we are delivering now.

**Mr HOOLIHAN:** Premier, on page 1-4 of the SDS you talk about the implementation and launch of the Smart State Strategy in its third iteration. Could you provide us with an overview of that strategy?

**Ms BLIGH:** I thank the member for the question. Developing Queensland as the Smart State of Australia has been one of the driving forces of our government since Peter Beattie's swearing in as Premier. This year we have launched the next iteration of our Smart State Strategy. We have always indicated that this is a strategy that needs constant updating. Many of the areas that we are looking at being involved in and playing a leadership role in as a state are areas of rapidly changing, cutting-edge technology, whether in the biomedical sciences, the IT sector or others.

The third instalment of programs that I announced earlier this year will help achieve the government's vision for a state where knowledge, creativity and innovation drive economic growth to improve prosperity and the quality of life for all Queenslanders. We have invested around \$860 million to date in research infrastructure. Only about \$12 million of that has gone directly into funds to support scientists and investment in people. We have put extraordinary amounts of money, in a Queensland context, into building new facilities and world-class laboratories. Our new strategy focuses on investing in the people, the ideas and the partnerships that will drive the best possible use of those buildings and facilities.

I have announced \$120 million of new funding towards a \$23.3 million Innovation Skills Fund to attract and retain some of the brightest minds in science to solve those challenges of the future; \$60 million in innovation projects to fund and support the research, knowledge and commercialisation of ideas; a \$25 million health and medical research program to fund six senior clinical research fellows, 22 health research fellows and 12 clinical academic fellows, and attract world-class clinicians and health professionals to translate research into much better health services for Queenslanders; and a \$3 million Designing Queensland program to raise the profile of Queensland design, and we are looking to brand Queensland as the centre of Asia-Pacific design as we think we are uniquely placed in the Asian region.

We have seen over \$3.5 billion invested in research, development and innovation since 1998. That has built 36 new research institutes around the state. In our first 140 years we developed 30 research institutes and universities; we now have 66. So we have more than doubled the state effort. It has generated over 60,000 new jobs in science, engineering, technology and health. We have grown our knowledge-intensive industry exports by 105.5 per cent and we have helped our business expenditure on research and development grow by 162 per cent. I think on any measure it is a very successful program and we look forward to supporting it into the future.

**Mrs KIERNAN:** That leads into my question, which has to do with the government's priorities of embracing growth in cities and regions, referred to at page 1-3. Could you outline to the committee the infrastructure planning being undertaken for far-north Queensland to support future development?

**Ms BLIGH:** I thank the member for the question. Far-north Queensland, as the member knows, is one of our fastest growing regions. We believe that the planning process we have put in place here in south-east Queensland to effectively manage growth and to put a statutory basis under that has equipped not only the state government but also local councils, developers and the community to better

plan for their own futures by establishing appropriate areas for development and protecting other areas from development and giving that statutory force. We have been working in the far-north Queensland region for that region to be the first non-SEQ statutory planned area.

We released a draft regional plan for FNQ for public comment on 9 May. I and the Deputy Premier travelled to Cairns and released it. Following consultation, that plan will be revised and finalised, with a scheduled release anticipated for December this year. A key element of that plan is the provision of regional infrastructure to service the future regional land use patterns. The great strength of what has happened in the SEQ planning process is to link the plan with long-term infrastructure, identifying areas for development and ensuring investment is targeted into transport links, for example, into those areas where you want to see future development.

We are now working to ensure that the Far North Queensland Regional Plan will be accompanied by an infrastructure plan to support the delivery of the desired regional plan outcomes. While the format of that plan is yet to be determined, it is anticipated that it will encompass an infrastructure planning framework that identifies emerging infrastructure requirements, coordinates priority infrastructure projects across state agencies, identifies and delineates different classes of infrastructure and then be linked to the annual budget process.

A body of work towards that plan has already been accomplished through the Department of Infrastructure and Planning, which has developed a regionally significant infrastructure profile that supports the FNQ Regional Plan. The completion of the draft infrastructure plan for far-north Queensland is targeted for October this year so that we are looking to be in a position by the end of this year to provide real certainty for far-north Queensland, to give rapidly developing Cairns and surrounding areas certainty about the planning processes and the infrastructure that will underpin those planning decisions well into the future.

**Mrs KIERNAN:** Just moving a little further down the line, balancing government priorities is always going to be a key priority and an issue. Page 1-3 talks about the government's priorities and the need for this to be balanced. The Northern Economic Triangle is a prime example of the government's balancing of the priorities to develop sustainable solutions. As we know, the triangle is Mount Isa, Townsville and Bowen. Could you provide an overview of the initiative itself?

**Ms BLIGH:** I thank the member for the question. I know that she has a vital personal interest in the Northern Economic Triangle work. As the member for Mount Isa knows, there are extensive opportunities for further development of the north-west region of the state, but realising that potential will require significant infrastructure, not only in and around Mount Isa but also between Mount Isa and the most obvious ports which necessitates rail, power, water and port infrastructure to be considered. To that end, the government released a Northern Economic Triangle Infrastructure Plan for 2007-2012 in August last year. This Northern Economic Triangle Infrastructure Plan is a vision to foster sustainable development and growth around the Mount Isa, Townsville and Bowen areas as a triangle of mining, minerals processing and industrial development over the next half century.

The most critical issues that are being addressed for the north-west and north Queensland are energy, transport and suitable land for major industrial development. A range of strategies are now being pursued through that plan. The declaration of the Powercor-IsaLink high-voltage direct current transmission line project has been declared a significant project. That project, if financially viable, will involve the construction of a 1,100-kilometre power transmission line from just near Stanwell in central Queensland to the north-west minerals province.

We have also seen the negotiation of an Indigenous land use agreement, which I was there to celebrate with the member for Mount Isa, to ensure sufficient land for industrial precincts and residential land to allow for more workers to move into the region. The Queensland Rail network is commencing the development of a master plan for the Mount Isa to Townsville rail system to cater for the increase in minerals transport from the north-west minerals province. We have declared a state development area at Abbot Point and that is to facilitate the expansion of the coal terminal at the port of Abbot Point, with plans for further expansion. We have also seen the completion of the Abbot Point multipurpose port concept plan to support future industrial development in the region, and we are ensuring water supply through SunWater's Water for Bowen project.

The recent commitment by Chalco to proceed to a business case for a site in Bowen for its refinery, if it comes to fruition, will be a great boost to the work of the Northern Economic Triangle because it effectively provides a very solid foundation tenant for the growth of Bowen as a major industrial hub. I look forward with interest to the outcome there. If we have a major industrial tenant of that size, we could expect I think to see that in itself generate investment in energy by the private sector in and around the Townsville area. I think there is a lot of promise going forward with the opportunities in that region.

**Ms STONE:** Premier, page 1-3 of the SDS refers to improved infrastructure and better services for Queenslanders. Can you please provide an overview to the committee of the infrastructure projects on the Gold Coast?

**Ms BLIGH:** Yes. The member, I know, is someone who regularly travels there and has a keen interest in this. The government has again demonstrated the importance it places on the Gold Coast through very significant infrastructure investment in the region—for example, the \$543 million Tugun bypass, which I hope the member for Robina has travelled on now—

**Ms STONE:** It is fantastic.

**Ms BLIGH:** This bypass was expected to carry between 35,000 and 40,000 vehicles a day. The early data shows that nearly 42,000 vehicles are using it on a daily basis in the weeks following the opening. As stated in the state budget this year in the Capital Statement, we are investing in excess of \$1.8 billion in capital outlays in the Gold Coast statistical division. This is the fastest growing region in the country and it needs that sort of investment.

We are seeing \$240 million spent on roads in the Gold Coast region, including interchange upgrades and widening of the Pacific Motorway between Nerang and Tugun, widening of the Gold Coast Highway between Government Road and Robert Street and upgrading of the section of the Hope Island Road between Santa Barbara and Columbus Drive. In addition, we are seeing passenger rail services significantly improved, with sections of the rail line being duplicated and extended from Robina to Varsity Lakes. Construction on the rail track duplication from Helensvale to Robina is expected to be completed in August 2008. So the latest advice I have is that it is on track for August this year.

Planning is continuing on the Gold Coast Rapid Transit project. I have been noting with interest the current debate on the Gold Coast about that. No doubt the member for Robina has been watching it with the same level of interest as I have. Frankly, I do hope that we see some resolution of the issues that the council has with this because it is a very big project. I think it does require both levels of government to have some consensus about it and to move forward as quickly as possible.

In the area of health care, we are seeing additional funds not only for the new Gold Coast Hospital but also for the expansion of Robina Hospital and the new Robina health precinct. In education, there is funding for new schools, including a \$17 million Capania State School, \$24.2 million for the Ormeau State High School and \$22.7 million for the West Oxenford State School and some \$11.2 million for the Coomera Springs State School stage 1B.

I can also say how pleased I was when I was at the Gold Coast recently to see work proceeding so quickly on the construction of the extension to the convention centre. This has been a real boon for the Gold Coast. It has brought conventions there. What better place and what a competitive product to offer in the convention market. Having recently attended the Labor Party conference there, I can say as a delegate that to be accommodated in world-class accommodation at the casino, to be able to walk across to the convention centre, to catch the monorail down to the beach, to be within walking distance of the beach is a remarkable addition to the Gold Coast's attractions. It brings a different kind of tourist, if you like—the business market. I am very pleased as the minister who made the decision to fund the extension that it has now been put in place so quickly and I look forward to seeing it operational.

**CHAIR:** Premier, I would to turn to page 1-3 of the Service Delivery Statement which refers to the government priority of 'modernising the Federation and delivering accountable government'. The review of the state's FOI legislation is a key mechanism in achieving this priority. I ask: can you provide the committee with an update on Dr Solomon's report?

**Ms BLIGH:** I thank the chair for the question. The first decision my cabinet took at the first meeting of cabinet that I chaired as Premier was to commission an independent review of our current freedom of information laws and to appoint a panel led by Dr David Solomon to conduct that review. Dr David Solomon delivered his report on 10 June and, as you know, it is in the public arena.

I believe David Solomon not only to be the most well-recognised person with the best reputation on administrative law in the country, with a particular expertise in Queensland having spent time on the Electoral and Administrative Review Commission, but also I think he enjoys a well-deserved reputation for independence on these issues. The report that he has delivered has underpinned why he has that reputation. As you will see, the panel carried out a fundamental and comprehensive review. It has made 141 recommendations that if implemented in full will represent the most sweeping and bold reform of Queensland's FOI regime.

The recommendations not only are focused on achieving a more transparent, accountable and open system of government in Queensland but also propose a very significant culture shift. That is one that I am determined to make and I look forward to putting out into the public arena a full response in August. An exposure draft of the bill I want available for public consultation before the end of this year, with legislation in the parliament in the first half of 2009. It is a complete overhaul of this legislation and it will take some time for the drafting to be completed. But as soon as that is possible we will have it in the public arena.

**CHAIR:** Thank you, Premier. Time for government questions in this session has expired. I call the member for Southern Downs.

**Mr SPRINGBORG:** I return to the issue of emissions and carbon trading. Premier, you came to office 10 months ago and you established the special Office of Climate Change in Queensland. Premier, can you give us a reason why after 10 months this special office has failed to properly calculate or calculate in any way the amount of greenhouse emissions generated by your department or other government departments? Can you also give us a preliminary estimate of whether such emissions are going up or down?

**Ms BLIGH:** I think I have answered this question extensively during the last session. I indicated then that we are requiring every government department to put this material into their annual report. An annual report is a statutory document and, not surprisingly, agencies are concerned to ensure the accuracy of the material they put in that report, not only in general terms but specifically when they are developing benchmark data against which their performance will be judged into future years.

Frankly, I do not believe that this is a remarkable period of time. I think when you consider that agencies operate in vastly different ways and they generate greenhouse gas emissions from everything from aircraft use to turning on a light switch, with some agencies involved in high levels of vehicle activity, it is not surprising that there are very different issues in every agency. I make no apologies for making sure we get it right, providing accurate, precise, comparable data. This will be the first time we have done it. It is important and I am determined to make sure we get it right.

**Mr SPRINGBORG:** Premier, do you find it a little bit incredible that, given that you have a specially dedicated department or section in your department looking after this, staffed by high-powered people, you have not been able to calculate greenhouse gas emissions after 10 months, yet industries across Queensland that are going to have to adapt and also report do not have such an advantage? So how do you expect that they will be able to comply with their greenhouse requirements under the Garnaut report or whatever comes out of it?

**Ms BLIGH:** No, I do not find it remarkable at all. I think I have outlined very clearly the reasons why I want agencies to have precise data that is comparable across a range of agencies. Obviously people can make estimates and there are some estimates. For example, I am advised that for departmental vehicles in the Department of the Premier and Cabinet there is an estimated reduction of 32 per cent in carbon emissions compared to the 2006-07 year. That is all it is at this stage, an estimate, and it is being validated before it is finalised.

I should say that in relation to the activity of the Office of Climate Change it has a number of responsibilities across government. This is only one small part of that agency's responsibilities. It is currently in the process of undertaking a review of the ClimateSmart 2050 strategy that we released in May last year. This is a rapidly changing field of policy and we need to make sure we are keeping up with it. That is why it is reviewing the policy. That policy I think must be one of the most quickly reviewed policies after its launch. But I do not think that is surprising given how quickly this field of knowledge is moving.

We have undertaken some of the most comprehensive and serious responses to climate change within government of any government in Australia. We have moved to a very dramatic reduction target for emissions in Q-Fleet. We are already starting to see some benefits from that. We have moved to ensure that every agency will be aware of its greenhouse gas emissions and report them publicly. We have ensured that there is a comprehensive response to Ross Garnaut's work. We will make a similarly well-researched response to the federal government's green paper. All of these issues are important and I expect this office, as well as the other relevant offices in government—whether it is Q-Fleet or government agencies—to be as active as they can be in this area.

**Mr SPRINGBORG:** Premier, can you indicate to the committee today if your government department, its arms and instrumentalities actually receive an emissions report on the electricity accounts that you receive across government?

**Ms BLIGH:** I am not aware of that. I will take it on notice.

**Mr SPRINGBORG:** Do you think it would be a good idea if you did, considering it is something that householders as a standard are requesting now?

**Ms BLIGH:** They get their bills from the same provider. So we will have a look at it. I will take it on notice. It is either there or it is not.

**Mr SPRINGBORG:** Premier, earlier on today in response to a government question you talked about a new coal loading facility at Shoalwater Bay. I think it appeared to be news to a lot of people in this room. Certainly we all support the growth in the resources sector in Queensland and the boon to the economy. Premier, can you indicate what has actually happened to the Port Alma upgrade? Do you envisage that there will be environmental issues and concerns particularly in that area of the Capricorn Coast arising from the announcement?

**Ms BLIGH:** In relation to Port Alma?

**Mr SPRINGBORG:** In relation to your talk about a new coal loading facility.

**Ms BLIGH:** In relation to Port Alma, my recollection is that it has been declared a project of state significance, so it will require a full environmental impact statement before it can go ahead. It does, as I am sure you would be aware from your knowledge of central Queensland, offer I think a real opportunity for some much-needed improvement to that port. But, like all of these major projects, it will only go ahead if it satisfies all of the environmental issues.

The Shoalwater Bay proposal can only be accessed by travelling through defence department land. You may or may not be aware that the defence department currently accesses all of its heavy equipment for major exercises that are carried out in that area through the Port of Gladstone which it then transports by road into the Shoalwater Bay area. As I understand it, the Department of Defence is interested in discussions about possible easement access on to its land for railway access to the port because it would not only provide an opportunity to open up the Galilee Basin for coal export but it would provide the Department of Defence with a very useful direct port for what is often very heavy equipment, as you would appreciate, for the nature of the exercises it conducts.

However, you are right—and I indicated very clearly in my response—that Byfield National Park is in close proximity, and this project will not take one centimetre of that parkland. No project can go ahead. It has been declared a project of state significance. It will require, firstly, a full EIS and will have to satisfy all of those requirements. It may or may not come under the Commonwealth department's environmental protection and biodiversity provisions. That is a judgement that they will have to make. A project of this size, frankly, I would expect would attract the attention of that act. So it will have a very high environmental hurdle to cross.

It is the first major coal-exporting port in Australia to be developed in the last 25 years. It does offer significant opportunities that are not there at the moment, but it cannot proceed unless it satisfies all of the legal requirements. This is nothing more than step 1. It is an important step. You cannot go any further without the first step. But the declaration of this as a project of state significance is really the step that is required to ensure the environmental impact work is done according to the legislation and done comprehensively.

**Mr SPRINGBORG:** Basically, that will go along with regard to all of the environmental requirements being properly followed, and the Port Alma upgrade—if I understand what you have indicated—is dedicated as a project of state significance, so that is continuing along as well?

**Ms BLIGH:** Yes.

**Mr SPRINGBORG:** Premier, can I turn to the issue now of—

**Ms BLIGH:** I should say that I think Port Alma is looking at being a container port as well, so it is not necessarily a competitive competitor for coal.

**Mr SPRINGBORG:** Thank you. I just want to return to your primary responsibility for ministerial standards, and the long list of staff positions which you have supplied in response to your question on notice. I note that the Commonwealth government has a practice—for how many years I do not know—with regard to criminal history, background and integrity checks. This is standard practice for the Commonwealth and other levels of government across Australia. Can you indicate what the situation is in Queensland with regard to checking the background of people who are employed through your department?

**Ms BLIGH:** There is no requirement that ministerial staff undertake a criminal history check, to the best of my knowledge. I am just getting some further advice on that. Ministerial staff are employed generally through a process involving an interview with staff—either the chief of staff or the minister, depending on the level of the position. They make an application and nominate referees who, as per standard, are contacted. In essence, they are employed in the same way as the staff of the Leader of the Opposition.

**Mr SPRINGBORG:** Premier, a little while ago you mentioned the Far North Queensland Regional Plan and that you are going to use the South East Queensland Regional Plan as the glowing template for that. When the South East Queensland Regional Plan was brought down a couple of years ago, it was indicated at the time that it did not need to be revisited for seven years, but I understand that some aspects are being revisited now. Premier, can you give an indication that you would expect the same degree of inconsistency or uncertainty in medium-term planning regarding the FNQ Regional Plan?

**Ms BLIGH:** I dispute that this form of planning in any way gives rise to uncertainty or inconsistency. In fact, the most constant feedback that I get, whether it is from local governments, the business community, the community sector or environmentalists, is that what the south-east Queensland plan does and what the infrastructure plan that underpins it does is give a very clear line of sight—that is, people can see where it is possible to consider development and increase density and where it is not. In the south-east Queensland area, for example, 80 per cent of the SEQ plan is restricted from development. In terms of the far-north Queensland plan, my recollection—and you would be aware that not all of this is in my portfolio—is that it is being proposed for 2020. So it is a 12-year plan. But, like the south-east Queensland plan, it would be a document that would be constantly updated.

I do not think anybody would think that good planning is planning that is frozen. Good planning has to take account of new and emerging issues. So, for example, climate change is one of the issues that is currently being considered in the context of the south-east Queensland plan. When Terry Mackenroth first undertook this plan, frankly, whilst the issue of climate change was being talked about, I do not think people had any real understanding of what the long-term planning issues might be for approval of waterside dwellings, for example, and where density may or may not be appropriate. They are the sorts of emerging issues that I think good planning always has to take account of.

There is no doubt that, with the very first SEQ plan being put in place when it was, it was made clear at the time that it would be the subject of a review. It is a transparent process. People can be involved in it.

**Mr SPRINGBORG:** I would like to touch on the issue of the Eastern Busway. I recollect the Premier mentioned in her opening statement how the government is getting on at a cracking pace in building the Eastern Busway. Why is it that the budget papers indicate that 2026 is the busway completion date? Is this fast enough to deal with the significant growing congestion issues for south-east Queensland?

**Ms BLIGH:** It is a good thing I got questions asked of me; otherwise you would not have any left, would you?

**Mr SPRINGBORG:** I have heaps here.

**Ms BLIGH:** I note that you are referring only to mine. I am happy to discuss the Eastern Busway. The Eastern Busway runs from the PA Hospital right out to the eastern suburbs, out through Coorparoo and into the Capalaba area. From memory, I think this is a 20- or 26-kilometre busway. You will appreciate that these are very significant investments and they have to be made in accordance with the projected needs as well as projected affordability.

The costs of the stage that has been funded in this budget exceed the original estimates, because when it went to public consultation the scope of the works and the nature of some parts of it changed. For example, some parts that were originally going to be at grade or as a flyover were then put underground as a way of managing what is a big exercise to retrofit a dedicated busway into an existing community. The cost of putting part of it underground has increased it, but it will make for a much better project.

Similarly, I think there were very legitimate concerns from one of the local schools about how much traffic there might be between pedestrians seeking to access the proposed busway station and the school itself. They were very legitimate local concerns. That is why you put these things out for public consultation, and the nature and scope of the busway were changed to accommodate those concerns. They are just two examples of how things change.

When you go out for consultation on a specific section of a busway—it was always planned that it would be built in stages. If we are in a position to bring it forward on the basis of changes in forecast revenue, then we will certainly be looking at that as one of the priorities. I should indicate that it is also one of the projects which I believe we should see some consideration of through the Building Australia Fund. It is major, nation-building public transport infrastructure in a capital city. In the same way as the former Labor government federally put money into the South East Busway and then nothing happened for 12 years because of the Howard government, we may well, hopefully, see some investment out of the Building Australia Fund in these sorts of initiatives to help bring them forward in these stages.

**Mr SPRINGBORG:** Premier, I note on page 1-4 of your Service Delivery Statements that one of your dot points is 'finalise a review of preventative detention of serious sexual and violent offenders'. Can you give the committee an update, particularly in light of the bungling around Dennis Ferguson and the great angst which has been caused for the people of Carbrook? How do you actually feel and believe that this review is going? What is it going to do to ameliorate those sorts of concerns and stop people having to go through that again in the future?

**Ms BLIGH:** I thank the member for the question in relation to the review of the Dangerous Prisoners (Sexual Offenders) Act. The outcome of this review was released in June. I, along with the police minister, held a press conference. We publicly released the report. It had 22 recommendations and government indicated that we endorsed all of those 22 recommendations. I would commend that document to you and suggest that you give it your consideration, because it does involve legislative changes that will come before the parliament.

You might recall, for example, the minister for police and corrective services in the context of this review discussing how prisoners who have served their time, who are not subject to an indefinite sentence from the courts but who are then subject to conditions of release which can be monitored by the police, could, for example, have any chemical libido inhibitor that they are taking included as part of those conditions and enforced. So they are the sorts of issues that were considered in the report.

There are a number of amendments proposed—for example, to give corrective services officers the power to direct where offenders live, if they should be banned from drinking alcohol and whether they should be subject to other things like curfews, to amend it to include criteria to guide the courts as

to when offenders should be released on supervision orders. They are the sorts of issues that the review countenanced. There are 22 recommendations. The report is publicly available. Government has endorsed all of them. We will be looking to implement those in an amending bill before the House.

In relation to Mr Ferguson, Mr Ferguson is in a number of unique circumstances. Firstly, his original sentence was made and completed before the Dangerous Prisoners (Sexual Offenders) Act took effect and it cannot be retrospectively applied to him. So he is not a DP(SO) prisoner and therefore cannot be subject to conditions of the court. If the court decides that he is found guilty of another similar offence then the courts could place conditions on his accommodation and other activities.

Secondly, he was released from detention when the court made a decision to stay the indictment that he was the subject of on the basis, as you would be aware from this being in the public arena, of three reasons, one of which involved the judge's view that he would not be able to get a fair trial. This is without precedent that anyone can establish in Queensland, so he was released from detention in remarkable and extraordinary circumstances that in my view could not have reasonably been foreseen. Therefore, the circumstances were such that accommodation was not available because the full expectation was that he would be going back to prison that day while the courts considered the matter.

I might seek a small extension of time. In that light, I have to say that I think it is a very difficult circumstance for police and Corrective Services. It is a very difficult circumstance for us as law-makers. While I understand that the public—and they have written to my office—would like me to put him back in jail, in this country you can only be jailed if you have been convicted of an offence and are subject to a sentence of the court. That is a matter that is currently on appeal before the court and I do not think it would be appropriate for me to say any further on that.

I do have answers to some of the questions I have taken on notice.

**CHAIR:** We are at the point of change, Premier. If you have some answers that you would like to add to questions which were raised earlier, please do so. I am sure the member for Southern Downs will want to hear them.

**Ms BLIGH:** With respect to the settlement of the grievance with a locally engaged staff member, the settlement was finalised according to the law of the country in which it occurred. I do not think it is too revealing to say that it was the United Kingdom. It is subject to a confidentiality agreement, but it did involve one month's pay in lieu of notice, two weeks pay for every year of service and a negotiated payment of legal costs. Those payments are consistent with Queensland Public Service arrangements. I do not have the total amount. I am getting advice on whether I can actually provide the total cost. But as you can see from that, it is very standard in terms of a separation settlement. Because it is subject to that confidentiality agreement, I think that is probably the best that I can put on the record.

In relation to the record keeping regarding the child placement principle, I can advise the committee that \$10 million has been invested over the last four years on record keeping. A new program commenced in 2006 after the CMC review. A total of \$49.8 million has been spent on the integrated client management system. That is a totally new data collection system, or information technology system, for the department. Some 53 staff are employed. That has increased the number of files entered onto that system from 1,000 files per month to 5,000 files per month. I think it is fair to say that there has been a dramatic increase and improvement in relation to record keeping in that agency.

Just by way of further background on some of the questions the member asked in relation to that, I think it is important for me to put on the record the Department of Child Safety's concerns about the methodology in relation to the 28 children who were sampled. Some of the questions, for example, go to the cumulative framework in which the compliance or otherwise with the child placement principle has been judged in the children's commissioner's report. For example, if a child is placed immediately with a kinship-carer—that is, someone to whom they are related—the Department of Child Safety acts on the view that the child placement principle has been satisfied because the child has been placed with an appropriate Indigenous carer who is a relative of the child. But in the methodology used by the children's commissioner they judged that as a failure to comply because the department had not satisfied the other four steps in the process. So I think there is actually a legitimate argument about methodology.

As I understand it, one of the reasons this has not been released publicly yet is that some of those issues are being worked on between the two agencies—that is, to get a satisfactory agreement about how to report this in the future so that we can all get something accurate. I frankly agree that if a child has been placed with a relative carer who is Indigenous then all parts of the child placement principle as well as the act have been complied with. It does not make sense to me that that would be regarded as an act of noncompliance because the other four steps were undertaken. They are some of the issues that go to that question.

I am not sure that this actually answers the question that was asked. You might want to clarify the question in the context of this information. This was with respect to the biggest increases in remuneration of senior public servants. For senior public servants there has been no change in classification. The only recent increases have been an enterprise bargaining flow-on of four per cent from 1 July as per a previously agreed enterprise bargaining agreement. Does that satisfy you?

**CHAIR:** That satisfies the question, member for Southern Downs.

**Mr SPRINGBORG:** Yes.

**CHAIR:** I was going to do this at the end, but now that we have touched on questions that were taken on notice I point out that there may be a typing error in the timetable that was submitted for the committee. The standing orders require answers to questions taken on notice to be provided within 24 hours of the conclusion of the hearing. Given that the joy for our committee members is that this hearing goes to 7.30 this evening the deadline for responding to questions taken on notice is 9 am on Friday, 18 July.

**Ms BLIGH:** I am not sure that there are currently any outstanding questions on notice.

**CHAIR:** I have not been keeping as close a track of this as you have, Premier.

**Ms BLIGH:** I think those three answers satisfy it unless you can recall any others.

**Mr SPRINGBORG:** I think so. I just made a couple of suggestions along the way. They are probably more suggestions than questions on notice.

**Ms BLIGH:** In terms of questions that were formally taken on notice, I think those three answers satisfy it. If there are any others I am happy to have them clarified.

**CHAIR:** The reason I point it out is that if there are any others that is the deadline. It is time now for government questions. I call the member for Springwood.

**Ms STONE:** I want to speak about urban congestion. I know that that was a key focal point of your recent overseas trade mission. On page 1-4 of the Service Delivery Statements the department also refers to its involvement in urban congestion. Could you please provide an overview of the initiatives that are being developed?

**Ms BLIGH:** I thank the member for the question. There are a number of decisions that I have taken since becoming Premier that go to the question of improving urban congestion. I think it is important for me to state to the committee that I do not believe there is any one single activity that will on its own alleviate these issues. We need a multipronged approach. To that end, we are looking at five key areas, including land use planning, public transport, new and expanded roads and improved efficiency on the roads that we currently operate.

In terms of public transport, as I outlined earlier, this year we established the new transit authority. What I want to see is seamless integration across the south-east. We have one very major provider of public transport in the state and another with the Brisbane City Council. We then have 18 other providers of buses. While I think there has been a lot of work done on the integrated ticketing system—to the credit of TransLink because we are one of the few capital cities in the country to have achieved it—there can be more work done particularly with private providers on ensuring a more integrated service that matches priorities of both the government and the councils.

We have committed in this budget to further rolling stock of 12 more three-carriage trains for the city network, 90 new buses and \$33.7 million worth of new cycling facilities. I for one am very gratified to see how many people in Brisbane are using bikes to get to work. We want to do everything we can to encourage them. It is only small numbers but I take the view that everything counts. Improving the end-of-trip facilities, as we did jointly with the Brisbane City Council in King George Square, is a very good way of encouraging people to ride to work. To have somewhere safe to store their bike and to have a shower and get dressed for work in a pleasant environment is important.

While I was in the United States, looking at how we improve the efficiency of our existing road network was certainly high on my agenda. I think there are some places doing some very interesting work. As you may be aware, I visited San Diego and looked at some of the work they are doing on what they high-occupancy toll lanes or HOT lanes. We are very familiar here in Australia with high-occupancy lanes—that is, you have to have more than two in your vehicle or be a taxi in some cases or a bus. In this context they provide additional lanes for those people who want to pay to go a bit faster. It is completely optional. There is a free option and a HOT option.

I was interested because I expected that there might be some resentment from some travellers that this was a lane people could jump into if they could afford it. The advice I have from the traffic authorities there—and they have done lots of surveys on this—is that people actually chop and change between being HOT laners and not being HOT laners depending on the urgency of the particular trip. Those people who are in lanes and not paying the toll are pleased to see those who can afford it get out of their lane. That is something that we will certainly look at. There are some major roads in Brisbane which could be expanded through that methodology. It is not a decision of government yet but I think it is those sorts of ideas from around the world that are worth looking at.

**Mrs KIERNAN:** The government priority of building on economic success through working with industry to diversify and expand market access, export and trade opportunities supports a Smart State Strategy which is referred to on page 1-4. Could you inform the committee of your government's coal infrastructure plan?



**Ms BLIGH:** I thank the member for her question. We do indeed have a coal infrastructure strategic plan. This involves some of the largest projects in Queensland, both private and public, and some of the largest projects in the country. It is important to have a long-term strategy and to ensure that infrastructure that is delivered is done in an integrated way and rolled out in a sequence that makes sense and does not see further bottlenecks develop.

The plan identifies infrastructure requirements over a 20-year period to drive growth over the medium- to long-term. The sorts of investment decisions that companies are making in relation to exploration and the opening of new mines means that they need to have some knowledge of and confidence in the infrastructure capacity going forward.

Increased coal production is expected from expansions in new mines in the Bowen Basin and a very significant increase in activity in the Surat Basin. The plan considers the potential of the Galilee Basin as a major source of new coal production. Increased coal production will require improved rail and port capacity, additional water reserves, power infrastructure, skilled workers and social infrastructure such as housing and community services.

Currently, coal is Queensland's biggest export earner with \$3.2 billion expected to come into the state this year. That delivers us the necessary services such as schools, hospitals and other infrastructure not only for the coal industry itself but also for the broader community of Queensland. This year we will export around 176 million tonnes. We are expected to grow that to 200 million tonnes in the next 18 months. So by the end of 2009 it will go from 176 to 200 million tonnes. Currently there are 40 mines and there are another 28 under consideration—17 are under development and 11 of them are being expanded.

The Coal Infrastructure Task Force has worked closely with Queensland Transport and Queensland Rail to ensure that the strategic plan delivers a coordinated message and represents a whole-of-government outcome. As I said, we need to sequence that development not only across each of those relevant government agencies but also, importantly, with other private sector developments that are occurring.

**Mr HOOLIHAN:** I will move away from coal and some of those areas for the moment. At page 1-75 of the SDS you mention the Queensland Events Corporation and their investment in the Queensland Events Regional Development Program in 2008-09. Can you provide this committee with details of the program and how the investment assists regional Queensland?

**Ms BLIGH:** I thank the member for the question. I am very pleased to end the estimates committee hearing on a more culturally uplifting note. I thank the member for Keppel for that. The Queensland Events Corporation's role is to contribute to the growth of the Queensland economy through two programs of events—a major events program and a regional events program.

Anybody who has had any contact with the Queensland Events Regional Development Program would agree that it is one of the most important areas of cultural investment that we make outside of the capital city. It gives communities in regional and rural Queensland the chance to showcase what they have to offer, to attract visitors to their regions and to enhance the experience that visitors have when they visit that region. It gives them an opportunity to retain some of the tourism dollars that come into the state if we can get some of the tourists out of the major centres.

We have the largest and most diversified portfolio of supported events in Australia which is not surprising given the diversity we see across Queensland. Some \$2.4 million is invested through this program that provides support for 65 events for core programs equating to just over \$1.3 million. Significant regional event schemes support two events for \$0.3 million over three years. As well there are \$25,000 Premier's development grants for five events.

Some of the successful events that are really worth noting are: the Julia Creek Dirt and Dust Festival, which I am sure the member for Mount Isa can attest to; the 2008 camel endurance ride at Hughenden, again an important part of her local patch; the Caloundra Music Festival which is growing every year; the Wallaby Creek Festival in Cooktown; the Tully Golden Gumboot Festival which I have to say I have not got to yet but I hope to get to; the Reef and Rainforest Carnivale in Port Douglas; and the Pentath-run in Warwick, which I am sure the member for Southern Downs is familiar with.

These are important local events. They do bring people to those centres who would not otherwise go. The Pentath-run is a good example. I know people here who travel out to it every year. I doubt they would be heading out to Warwick if it was not for that event. When they are there they stay the whole weekend and enjoy some of the wonderful places in and around the town of Warwick.

**CHAIR:** Do they run in their socks out there?

**Ms BLIGH:** They do not run in their socks. Some of them might. Some of them might go barefoot. I wanted to put on the record my support for the Queensland Events Regional Development Program. We are currently reviewing Queensland events but the regional development program will remain as one of its core responsibilities. I am very pleased to see regional and rural Queensland getting a share

of this action. I do not think we can underestimate the importance of these not only to the local economies but also to the social and cultural wellbeing in those areas. It is what makes some of these places such great places to live.

**CHAIR:** I had a follow-up question to that but we have come to the end of the time for government questions. Before I finish this section of the hearing I would like to seek leave to table a letter I have received from the Speaker regarding some issues that came up in his hearing this morning.

Leave granted.

**CHAIR:** Premier, thank you for your attendance today to examine the appropriation relating to your portfolio areas. Can I thank all of the departmental staff, advisers—and particularly the Commissioner for Children and Young People and Child Guardian—for their attendance today to assist this process and to answer questions.

**Ms BLIGH:** Can I thank the chair and all members of the committee. Can I also thank the staff of the parliament who assist in making these committees work. I do think they are a very important part of the accountability mechanisms of our parliament. I remember a time when they did not exist. I think these sorts of checks and balances are important. I thank all of the parliamentary staff who have made their services available today. I look forward to seeing the final report of the committee.

I draw attention to the matter that I raised with the question on notice about air travel from the Leader of the Opposition in relation to the confidential provisions relating to those flights that involve organ retrieval. I know that that has been a standard part of the response in that regard and I hope that confidentiality is maintained for those patients. I have every confidence that it will be but I draw attention to it. I thank all members and the representatives of my portfolio who have put a lot of work into ensuring that the questions of the committee could be answered accurately today.

**CHAIR:** The committee will break for lunch and resume at 2 pm to examine the estimates for the portfolio of the Deputy Premier and Minister for Infrastructure and Planning.

**Proceedings suspended from 12.50 pm to 1.59 pm**

## ESTIMATES COMMITTEE A—INFRASTRUCTURE AND PLANNING

### In Attendance

Hon. PT Lucas, Deputy Premier and Minister for Infrastructure and Planning

**Department of Infrastructure and Planning**

Mr C Jensen, Director-General and Coordinator-General

Mr J Bradley, Chief Executive Officer, Queensland Water Commission

Mr P Eagles, Chief Executive Officer, Urban Land Development Authority

Mr D Harradine, Director (Acting), Executive Services

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**CHAIR:** Good afternoon. I declare this meeting of Estimates Committee A now open. My name is Simon Finn. I am the member for Yeerongpilly and the chair of the committee. Joining me on the committee are Paul Hoolihan, the member for Keppel; Betty Kiernan, the member for Mount Isa; Fiona Simpson, the member for Maroochydore; Lawrence Springborg, the member for Southern Downs and deputy chair; Ray Stevens, the member for Robina; and Barbara Stone, the member for Springwood. This afternoon the committee will examine the proposed expenditure contained in the Appropriation Bill 2008 for the portfolio of the Deputy Premier and Minister for Infrastructure and Planning. Welcome, Deputy Premier, and other advisers and departmental staff. The committee will examine estimates for the portfolio until 4.30 pm.

The proceedings today are lawful proceedings subject to the standing rules and orders of the parliament. As such, I remind all visitors that any person admitted to this hearing may be excluded in accordance with standing order 206. In relation to media coverage of the hearing, the committee has resolved to allow television film coverage and photography during my introduction and the minister's opening statement. The committee has also agreed to the live broadcast of the hearing via the Parliamentary Service's web site and to receivers throughout the parliamentary precinct. Before beginning I ask that if anybody has a mobile phone with them they ensure that it is now switched off. The time limit for questions is one minute and three minutes for answers. A warning bell will chime 15 seconds before that time runs out. An extension of time may be given with the consent of the questioner. I now declare the proposed expenditure for the portfolio of the Deputy Premier and Minister for Infrastructure and Planning open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Deputy Premier, there is an opportunity to make a five-minute opening statement and I give you that opportunity now.

**Mr LUCAS:** Thank you, Mr Chairman and committee members. I welcome the opportunity to report on the record investment the Bligh government is making to deliver the infrastructure and planning reform needed to keep Queensland strong and vibrant. In a large decentralised state like ours, it is vital we fund infrastructure to support a competitive economy and build socially sustainable communities through smart planning. It is equally vital that we fund planning and development reform to ensure a consistent, measured and sustainable approach to development. That is why in September last year the Bligh government established the Department of Infrastructure and Planning, integrating our planning portfolio with infrastructure delivery.

Right across Queensland—on the ground, underground and above the ground—the state is bursting with infrastructure delivery. We opened the Tugun bypass six months ahead of schedule, completed the Inner Northern Busway and are close to hitting 75 per cent completion on the \$9 billion south-east Queensland water grid. Alongside the infrastructure program, Queensland's planning and development system is being reformed to deliver a consistent, predictable and streamlined approach statewide. We have consolidated the South East Queensland Infrastructure Plan and Program to achieve improved project flexibility and sequencing. It now stands as a massive \$107 billion blueprint for infrastructure delivery in the south-east between 2008 and 2026. Over the same period we will spend more than \$36 billion on infrastructure investment in regional Queensland. We have released a draft regional plan for far-north Queensland, with three more draft regional plans due in August, and we are currently reviewing the South East Queensland Regional Plan.

Last month we launched a Housing Affordability Strategy, passed legislation to strengthen Queensland's building codes and introduced online assessment for development applications. This year the government continues to deliver the largest infrastructure program since Federation. The government is investing a record \$17 billion on capital works this year, the largest per capita investment on infrastructure by any state in Australia and a 19 per cent increase over last year. Significantly, 56 per

cent of capital outlays in 2008-09 occur outside the Brisbane area. This increased investment is needed to fund rail links, port upgrades and energy projects to maximise Queensland's mining exports and to keep our resource industry competitive and sustainable.

Our \$15 billion coal infrastructure plan is designed to cope with increased demand for quality coal. We are investing \$576.4 million to expand coal haulage capacity in central Queensland, \$311.7 million for new and upgraded rolling stock and \$367.2 million for port developments. In May we announced the successful bidder for the Airport Link tunnel, another section of the Northern Busway and a flyover from the East-West Arterial onto Airport Drive. Together these projects are worth almost \$5 billion but will only cost taxpayers \$1.5 billion because of the public-private partnership framework being used to deliver the work.

The government recently signed a memorandum of understanding with Chinese aluminium company Chalco for a study into a \$2.2 billion alumina refinery at Abbot Point near Bowen. Queensland will continue to attract significant investment in terms of industrial and economic development. There are currently 34 declared significant projects representing more than \$37 billion worth of investment that must be managed by my department. These projects cover infrastructure from traditional Queensland sectors like mining, water and roads to port and coastal development through to emerging industries such as liquid natural gas, gas to liquids and carbon sequestration projects.

I want to finish by noting that it is not always the major infrastructure projects or the statewide planning decisions that make the biggest impact. Thanks to the innovative campaign run by the Queensland Water Commission, south-east Queensland families are just one week off a record 12 consecutive months of meeting water savings under the Target 140 campaign. Before the drought the average per person usage was almost 300 litres a day. Last week average use was 112 litres per person per day, the lowest figure on record. South-east Queensland households have saved a massive 39 billion litres of water in the last year thanks to the Target 140 campaign. To put it in context, that means an average household of three people has saved almost 50,000 litres in the last year—more than enough to fill a fuel tanker full of water. The Queensland Water Commission deserves kudos for the education and communications campaign it ran. I thank it and I thank the real heroes in all of this—the mums, the dads and the kids of south-east Queensland who have made such a great effort to conserve water. This is testament to what the government and the community can achieve when we work together.

Mr Chairman, there was just one error in answer to government question on notice No. 2 that I supplied with regard to median house prices. In the answer there are some percentage figures there. In 2002 I said there was a 130 per cent increase. I am told that it should be 30 per cent. Then in 2006 I said there was a 220 per cent increase. It should be a 120 per cent increase. I will provide you with a corrected copy of that. In terms of the people who are with me at the table, we have Dan Harradine, the Acting Director of Executive Services; Colin Jensen, Director-General and Coordinator-General; John Bradley, CEO of the Water Commission; and Paul Eagles, CEO of the ULDA.

**CHAIR:** Thank you. At the conclusion of the minister's statement I would ask the camera operators to conclude their work. Deputy Premier, can I just clarify: were you tabling an amended response then or will you submit one later?

**Mr LUCAS:** I am happy to submit it. I just indicated to you what the change was.

**CHAIR:** Okay. I was just wondering—

**Mr LUCAS:** But I will submit an amended one if that makes it easier for you.

**CHAIR:** Thank you. It is time now for non-government examination. I call the member for Maroochydore.

**Miss SIMPSON:** Thank you, Mr Chairman. Good afternoon, Minister. Minister, your response to question on notice No. 6 has revealed that your department has spent about \$5 million so far on the North Bank project, with another \$500,000 to be spent this year. Yet on Channel 10 on 29 April this year you were quoted about North Bank as saying—

This is to be delivered at no cost to the taxpayer.

Minister, I ask: why did you mislead the public in April and what has this \$5.5 million been spent on so far?

**Mr LUCAS:** I thank the honourable member for the question. As I have repeatedly indicated in the public domain, delivering at no net cost to the taxpayer means that the construction of it is at no net cost to the taxpayer. It does not mean that the work that the government undertakes in terms of assessing things—in terms of making sure that it has the policy settings right—is not without cost. For example, the Coordinator-General is assessing an LNG project for Santos in Gladstone at the moment. Santos is going to build that project and it is going to do all of it, but the Coordinator-General on behalf of the government will incur costs in terms of public servants and potentially consultancies if he needs to have a look at matters in the EIS. That is clearly a totally different thing from that, so your premise is quite wrong.

I am delighted that the first question that you asked me was about North Bank, because in this regime where we will soon have the National Party take over the Liberal Party I think it is very appropriate to get a question that reminds one of the monstrosity that is only about 500 metres down the road that was wrecked upon this state by the Bjelke-Petersen government. It is actually a really great place for it to be because it is very close to where the Bellevue was destroyed and not too far either from the Riverside Expressway where the riverfront was taken away from the people of Queensland when it was built. We will do the appropriate assessment and planning when it comes to this project, but the GST from construction alone would dwarf our \$5 million that we will invest in terms of the project. I want to make it clear—

**Miss SIMPSON:** That is a strange way of accounting for something you promised would not cost anything.

**CHAIR:** Order!

**Mr LUCAS:** I am happy to have another three minutes if that is another question. Is that another question, Mr Chair?

**CHAIR:** Is that another question, member for Maroochydore—

**Mr LUCAS:** I am happy to—

**CHAIR:**—or is it an interjection?

**Miss SIMPSON:** Interjection.

**CHAIR:** It is our first interjection for the day, I might point out.

**Mr LUCAS:** Okay; fine. I make no apology for the inquiry by design process. We know that 80 per cent of the people when they were surveyed indicated that they wanted something changed with that precinct. Nobody takes their visitors down under the freeway for a social stroll like you would take them into South Bank or to Bretts Wharf or to the Riverside. It is an eyesore and it is a disgrace. We have always made it crystal clear that it has to stack up environmentally in terms of flooding and those other issues. The inquiry by design process may not have suited the member for Maroochydore. Maybe they should have had the inquiry by design process prior to mowing down the Bellevue. They did not have that. In fact, they had an inquiry a few years later that dealt with those sorts of issues. But I have to say this: this has all of the opportunity now to be a real win-win for our community. If it has to take longer and if I get criticism for saying that I want to do this the right way, then I am happy to accept that criticism. Might I have an extension, Mr Chair?

**CHAIR:** Is the questioner happy with that?

**Miss SIMPSON:** No. Minister, I have another question regarding North Bank. So I take it you have no apologies for telling the public that it would not cost them anything and it has now cost them over \$5½ million, yet six years later you have done nothing and you think that is value for money. Will you apologise to the public for misleading them on a project that has gone nowhere in six years and has cost more than \$5 million despite you saying that it would not cost anything?

**Mr LUCAS:** I will defer to the Coordinator-General to provide some further detail on that.

**Mr Jensen:** In terms of the majority of those costs of \$5 million, they will be recovered against the project should it proceed and for the detail of that we will have to come back on notice.

**Mr LUCAS:** I have said before that I am more than keen to get this done the right way. I was just after some information concerning the seven outcomes that the inquiry by design process generated, but what I want to indicate is this: in that process we had a whole number of people who attended—whether they be architects, engineers, Multiplex and its advisers, the Brisbane City Council and the parliament. These people got together and said, 'What do we need to do to activate that area?' If you look, for example, at the historical buildings down there, nobody goes there. Nobody goes down there and uses that precinct at the present time.

**Miss SIMPSON:** So that \$5 million has been spent on what? Was it spent on committees or—

**CHAIR:** Order!

**Miss SIMPSON:**—expensive tea and scones? What have you spent that \$5 million on?

**CHAIR:** Member for Maroochydore, I recall this the last time I chaired a committee which you were on. We had no interjections all day until we got to the section you were examining. We have had a reasonable hearing so far today. We might continue without interjection, thanks.

**Mr LUCAS:** Thank you. The inquiry by design process came up with seven scenarios explored to develop design guidelines. The problem is that the honourable member cannot understand the fact that she asks the questions and I answer them, and that is how this place operates for everyone else in the parliament. The seven scenarios explored were to help develop design guidelines in terms of good core public infrastructure for land based development, good core public infrastructure for enhanced traffic solutions with some river development, a heritage focus with core public infrastructure river development, a heritage focus with modest public infrastructure and moderate land side development,

good core public infrastructure for river and land development, and pedestrian and recreation and tourism focused land side development. I want to thank the people who undertook the inquiry by design process—Wendy Morris, James Coutts and Stephen Bowers. As I said before, they had environmentalists, government agencies, the National Trust, the Brisbane City Council and the development industry.

Some of the preliminary findings indicate that some development within the river can occur with a negligible flood impact. The potential is for three to 10 millimetres in a defined flood event. In fact, the interesting thing about the current CityCat terminal the way it is now is that it actually is in an area where there is relatively high flow from the river. You will notice that a bit further downstream the mangroves are accumulating. In fact it was observed that ultimately they may in fact become land there, so there is far less flow there. What I want to do is make sure the public have their say, and this is a good part of the process.

**Miss SIMPSON:** I refer you to the statement on page 1-116 of the Service Delivery Statements that the Water Commission will have 85 staff this year. In a job ad position description in May 2007, of which I table a copy, an organisational structure shows that there were 16 staff in the Water Commission's Communication and External Relations section. After the opposition raised concerns that a quarter of the Water Commission's staff were spin doctors, I understand a number of the staff from the communications department were relocated to a new division called Corporate Policy and Governance. I table a copy of the commission phone listing from June 2007 which shows this. Can the minister advise how many of the Water Commission's—

**CHAIR:** Hold on. Is leave granted?

Leave granted.

**Miss SIMPSON:** Can you advise how many of the Water Commission's 80 staff are now involved in media relations or communications related roles, whether they be in the communications or corporate governance sections?

**Mr LUCAS:** I will just wait for a copy of the document. Could I see the document that has been tabled? Thank you. I want to say a few things about the Water Commission, but I will ask the CEO of the Water Commission, John Bradley, to deal with the staffing numbers at the moment.

**Mr Bradley:** In terms of the specific question of current staff, there are 7.4 staff within our media and external relations section. There are eight staff involved in correspondence. The change in the allocation of the correspondence staff last year was an administrative change which reflected changes that I was making within the commission to improve our corporate services area. That has been something which we have recognised as part of the budget documents.

In terms of the report that was referred to in the *Sunday Mail*, it referred to a position description which was produced earlier in the commission's life, at a stage when the final establishment and the structure of the commission had not been resolved. So there was a preliminary figure and a preliminary organisation chart there released within that document. The figures there never actually eventuated in terms of the commission's structure. So as I say, there are 7.4 staff at the moment within the media and external relations area and eight staff in correspondence.

**Mr LUCAS:** Can I just add that one of the things that I think is absolutely critical to acknowledge in terms of the water issues that we have been dealing with in south-east Queensland is the champion role that the people of south-east Queensland have played. People have suddenly, over the last few years, taken a real interest in water usage. They have taken a real interest. You see kids talking about water usage matters. People are very, very cognisant of it.

That does not just happen and descend from the ether, like we hope rain does; it is as a result of an education campaign. I make no apology for the Water Commission getting out there and communicating to people, because our usage before the water issues was 300 litres per person per day. It is now going down to 112 litres per person per day. That is a wonderful achievement, and the people of south-east Queensland deserve to be thanked for it.

**Miss SIMPSON:** In regard to the advertising budget for the Queensland Water Commission, what was spent on advertising, marketing and communications in the previous two financial years compared to what you estimate that will be for the upcoming year?

**Mr LUCAS:** I am not sure if those figures are immediately to hand, but I am certainly happy to provide them to the committee. I will just take you through some of the chief advertising campaigns that we have undertaken. It is very, very important to make sure that we communicate not only issues such as the importance of Target 140 but also campaigns such as purified recycled water and level 6 water restrictions. For example, in 2007-08 communication activities included \$1.79 million on level 6 water restrictions, compliance with water efficiency management plans, a report card for business water consumption, the Water at Work program, the residential excessive water users program, the Target 140 campaign, the purified recycled water campaign, highlighting climate-resilient water resources and explaining the safety of PRW, the draft South East Queensland Water Strategy—that 50-year plan in

contrast to the opposition's slapdash, 'put it together at the last moment' sort of policy—and the drought exit strategy, with the staged approach to the relaxation of water restrictions once combined levels are at over 40 per cent.

The 2008-09 communications budget is expected to focus on the following areas: demand management, maintaining current water usage levels and supporting the easing of water restrictions under the drought exit strategy, purified recycled water information to the community on the use of PRW and the importance of climate-resilient water supplies, progress on PRW projects, and ongoing water market reform.

I also say this about the Queensland Water Commission. It received a highly commended award in the Public Water Agency of the Year category at the Global Water Awards held in London this year for the achievements it has secured, from taking a ragtag of assets all over the countryside with a chart that Barry Jones would have been proud of in terms of ownership. Logan, in the area of the member for Springwood, had no water assets. It bought water off other people. Other people had water assets and did not use them all. We now have a situation where we have a far more rational—and will have even further into the future—allocation of water assets. That is an important thing in itself. The achievements of the Queensland Water Commission have been simply outstanding. I am more than happy for them to continue to communicate with the people of south-east Queensland. If the alternative is not to have them reduce water usage and be required to invest in even more water infrastructure, then I think that is not a very good idea.

**Miss SIMPSON:** Minister, I do not believe you provided the comparative figures in that answer. So if you want to take that on notice and table the comparative advertising and communication and marketing figures for those years—

**Mr LUCAS:** That is what I said I would do at the beginning of my answer.

**Miss SIMPSON:** So that information that we take on notice will come. I refer to the proposed budget for the Queensland Water Commission on page 1-116 of the Service Delivery Statements, which is estimated at \$23 million. On page 1-118 it is estimated at \$24 million. The former Premier claimed that the Water Commission would cost between \$2 million and \$2.5 million to run in 2006-07. It actually cost \$18 million. The budget for 2007-08 was about \$16 million and it cost \$27.8 million. Given that your government's past two budget estimates have been out by more than \$10 million, how can we possibly believe your latest estimate of \$23 million to \$24 million?

**Mr LUCAS:** The original estimate that Peter Beattie indicated in June 2006 was a provisional estimate before the functions and the resources needs were known. The delivery model has changed since then, such as not directing activities to other departments. Resources and functions that used to sit in Natural Resources and Water were permanently transferred from it to the Water Commission.

South-east Queensland residents know that the workload and challenges in the water sector have undergone massive change. I will give you a classic example, if someone can give me a copy of the 50-year water strategy. I think it is an excellent document. The cost involved in the preparation of that document—it is just simply outstanding. It is a bit different from your water strategy, I know, which was to belt the poor old people of Bribie. You decided you are going to stick it on Bribie without any discussion. What we do when you are actually running the place is that you actually come up with—

**Miss SIMPSON:** What? Build a dam you have not done any technical surveys for?

**CHAIR:** Order!

**Mr LUCAS:** Is that another question?

**CHAIR:** No, it is not; it was an interjection. Continue.

**Mr LUCAS:** We actually involved the community in a discussion to say, 'Look, it is worth the investment of 50 years into the future,' and to actually say, 'What do you think? There are six sites here for potential desalination plants. What are your views on them?' We then tabled the documents that related to the expert opinion behind these.

As well, I want to make it absolutely clear that at the time of the former Premier's estimate we were on level 2 restrictions. We had not yet committed to the restructure of the water industry or introduced PRW to drinking supplies. We were yet to record our worst inflows on record—in 2006-07—and no-one had even heard of Target 140. I will make sure and the CEO will make sure that the Water Commission continues to do a very, very good job in what it is doing.

We have a water grid. The grid itself increases capacity in the system by about 14 per cent. We are proposing to build two dams. We are building a Western Corridor Recycled Water Project that won international water project of the year this year. We have a Gold Coast desalination plant that is proceeding at best practice. We have enormous demand reduction. We have the institutional reform that, apart from the fact that it is a far more sensible allocation of resources, has resulted in councils getting a big cheque, which they are very happy about. We have had an outstanding success when it comes to the Water Commission. It is expensive when you are talking about water assets—the water grid is a \$9 billion project—but it is a project that is proceeding with the best governance and the best advice from the Water Commission and those people who assist it.

**Miss SIMPSON:** Prior to the SEQ water grid, water in south-east Queensland was managed by 18 councils, South East Queensland Water and more recently QWC. Now the state government has taken control of the councils' water and the QWC will operate alongside five additional water authorities, each with their own boards and management. What is the cost of this new bureaucracy going to mean in dollar terms for the people who are paying the increased price for their water?

**Mr LUCAS:** Any governance has a cost. When the 'Spaghetti Junction' current arrangements—and I will table the current water chart—

Leave granted.

**Mr LUCAS:** When they were in existence, the thought that people were not, in fact, charged for the bureaucracy that sat behind that is ludicrous. In fact, what this does is allow water planning to be done in a far more systematic manner. I will tell you what the cost is. The cost is that we went through a water crisis with record low inflows and had a situation where the government had to take urgent action to secure the water supplies for the people of south-east Queensland. It was not just for now; it also has a 50-year water strategy for the future.

Are you seriously suggesting, for example, with respect to electricity that we break up Energex and Ergon into regional electricity boards? You might not know your history as much as I do, but I can remember when Joh knocked off the Brisbane City Council's electricity assets and there was not any compensation for those when he took them. He was just happy to take them over.

We want to make sure that we have a sensible allocation of function and responsibilities, and that is what we will have. We will have the distribution entity that will have responsibility in that area, the transmission entity, the manufactured water entity, the bulk water entity and the water grid operator. But these are no different from, for example, what happens in the electricity industry.

We have indicated that the councils can have a number of retailers. What they ultimately do is a matter for them—and they are not taking a commercial return on our assets, unlike the councils used to do. We are, in fact, ending the water rip-off, not beginning it.

**CHAIR:** That concludes the time for questions in that section of non-government questions. I would like to now come to page 1-91 of the SDS, and particularly to the review of the South East Queensland Infrastructure Plan and Program 2008 to 2026. I ask the Deputy Premier: can you outline to the committee the government's commitment to infrastructure in the growth state?

**Mr LUCAS:** Thank you. We have an unprecedented commitment to infrastructure in the history of the state right now. This is the year of infrastructure delivery. We will see the water grid up and running, with the focus on congestion busting, housing affordability measures and population growth plans. Unlike the opposition, which is focusing more on the National Party takeover of the Liberal Party—and hasn't John Anderson belled the cat. Good Lord! The speech tomorrow will give the game plan of the National Party as to why they have to do what they have to do.

But this government is building Queensland. It is planning, delivering and building the state. Our current budget has \$16.9 billion invested in infrastructure across Queensland. That is an increase of 19 per cent on 2007-08. That is equal to about \$1.9 million an hour, or \$1.42 billion per month. That supports about 119,000 full-time jobs. About 44 per cent of that infrastructure commitment is in SEQ, with 60 new projects and 300 projects still on the program. An amount of \$83.5 billion is road, rail and public transport—congestion-busting measures. I love it when I drive over the Gateway Bridge and see that \$1.88 billion project there being constructed. Of course, the Inner City Busway has now finished. The Tugun bypass—and the member for Robina may have difficulties whenever he reads the paper down there, because there are so many articles about what it is doing for the economies of the Gold Coast and, indeed, northern New South Wales that it is not funny. There is \$3.5 billion in energy infrastructure, \$12 billion in social community infrastructure, \$5.2 billion in health and so on. Of the projects, 160 were completed—for example, the Tugun bypass and Inner Northern Busway were both ahead of schedule—290 are underway and more than \$8.5 billion—

**Mr Stevens** interjected.

**Mr LUCAS:** I will just say this about the Tugun bypass. I am more than happy to say that I sat in on those public meetings when I became transport minister when we could not get cooperation from the New South Wales government and the then federal government was more interested in playing politics than sorting it out. I kept faith with the people at Adina Avenue. I said to them that I would work my darnedest to sort it out and that is what I did. We could have very easily said that we would go along the front of the airport, but the best solution was to go west. It took a lot of negotiation with the federal government and the New South Wales government. I wish they had cooperated more but they did not. We managed to sort it out. Queensland is the winner in this project.

The Gateway Bridge duplication of course will yield benefits progressively. Already we have had the openings of some of the early works around Wynnum Road and from the gateway toll plaza to Wynnum Road. Just last week in the *Australian Financial Review* the story was headlined 'Airport Link leads the way in integration'. It goes on—

Queensland has watched other states' mistakes while managing its infrastructure boom ...



Our investment dwarfs that of the other states. Our per capita infrastructure is triple Victoria's, double New South Wales's and one and a quarter times Western Australia's.

**CHAIR:** I will stay on the same page of the Service Delivery Statement and this has also been referred to in government question on notice No. 4. Once again in relation to the South East Queensland Infrastructure Plan and Program, I refer now to the increased cost and also the stabilisation phase that the plan is now entering.

**Mr LUCAS:** SEQIPP started in 2005 and we have had massive changes in our economy and industry in Queensland in the three years—in fact, Sir Rod Eddington recently did a review of capital infrastructure for the Victorian government. He indicated that the real threat to Victoria in terms of infrastructure allocation is Queensland. One of the things that you do when you talk to people in the construction, engineering and design industries is understand how much they appreciate that in the past Queensland led in roads with the Roads Implementation Program but now with SEQIPP in terms of providing that list of projects, that pipeline of projects into the future. One of the things that was quite useful to us in terms of the Airport Link project was the commercial tension that happened there as a result of some of the other projects in Victoria coming off line or finishing. So the pipeline that SEQIPP actually indicates is very important.

There have been 60 new projects added in, 75 changes to the delivery schedule reflecting changing priorities in growing regions since the program first started and 44 finished later. Of these, 15 are later because the government is doing more for longer. For example, the rolling stock one finishes later because we actually added in another big whacking load of rolling stock that we ordered. Nineteen were delayed by only one year, 16 were finished earlier, 16—the same number—finished earlier or had later starts.

Cost increases in projects—part of the additional investment—were \$30 billion. There have been changes in scope, refined estimates and costings and rising costs and they have had significant impacts, including very significant increases in raw materials. Projects in the initial planning phase, which are about half of those in the total program, are now indexed at 4.4 per cent from last year to now. The escalation is the appropriate way to manage increasing costs over the longer term. The costs generally are locked into the contract for projects delivered over a number of years and this is about being a financially responsible government.

My great criticism of the previous federal government—and we all got a tax cut the other day and that was nice—is that they were obsessed with transfer payments and handouts to people but not infrastructure. We now finally have a federal government that is actually considering investment in infrastructure. The \$20 billion that they are putting into Infrastructure Australia is \$20 billion more than the Howard government put into it. An investment that gives you a 15-minute reduction in travel time in the morning and 15 in the afternoon—half an hour a day, five days a week, two and a half hours a week—is a permanent, recurrent gain to people in terms of more effective leisure time or greater leisure time or work time. I am more than happy to comment on the opposition's alternative infrastructure plan. I look forward to it coming out when they put it out.

**Ms STONE:** Good afternoon, Deputy Premier. I want to speak about our water strategy and water infrastructure. I refer you to page 1-89 of the SDS and also government question on notice No. 5. Can you please provide us with an update on the progress of the construction of the south-east Queensland water grid and the associated infrastructure projects?

**Mr LUCAS:** We are very committed to providing the necessary water infrastructure for sustainability in the south-east Queensland region. One only has to pick up a newspaper to see not just in Queensland but in the rest of Australia and indeed in the world that all of a sudden water is being given the value that it should be given and the seriousness with which the community takes water issues. The grid is crucial to managing the worst drought on record and it puts us on the front foot to deal with population growth and climate change. It will provide better water management, diversifying sources to include desalinated water and purified recycled water in consultation with key stakeholders and the community.

Reliance on dams and weirs will reduce from 95 per cent of total supply in 2006 to 75 per cent in 2012. The grid is close to completion with about 75 per cent of pipes laid in the ground—a total of 321 kilometres of the 450 kilometres of the pipeline. The 2008-09 budget has more than \$2.22 billion or an average of \$42 million a week being committed by the government for the water grid and associated projects. The water grid includes 450 kilometres of pipeline, two proposed new dams, an upgrade to existing dams, a network of two-way pipelines to connect major bulk water sources allowing water from areas of water surplus to be moved to areas of shortfall. The grid involves 80 work sites across the region and 4,100 workers are expecting more than nine million working hours.

The Western Corridor Recycled Water Project at a spend of \$795 million this financial year is on track to finish construction by October 2008. There was a significant milestone this month as the corridor pumped its first water to Tarong North Power Station from Bundamba, producing 41 megalitres per day. That is enough water for 290,000 people.

The Tugun desalination plant is on track to deliver 125 megalitres per day from January 2009. The southern regional water pipeline, which is a 100-kilometre pipeline, links Tugun into the water grid. An amount of \$448 million is projected for projects in 2008-09 including \$219.7 million for the northern pipeline interconnections, \$16.69 million for the eastern pipeline interconnector and \$531 million for the proposed Traveston Crossing and Wyaralong dams subject to approvals.

We in the government actually have integrated water policy. We do not have an ad hoc, climate change sceptic. It is a wonder that they can have an opposition leader who is a climate change sceptic and then have a claim that the desalination project foisted on the people of Bribie Island was going to be carbon neutral. Either you support climate change or you do not. I am not exactly sure what the opposition policy is on that.

**Ms STONE:** I refer to page 1-116 of the SDS referring to the draft South East Queensland Water Strategy. Can you please advise us about the importance of this long-term planning?

**Mr LUCAS:** Yes. On 26 March the draft SEQ Water Strategy was released. The water strategy is our plan to meet the region's water supply needs over the next 50 years. It is out for a four-month consultation period, closing at the end of this month. It indicates that additional sources of supply are not expected until 2028 except in response to a worsening drought. One of the things you can do is when you are out there well in advance with planning for the infrastructure, you can actually bring it forward or move it back as the case may be. It outlines a new approach to water security planning, improved water efficiency measures, reducing demand, diversifying water supplies and interconnecting water supplies. As I said, interconnecting it creates about 14 per cent more capacity than we have now. It is interesting to note that on 25 August 2006 the Leader of the Opposition said in parliament—

We need to have a real commitment to invest in new water infrastructure in south-east Queensland in the form of new dams.

He wants to build dams but not connect them to anything. Who could forget their policy without a grid? Now they want to replace the recycled water scheme at the Traveston Dam with a desalination plant on Bribie Island. So they want to scrap the recycled water scheme, claim they are going to put it to industrial uses without understanding that they would then need a separate bulk water reticulation scheme to do that and then scrap Traveston Dam as well. We know that desalination requires about two and a half times more energy to operate than a dam and the desalination plant would create two and a half times the volume of carbon dioxide emissions than the Traveston Crossing Dam when water from either is delivered to Brisbane. Over 50 years that equals an extra \$26.7 million tonnes of carbon dioxide from desalination. We will not let the people of south-east Queensland down when it comes to water security.

**Mr HOOLIHAN:** Deputy Premier, I would like also to go to page 1-89 of the SDS dealing with the recycled water project, specifically the Western Corridor Recycled Water Project. I understand that construction of the project remains on schedule and that it will achieve its target date but there has been a change in the timing for the delivery of the recycled water to Wivenhoe Dam. Can you outline for the committee what that change is?

**Mr LUCAS:** The \$2.5 billion western corridor is on schedule for construction to be complete by 31 October. Eighty-seven per cent of the pipe is in the ground. Stage 1, pumping 41 megalitres a day, is now going to Tarong and Swanbank. Outside of drought it will be 66 megalitres per day. That is enough for 290,000 people at Target 140 with the water previously drawn from Wivenhoe Dam. Stage 2A, Gibson Island and Luggage Point, and the eastern pipeline will be constructed by 31 October. That 131 megalitres a day in drought conditions will be 232 megalitres per day at full capacity, including stage 2B. On 31 October one could pump water into Wivenhoe Dam if one wanted to, but last month we announced an extra four months of rigorous testing and approvals before going into drinking supplies, which would make it approximately February 2009. Finalisation of the guidelines was allowed by the release of the Australian Guidelines for Water Recycling, the new Water Supply (Safety and Reliability) Act 2008 passed through parliament in May and establishment of the Office of the Water Supply Regulator from the start of next month.

This is the first scheme of its kind in Australia and the Queensland government is breaking new ground in developing this safety regime. There are no short cuts taken. This water will be proven safe to drink beyond any doubt, and the seven-barrier treatment process is to ensure that water is of the highest quality. Verification and analysis by DNRW and Queensland Health and certification by the Office of the Water Supply Regulator will be overseen by the independent panel of experts.

It is worthwhile remembering who is on this independent panel of experts. They are people like, for example, Chair Professor Paul Greenfield, the Vice-Chancellor of the University of Queensland; former Australian of the Year and cancer researcher Professor Ian Frazer; Dr Zelle Hodge, immediate past president of the AMA; and a number of international experts. All the results indicate that by barrier 7 this water will meet all requirements of the Australian Guidelines for Water Recycling and Australian Drinking Water Guidelines. Extra testing time will not affect water security. The dams now hold twice as much water as they did in August last year. We have an extra two years of supply under Target 140.

**Mr HOOLIHAN:** I wish to move to another area, particularly the Traveston Crossing Dam. Could you advise us about the rainfall catchment area of that proposed dam in recent years?

**Mr LUCAS:** I thank the honourable member for the question. The Traveston Crossing Dam is an integral element of the south-east Queensland water grid. It is designed for a storage capacity of 153,000 megalitres, yielding 70,000 megalitres a year—enough for more than 1.36 million people a day at Target 140. Its completion, subject to approvals, is due at the end of 2011. The project is located on Mary River, 207 kilometres upstream from the mouth and approximately 25 kilometres upstream of Gympie. Had the dam been built in 2002, it would have filled six times and would be close to 100 per cent full today. Most recently, the dam would have filled in January 2008 and in June 2008. More than three metres of rain have been recorded in Maleny in the last 12 months in the dam's catchment. That is more favourable than the Wivenhoe catchment, at 93 centimetres in Linville, and the Somerset catchment, at 1.8 metres in Peachester. If the dam had been completed by 1 December 2007 it would have taken only 17 days to deliver full supply of 191 megalitres a day to south-east Queensland.

This allocation would have been provided even after taking into consideration evaporation, seepage, climate change and environmental flows. At 7.30 am on 3 June the Mary River flowed at over 5,000 megalitres a day at the Dagon Pocket, just downstream of the dam site. That is 14 Olympic swimming pools per minute. In January 2008 the peak flow record was 22,400 megalitres per day. In August 2007 the flow at the same site was 43,000 megalitres per day. This is a high-performance catchment, consistently capturing coastal rainfall, even in drought conditions.

The Traveston Crossing Dam remains the most reliable remaining site for a dam in south-east Queensland, but the coalition seems happy to ignore the facts. The Leader of the Opposition told 4BC that there are far better options than Traveston. Like what? A plan for a desalination plant on Bribie Island without an ounce of consultation? The coalition water policy will mean 150 to 250 megalitres less per day for south-east Queensland, less 90 megalitres in drought to 190 megalitres of purified recycled water from the western corridor, unless they can miraculously finance and find somewhere they are going to send this recycled water for other industrial uses, less 190 megalitres from the Traveston Dam plus 125 megalitres from the Bribie Island desalination plant.

It does seem strange to me when we know that the flows on average from the Mary River at the mouth will be at about 90 per cent compared to, for example, 39 per cent of the Murray system, and not so long ago we had Mr Hopper, the member for Darling Downs, complaining in parliament about the Kolan Weir when NRW were requiring environmental flows. He was complaining when it was flowing at 35 per cent. The thing that you have to remember about the National Party and dams is that they love dams. They love building dams everywhere; they just will not admit it. They will not admit it when it comes to playing politics in south-east Queensland.

**Mrs KIERNAN:** I refer to page 1-89 of the SDS and the preceding discussion about the water grid. Can the Deputy Premier advise the committee what the Committee for Economic Development of Australia has said about the government's drought response? This report was referred to in March in the *Courier-Mail*.

**Mr LUCAS:** Yes. I refer to the CEDA, the Committee for Economic Development of Australia, and its *Sustainable Queensland* information paper recently published. Of course, CEDA is that red-hot band of mad socialists who always support Labor, no matter what happens! To be serious, they are very well recognised as an independent and, indeed, if anything, conservative think tank and advocacy organisation in Australia. Their report says the south-east Queensland approach will become a benchmark internationally. The projects the government has committed to deliver will place Queensland in a leadership position. Page 10 of the CEDA report states that, of current and future water supply, 'few places in the world have adopted as comprehensive an approach as SEQ'—that is, a much more robust water supply system to cope with future population growth and climate change impacts.

The CEDA report says that Queensland should diversify the sources of water by introducing more climate independent sources as insurance against drought and climate change. That is why we will reduce from 95 per cent of total supply in 2006 to 75 per cent in 2012. This is exactly what we are doing in south-east Queensland: building one of the largest advanced water recycling projects in the world, constructing two new dams and weirs, and constructing a regional water grid with pipeline interconnectors so water can be moved to where it is needed. In fact, between 2003 and 2005 the Hinze Dam actually required water to be supplied to it. It will be a very useful resource.

**CHAIR:** Minister, do you seek an extension of time?

**Mr LUCAS:** Just to correct something. I said 5,000 megalitres a day flowed through Traveston in June. It should have been 50,000 megalitres a day. I apologise for that.

**CHAIR:** That is the expiration of that session of government questions. Can we set the clock for 15 minutes for this session of non-government questions. Member for Maroochydore?

**Miss SIMPSON:** Thank you, Mr Chair. Minister, before the break for government members' questions I asked you about the costs of the new water bureaucracy. I did not receive a clear answer from you and I ask again: what is the cost of the new water bureaucracy under your proposal?

**Mr LUCAS:** As is the case with any government owned corporation, as they proceed their costs will be the subject of public reporting. It is ludicrous to suggest, as I said to you before, a regime that has all of the different water supply aspects the current regime has, with some councils owning water assets, other councils not opening them and continual water pressure problems. The investment in water security—not just the management of these things but also in terms of the additional water security—is comparatively modest bearing in mind what we get. Twenty-one entities from 18 councils will be brought down to just seven businesses. That is better transparency for cost and service performance, better ability to manage drought, not subject to the parochial interests of each council. We have had this ridiculous discussion, often fuelled by you, on the Sunshine Coast about who owns what water. It is just as well the people of Ipswich or the people of Kingaroy and Nanango do not adopt that view when it comes to electricity. One of the things we know is that, sure as eggs, there might be times when one particular part of the countryside has a surplus and other times when it needs it.

We have better economies of scale, which is important given there are over \$20 billion in assets in the industry after a \$9 billion investment, there is better corporate focus, and specialist entities in water supply, treatment, transport and retail. It would be crazy for each council to develop its own desalination capability or expertise. The single distribution entity is important to service standards, developer interface and cost efficiency. No other utility sector such as electricity, gas or, indeed, telecommunications—and we know what a disaster that has been with Optus and Telstra having separate wires—has different network owners in each council area.

The new Water Grid Manager is a modern approach and akin to market coordination widely used in energy markets and the agricultural and financial trading sectors. It replaces fragmented businesses embedded in councils, hidden performance, hidden costs and cross-subsidies. Councils were charging all sorts of rates of return in relation to their assets. We have given the guarantee that we will not seek commercial rates of return on our assets.

Some council owned dams on the Gold Coast were supplied from dam operator SEQWater, some bought treated water from a business at Esk and Gatton, while some bought it from other councils such as Logan. Each council had a different approach to financial and operational separation from council. All councils paid different prices for similar projects, reflecting accidents of geography. Logan, which had no local supplies of its own, was subject to higher prices. I would have thought that National Party members, of all people, would believe in an equalisation of what people pay. There certainly has been an article of faith in electricity, and people in Mount Isa pay the same as people in Wynnum do. That has been an article of faith. I do not think it is too much to ask of south-east Queensland.

**Miss SIMPSON:** Minister, I referred before to the fact that the former Premier originally estimated the Water Commission would cost between \$2 million and \$2.5 million to run and that has risen to between \$23 million to \$24 million. I note that you have failed to answer the question as to what the new water bureaucracy is going to cost Queensland, and I ask: do you know or simply will you not tell Queensland?

**Mr LUCAS:** I have made it crystal clear that the operational nature of the water assets will be reported publicly and will be subject to Auditor-General scrutiny. One of the things that we did not know was what was happening with respect to councils. We saw the situation the other day of the bulk water price to Redlands going up by 2.6 per cent and them increasing their water charges to people by 79 per cent. That is what has happened in many councils in south-east Queensland. The people have been used as cash cows in many instances and, at the same time, we have had many instances of water assets being inadequately and improperly managed. Can I just refer to the Water Commission in terms of those communication supplies and services, and ask Mr Bradley if he wants to add anything to the other answer.

**Mr Bradley:** In terms of the issue around the request for historical comparisons around communication supplies and services, in 2006-07 the expenditure was \$4.165 million. In 2007-08 the estimated actual is \$3.81 million and in 2008-09 we are currently budgeting for \$3 million of expenditure on those communication services. As we have said previously and publicly, expenditure on those communication services changes in response to what is occurring with the community domain management compliance. We have seen excellent results recently where the community has achieved its record consumption in recent weeks, so we are obviously looking to manage our communication activities in response to what we are seeing in terms of the demand management outcomes.

To expand on the Deputy Premier's answer to the question about the costs of the new water institutional arrangements, the institutional arrangements overall are going to create better transparency around cost structures within the industry. One of the key features that will achieve that will be a new economic regulatory regime. At the moment there is minimal economic review or scrutiny of the cost structure of those council businesses. The commission will be putting in place advice to government on a proposed economic regulatory code that would govern the new water entities. Overall, there is a cost structure within the industry at the moment and, apart from the \$9 billion that is being invested in the water grid, the cost structure of the industry is simply reflecting the amalgamation of the existing industry structure into a more efficient and economically rational approach.

**Miss SIMPSON:** Minister, the Queensland Water Commission released its water pricing recommendations in March 2007, anticipating average water bills would rise to \$733 by 2012-13. This government then criticised the commission for stating such high prices and promised to bring the price of water down to \$525. In May this year you released your anticipated prices, which are now more than the commission's figure, at \$747. What went wrong with your plan to save householders money?

**Mr LUCAS:** I'll tell you what went right: we have indicated that, unlike councils, we will charge people a non-commercial return on assets and have a 10-year price path. For example, if you have a look at our prices compared to Sydney, increases will be comparable to price increases interstate. The average south-east Queensland household retail bills are expected to increase this year between 11 and 15 per cent. The equivalent Sydney bills will increase by 17 per cent and Melbourne bills will increase by 14.8 per cent, remembering we are only setting the bulk water price at just 30 to 40 per cent of your typical residential bill. I should add that up to a \$100 increase in the pensioner rebate on council rates is coming in as well.

The 10-year price path forgoes the \$1.7 billion return on investment, but we have an increase in terms of a massive investment in a water grid that simply needs to be paid for. We will ensure that the QCA monitors and reports on councils' passing through of bulk water charges. In fact, the Brisbane City Council has indicated that it will indicate how much bulk water charges are on its bills. I am happy for it to do that. In fact, I think that all councils should do that and then indicate how they are changing them, increasing them or not, so that people see that separately.

The initial bulk water prices were calculated by independent international accounting firm KPMG. They were based on compensation values paid to councils, and councils submitted data on operating costs. After seeing bulk water prices, a number of councils advised that the data they had submitted—not us, but them—was incorrect and we worked with them through some minor changes. I do not know if Mr Bradley wants to add anything.

**Mr Bradley:** The only thing I would add, and I am sorry if I repeat something that the Deputy Premier said, is that between the commission's original estimation of the required price increases and the government's final decision after the detailed modelling undertaken by the commission, two things had changed. One was the councils' starting point retail prices, so in the case of some councils there had been significant increases over the previous financial year. In fact, in some cases it actually was greater than the increase the government subsequently announced of about 30c per kilolitre. The other factor that had changed and that was reflected in our updated price modelling was the underlying interest rate that goes into our pricing models. These are factors that are external to the setting of the costs and they had a big impact also on the final price outcome. They are two factors that go to the member's question.

**Miss SIMPSON:** Minister, I have a question in regard to your department's Housing Affordability Strategy that you are involved in implementing. I ask: what is your definition of affordable housing and what percentage of affordable housing is there within the Urban Land Development Authority's proposed development sites?

**Mr LUCAS:** I will ask Paul Eagles to initially respond to that and then I will make some further comments about housing affordability.

**Mr Eagles:** The Urban Land Development Authority's act indicates for our authority that low to moderate income households are the purview of the authority in relation to affordable housing. Various definitions around Australia apply to that. The most common one or the one that we seem to think applies to our situation is a definition which indicates that that band would be related to the median household income and varies from 50 per cent to about 120 per cent of median household income.

The second element of the member's question relates to the percentage within the urban development areas. The board is currently working through the first two areas declared both Bowen Hills and Northshore Hamilton. That is one of the issues that the board is considering quite closely before finalising for public consultation later this year. So I cannot give a specific percentage at this point in time.

**Mr LUCAS:** Can I make the point—and I know the honourable member for Maroochydore would know this but not everyone in the public would know this—that affordable housing does not necessarily mean social housing. Affordable housing is housing that is affordable to people generally who have modest means. The median house prices in Brisbane have increased significantly from 2000, \$150,000, to 2006, \$335,000.

The proportion of affordable housing in any particular development will depend upon in many respects the area and the yield. One thing I do not want the Urban Land Development Authority to be is some sort of politically correct social engineer at the expense of getting a good outcome that would maximise the level of affordable housing that we can have. In Fitzgibbon when that is declared we will be very keen to have a degree of public housing there and, by and large, we would expect to have public housing generally in our developments but not necessarily always, but affordable housing is critically important as well.

If you look at what is happening in the honourable member for Maroochydore's area on the Sunshine Coast, you will see headlines such as 'Rents forcing coast families to leave'. I am glad the member for Robina is here because we could always have a discussion about his media release in March this year when he said that what the government needs to do is to release more supply of land. So I am glad that he endorses our work to fast-track the supply of land in south-east Queensland. I am happy to answer more questions on the Urban Land Development Authority.

**Miss SIMPSON:** Minister, I have a question about estimates question on notice No. 2 where there is a list of reports that the Queensland Water Commission has undertaken in the last year. One of the entries is 419,469 which groups together a number of different reports to do with purified recycled water, water restrictions and other issues. I ask: will the minister advise this committee what those reports are?

**Mr LUCAS:** I am happy to ask the CEO of the QWC to indicate the nature of the reports.

**Mr Bradley:** In terms of the individual reports or individual analysis done, one of the reasons it is grouped together in the way it is, is that the commission continues to monitor in an ongoing way community attitudes towards demand management outcomes, water security and water supply sources within the region. So the analysis will go to industry attitudes towards water saving and purified recycled water as a source within the region and non-residential business and their usage patterns and consumption. It also goes to issues of attitudes within the residential community to demand management.

We use market research as part of our advertising campaigns. That expenditure represents about 10 per cent or so of our spend on advertising, and that is consistent with the general trend within government and other agencies that have communication activities to actually make sure that the communications are well targeted. We use our market research to determine the drivers of behavioural change that need to be addressed in communications to ensure that our campaigns are focused and effective, and therefore we are getting full value for money out of the public funds we are using, and also to make sure that it has achieved the outcomes that were needed.

A couple of highlights out of that market research include advice back to the commission about how people are using water within the home. We saw that by the end of March 2008 almost all of the community, 95 per cent, were indicating to us that they were saving water in the home, particularly through shorter showers. Eighty-six per cent of respondents indicated that they believed that water scarcity was a continuing issue and was here to stay, if you like, and that the changes that need to be made in water efficiency should be there for the long term. Also, we have used it to track recognition of the Target 140 campaign, which has been the flagship of our water-saving efforts. Through that process we have seen a 72 per cent penetration as part of that campaign.

**CHAIR:** Nine minutes remain in this section. I call the member for Mount Isa.

**Mrs KIERNAN:** I refer to page 1-117 of the SDS and the release of the draft South East Queensland Water Strategy. Can the Deputy Premier advise of the time frame for the finalisation of the strategy and in particular the final assessments of potential desalination site options?

**Mr LUCAS:** The draft water strategy is our plan to meet the region's water supply needs over the next 50 years. Additional climate independent or resilient sources of supply, such as desalination, are included as future options. Six potential desal sites are identified for further detailed investigations, including engineering prefeasibility studies and environmental and social impact assessments. I might add that one of them is in my electorate. The sites will be categorised as priority, reserve or excluded by mid-2009. The draft water strategy is currently out for a four-month public consultation process which closes on 31 July.

Public consultation is something the opposition fears. It is really interesting because I saw, as you do from time to time, a media article in the *Gladstone Observer* from that well-known media commentator, the member for Burnett, talking about the decision-making process for the desalination plant at Agnes Water. He says, according to the *Gladstone Observer*—

"I've got some real concerns about how the decision (desalination plant approval) was made," ...

"The level of community consultation or lack of is quite disturbing. This is a worrying lack of transparency in this process."

Then he had another go on ABC Capricornia. They all talk to themselves in the coalition obviously to make sure they get the line correct. The newsreader stated—

The State Member for Burnett has criticised the Gladstone Regional Council for not involving ratepayers from Agnes Water and the Town of 1770 in decisions about their water supply ...

Mr Messenger said—

It was a meeting to tell the local community this is what we've decided. There was no meeting before this to gauge the level of feeling within the community. It was, we've made the decision. And that's it.

It was a fait accompli.

I seek leave to table those for the benefit of the committee.

**CHAIR:** Leave is granted.

**Mr LUCAS:** On 9 May the mayor of the Moreton Bay Regional Council said—and I will not read this one in any great detail because the member for Maroochydhore would be well aware of what the mayor of the Moreton Bay Regional Council said to her about the lack of consultation—

The state opposition claimed on Monday they would have a plant operational within two years if elected. This sounds like a rush job to me. Community consultation and environmental studies can't be rushed and hurried through just because it meets the opposition's political timetable.

This is what has happened. We have a 50-year water strategy where we are actually talking to the community and seeking input. If people think that Bribie is the best location, I am absolutely happy for them to make that point of view known. If they think somewhere else is the best location, if they think Bribie is not the best location, that is their right to make those submissions. Everyone will have their view about various things. This is about making sure that we actually involve the community in the process.

**Ms STONE:** I refer to page 1-116 of the SDS and the making of water restrictions when they are required. Deputy Premier, can you advise the committee how much water has been saved under the Target 140 campaign?

**Mr LUCAS:** Yes, I can. But Mr Bradley indicated that he wanted to clarify something.

**Mr Bradley:** This is my mistake. I have to clarify the clarification I gave the member for Maroochydhore earlier. I indicated that in 2006-07, two years ago, our expenditure was \$4.165 million. That was the Target 140 campaign. So our full expenditure in that year two financial years ago was \$6.2 million including the level 4 expenditure as well.

**Mr LUCAS:** The government is committing to managing the water resources across this state. The Target 140 campaign is educating the community on water efficient behaviour. Queensland householders saved 39 billion litres in the last year thanks to the Target 140 campaign. That equals almost 50,000 litres of water saved by an average three-person household in the last year—enough to fill a fuel tanker. That is just amazing. The Target 140 campaign was launched in May 2007. In 2007-08 the Water Commission was very assiduously, as Mr Bradley indicated, communicating water restrictions and water supply sustainability and the Target 140 culture.

The community responded magnificently to Target 140. There has been an obvious and long-term impact on water efficient behaviour. In fact, one of the interesting things was that in the media when we almost got to 40 per cent capacity a number of people in the community said that they were happy to be on the current water savings level. So that just shows how people have changed. South-east Queensland is now one of the most efficient water-saving regions in the Western world. The focus has been on the community understanding the severity of the drought and that every little bit of water saving makes a difference.

In the 12 months before Target 140, residents were using an average of 181 litres per person per day. Pre-drought it was 296 litres per person per day. We are just one week off a record of 12 consecutive months of meeting our water-saving targets, and last week was a record low of 112 litres per person per day. The campaign is responsible for a monumental shift in Queensland residents' attitudes, and the people of south-east Queensland are the ones who are owed a big thanks.

**CHAIR:** Deputy Premier, I would like to come back to page 1-90 of the SDS and the establishment of the Urban Land Development Authority in November 2007. I ask: can you advise the committee of the non-land supply factors that also affect housing affordability?

**Mr LUCAS:** Yes. There are a number of other non-land supply factors—interest rates of course, and the government has indicated that stamp duty for first homeowners is a very big priority of ours. BankWest data indicated that two-thirds of council areas in south-east Queensland were too expensive for key workers to buy a house in 2007 compared with no unaffordable councils in 2002. There are many factors including interest rates. The government cannot control that. There is also consumer choice. Let us be quite fair. Between 1986 and 2006, the average floor area of a new home in Queensland increased 35 per cent to 293.3 square metres. The Queensland Housing Affordability Strategy takes action over areas where the state does have influence, including land supply, assessment and planning times, and infrastructure charging and government charges.

We established the ULDA to get land to market quickly. Two areas are already declared—Bowen Hills and Northshore Hamilton—and three more are to be declared in the future—Woolloongabba, Fitzgibbon and Mackay showgrounds. Bowen Hills is a 108-hectare opportunity for significantly TOD development and 300,000 square metres of commercial development. It will be a significant boost to affordable housing in the inner city. It is a pretty tired area at the moment. There are a number of potential developments there over the top or very near the railway line.

Northshore Hamilton is a 304-hectare site with new mixed use and a residential community of at least 10,000 residents. I was there on the weekend. In fact, the member for Clayfield and the minister for transport were with me as well when we launched two hectares of park around the area where the early work will start on the construction of that northshore development. As I indicated at the time, that is about giving that land back to the people and sending the industry where it should go—down to the mouth of the Brisbane River.

The final development schemes are due by March next year. The important point is that affordability is about not just boosting supply but also tackling other blockages. Holding costs during the assessment period can add \$15,000 to \$20,000 per dwelling. The member for Robina, because we do listen to the member for Robina—

**Mr STEVENS:** Thank you.

**Mr LUCAS:**—in a press release dated 25 March said that housing affordability is being pushed down the state government list of priorities with the introduction of new taxes, government red tape and nonrelease of suitable land for potential homeowners. Well, everything he demanded he gets. Tax has been reformed to help new homebuyers. The Treasurer is listening to what the member for Robina said. There has been greater regulation of infrastructure charges and reduced stamp duty. Streamlined planning assessment processes were brought in for the ULDA, and legislative changes to bring in faster planning processes to help get land to market soon are with council. The greenfields action supply means state government is working with councils to slash regulatory red tape—and I am out of time.

**CHAIR:** Thank you, Deputy Premier. That concludes the section of the examination of your portfolio that includes the statutory authorities. I thank those departmental officers and other advisers who have attended for this part of the session. We will now continue with non-government members' questions.

**Miss SIMPSON:** Minister, I refer to the Integrated Planning Act and the reviews, and I ask: how many ministerial call-ins have been issued in the past year and how many in this next year do you envisage you will be issuing, or does that depend on the number of dinner parties you or the Premier or her chief of staff decide to hold for fundraising purposes?

**Mr LUCAS:** I always expect silliness from the member for Maroochydore, but one good thing about the member for Maroochydore is that she never disappoints when it comes to silliness. I am happy to give you a bit of a lesson—

**Miss SIMPSON:** They did not invite you to the dinner party?

**Mr LUCAS:**—when it comes to town planning issues and the like. Obviously the member is making an oblique reference to a call-in that I did in relation to a development on the Gold Coast. It was a code assessable development approved by the council. Can I just say to the honourable member that if calling in a development that was approved by a council and therefore slowing it down and having the potential of knocking it on the head is doing someone a favour, I do not know what is.

I will give you some details of call-ins. There are about 20,000 development applications made each year. Since 1998 there have been 25 ministerial call-ins—an average of 2.5 call-ins per year. That represents 0.01 per cent of all possible applications. This year, four development applications have been called in, which is about the same as previous years. I do not know how many I might call in next year, because I have to see what my department advises me and see what comes up. But from time to time I in fact get written to by councils and members of the community asking me to call in developments. Indeed, in relation to the development on the Gold Coast I was asked to call it in by a person who was opposed to it—not the developer. For example, I called in a proposed development by Churches of Christ (Care) of 35 units in Spring Hill for affordable accommodation for single people at risk of homelessness. Who had approved that? The Brisbane City Council approved it and it was then confirmed by me.

I tell you what I will not be doing in relation to call-ins. I will not be doing what used to happen under the National Party when it ran the place and what it will do if it runs the place again. That is, in the mid-1980s the then planning minister, Russ Hinze, overruled the Landsborough council and overruled a council eight days after it was made. According to newspaper reports at the time, the company was associated with current National Party backer Clive Palmer, who was undertaking the development. He had a bit of spare time on his hands because he was not only doing the development but was also National Party media director at the time. The Liberals at the time criticised the decision, with the Liberal Landsborough shire councillor saying, 'In your wildest dreams, state government departments don't move that quickly.'

It is interesting to have a look at the upcoming National Party conference, which will be an absolute bottler—a must go to. We see that on the poster the big sponsorship from Clive Palmer is actually bigger than any of the heads of the National Party ministers. And it is no wonder, because he said that if there was not an amalgamation he would take control and withdraw his money. He has given \$100,000 to the Liberal Party to bail it out as well. It got some money.

I will tell you this: one thing I will do if I am in a position where I need to call in developments is I will make sure that those developments are called in and assessed appropriately. To suggest for a moment that a development that was code assessable and approved by the council was called in to suit anyone is ridiculous. I do not care who runs the development; if it is the right decision to make, I will do it and there will be a transparent trail to show so.



**Miss SIMPSON:** Minister, questions arise, though, when you realise that calling in a project also removes the right of anybody else to appeal against that project. So I think you can understand people's concerns when it comes out in the media that a project has been called in and subsequently the government puts it back out there again. People get very cynical about the way that this government does business when it is having fundraising dinners with people who are involved in some of those approvals.

**Mr LUCAS:** Presumably you believe that it is legitimate for people to contribute to your party to go to functions. I know you like smearing people, but I would not suggest that any of you would be influenced by the fact that people would support the political process by going to your functions. I would not suggest that. It is a smear on the Labor Party—in fact, on Jim Raptis, who I understand has supported conservative functions as well in the past. The member for Robina is nodding.

I want to make it quite clear: Mr Malouf in fact wrote asking for the development to be called in. It was a code assessable development. That means there is no appeal. So there was no appeal. The only possible legal alternative was judicial review, which is very rarely used in these proceedings, and can still be used. My decision is subject to judicial review.

Let us be absolutely clear, and I will take you through the history of it. The development was approved with conditions by the Gold Coast City Council on 11 December 2007 consistent with the planning officer's recommendations. The community raised concerns over bulk and scale and monetary contributions to gain development bonuses through Gold Coast City Council's planning scheme policy 18. A rigorous review was undertaken by independent consultants Parsons Brinckerhoff to assess the development application. Its review identified that the proposed development is generally consistent with the planning scheme and the SEQ Regional Plan. In fact, it could have been built higher than what it was. It was about the podium level and how wide that was and that footprint.

**Mr STEVENS:** The GFA.

**Mr LUCAS:** The GFA. You should talk to the member for Robina, who will let you know all about it.

**Mr STEVENS:** I am just letting you know about it.

**Mr LUCAS:** But it did say that PSP 18 does not provide adequate guidance to planning assessment staff and councils in determining bonus approvals et cetera. They recommend that I issue a preliminary approval for a 16-unit, 49-bedroom multidwelling premises subject to the following constraints: maximum gross floor area of 4,366.6 square metres, a site coverage of 40 per cent, a maximum of 49 bedrooms and various other things.

The department provided me with advice that differed slightly in relation to the Parsons Brinckerhoff report. I was in a situation where I had two reports. So what do I do, because I know that if I picked one I would be accused of taking one and if I picked another I would be accused of taking the other? What my department did was commission Chris Schomburgk, a former president of the Planning Institute of Australia, to conduct an examination of both of them. He came up with a report and a peer review, and that peer review is what I adopted.

I note that I have called in two other developments—one in Isis and one in the former Burnett, both of which were approved by the funny old councils prior to amalgamation against the advice of their officers and against the provisions of those schemes. I will assess those in due course.

**Miss SIMPSON:** Minister, in the Service Delivery Statements on page 1-90 you claim you will be 'partnering with councils to address growth management issues'. Yet recently your Premier announced a decision to fast-track 17 greenfield sites across seven council areas without prior consultation with the councils. Is this ham-fisted approach to accelerate growth without consultation with councils how you intend to partner?

**Mr LUCAS:** I reckon I talk to councils a hell of a lot more frequently than you talk to them. In fact, I talk to the Lord Mayor of Brisbane a couple of times a week. He has not told me what he thinks about an amalgamation between the Liberal Party and the National Party, but I do not suppose it is appropriate for me to ask him that.

The government has made no secret of our desire to make housing affordability a critical issue. I mentioned BankWest before. One of the things about that BankWest report is that it showed the three councils in regional Queensland that were most unaffordable were the former Noosa, the former Maroochy and the former Caloundra shire councils. So you want to get in a situation where police, teachers and nurses are not able to afford to live in the community that you seek to represent. It might be one thing if that is the situation in Noosa, where people can afford to live in Maroochy or Caloundra, but when the entirety of the Sunshine Coast, according to articles that were waved around before in the *Sunshine Coast Daily*, is at risk of having an affordability problem then that is a significant issue.

There were originally 42 sites on the list of land that was potentially available for acceleration, and almost all of the councils were spoken to at an officer level when it came to making sure what land was potentially available or not. I want to say one other thing about it, and I made this quite clear at the time,

as did the Premier: if some of the bottlenecks are with state government agencies or departments then they have to get into it as well, because it is not only a question of working with councils; it is also a question of working with state government departments.

In the last few weeks I have sat down with every mayor in south-east Queensland, with the exception of the Somerset Regional Council mayor, whom I am meeting next week. We have rolled out the maps and we have talked about what they see as the important aspects of where land should be developed in their particular area and the like. They have been incredibly productive discussions. One of the things about the South East Queensland Regional Plan—this is why it was award winning in the Planning Institute of Australia awards when first promulgated—is that so much of the area of south-east Queensland will never be developed for urban development. I have had great discussions with the mayor of the Gold Coast. I have had very good discussions with Bob Abbot and the Brisbane City Council Lord Mayor. I have had excellent discussions with all of the mayors. I particularly want to mention John Brent, whom I know some people in the National Party are trying to jam to take over from Kev Lingard. I quite like John. We had some very good discussions about the need for people in those rural and tourist industries, in areas such as the Scenic Rim, to have appropriate development allowed there but not allowing urban sprawl.

**Miss SIMPSON:** Minister, one of the concerns people mainly had about the government's announcement of accelerated growth was a lack of timely infrastructure. Given the fact that the Bligh government, in announcing its plans to fast-track development of land to house another 30,000 people in the Redlands area, also brought down a new SEQIPP showing that the Redlands area was not going to receive timely infrastructure in that area, do you understand that they want to see timely transport and other services provided and not just governments announcing accelerated growth?

**Mr LUCAS:** I agree with the honourable member that it is very important that infrastructure provision and levels of provision are appropriate to what happens in local communities. It is a very valid point. Indeed, if you want to talk about the Redlands, as I have indicated to you, I have already met Melva Hobson. In fact, I have had a number of discussions with Melva. But I met Melva a little while ago and spoke to her in particular about issues in the Redlands.

I will give you an example of where it might suit others to say that we want to have rampant development everywhere. The previous Redland shire council indicated in its local growth management strategy and its proposals that it wanted to have a significant development occurring on the bay islands. Do you remember the bay islands? I will give you another history lesson on the old Russell Island days of the National Party, where it was cut up like a ham slicer would go through a ham at a delicatessen. They wanted to have significant population increases on the bay islands. I said to the then council that that was not on. That is what the new council now believes as well. I am at one with the new council. In fact, I indicated before they were elected that I did not believe it was appropriate for any significant growth to occur on the bay islands.

When it comes to the issue of mainland Redlands, we have significantly invested in improved transport services under TransLink. That is an important aspect there. The South East Busway is in the process of going out there. I would love to build it sooner but we have to manage a capital budget. When you have an Australian record capital budget like we have I think we are making an appropriate contribution.

One of the things that I discussed with the mayor of Redlands and Bob Abbot as well is the real need for us to make sure employment creating opportunities are provided at the same time as housing. Sometimes developers are inclined just to want to build housing because that can be very inexpensive but not build the employment that is actually necessary. We do not want Redlands to be a dormitory suburb of Brisbane. The mayor and I agreed that in a number of places down there there is a very strong argument for additional commercial and economic opportunities just as much as there is a need for housing. That reduces the call on infrastructure for people who might otherwise commute into the city.

When the member talks about more major developments such as Caloundra south and the like on the Sunshine Coast I want to make it quite clear to her that to develop that will require significant infrastructure. I have made it crystal clear to those people who are seeking to develop it that it will require a significance contribution from them to ensure that that occurs.

**Miss SIMPSON:** I refer to the SEQIPP and the Bruce Highway upgrade that is listed. It is reported that 11 kilometres of the Bruce Highway will need to be relocated if the Traveston Dam goes ahead, at an estimated cost of around \$550 million. Where will the state government find the funds for the road as the federal government has only allocated \$200 million for the entire 65 kilometre Cooroy to Curra stretch.

**Mr LUCAS:** We have made it clear that any part of the road that has to be shifted as a result of the dam will need to be done on a like for like basis in terms of the state involvement. I am trying to go back to my Main Roads days. It is 84 kilometres—

**Miss SIMPSON:** 65 kilometres from Cooroy to Curra.

**Mr LUCAS:** Thank you. It is 65 kilometres. I think it is about 10 or maybe even less than that relates to the—

**Miss SIMPSON:** About 11 has to be relocated.

**Mr LUCAS:** Thank you. About 11 kilometres relates to the area of the Traveston Dam. The federal government has not yet allocated the money for the broader construction of the project. In accordance with the appropriate time lines, the corridor has not yet been determined. I can recall the member for Gympie making some early complaints about the Matilda service station location vis-a-vis the corridor until, having made a few complaints about that, a whole number of his constituents came down on him like a tonne of bricks. He learnt the first lesson of being a new member of parliament—that is, what one group in your electorate wants may not necessarily be the same as what other groups want and sometimes it is difficult to resolve both and it is better to check things before one sounds off.

The Cooroy to Curra project is National Highway. I have made it crystal clear that National Highway matters are the responsibility of the federal government. I am very optimistic in relation to road projects generally in Queensland that we will get a good hearing when it comes to the allocation of funds from Infrastructure Australia which we see as being on top of the moneys that are allocated under AusLink.

I am told about the Bruce Highway project that the dam budget allows \$135 billion to bring forward costs for land to be delivered as a result of that project. I can get you more information on that. They are bring forward costs that can be allocated for that project. The need to upgrade the Bruce Highway existed long before Traveston Dam was ever contemplated. I recall flying over the area with the then mayor Mick Venardos when we were actually having a look at the relevant road alignments. I think we have actually come up with an outcome that is a pretty good one. It will now be up to the federal government to decide the financing and priorities of that. I look forward to their consideration.

**Miss SIMPSON:** In a media statement on 20 February 2006 you stated—

We need the dollars put back into the bypass as soon as we have the route not in 10 to 15 years. I am committed to getting a preferred route and then pressuring the federal government to fund the much needed upgrade as soon as possible.

Are you not going a bit soft now with regard to fighting to ensure that those funds are actually brought forward?

**Mr LUCAS:** No, not at all. You will recall when there was a bit of discussion recently about the Ipswich Motorway I made it very clear that that is a National Highway project. I have set myself a few little tasks that I have never done. I have never blamed a conservative federal government for accidents or deaths on a road because they are way too complex for that. I am not sure if you can make that claim. That is one thing that I have never done. I see road accidents as far more complex issues than that.

I do believe that Queensland deserves a substantial injection of funds into a whole number of National Highway projects. I am no longer the main roads minister. With the general infrastructure portfolio there are a whole lot of National Highway projects that I am very keen for the federal government to give very serious consideration to. Cooroy to Curra is one of them. The Toowoomba range crossing is another one. There is a whole raft of them that I think are important for them to finance and construct.

We have \$20 billion more on the table nationally from this current federal government than existed in the past. Even on a one-fifth allocation of that, that is a significant amount of money that will be very useful to Queensland. I look forward to working with them in relation to those projects.

**CHAIR:** That brings to an end that section of non-government questions. Deputy Premier, I would like to return to the Service Delivery Statements at 1-92 and the department's delivery of major infrastructure including the Airport Link toll road. Can you advise the committee of the status of the project and its next key milestones?

**Mr LUCAS:** Yes. The Airport Link project really is three projects in one. It is the Airport Link itself, it is the new section of the Northern Busway from Lutwyche to Kedron and it is the flyover across the airport roundabout. It is almost \$5 billion worth of infrastructure for a \$1.5 billion cost to taxpayers. The combined projects are twice the size of the north-south bypass tunnel. The Airport Link alone is to cost \$3.4 billion from a total project of \$4.8 billion.

The construction will start later this year on the Airport Link and the Northern Busway and in 2009 for the airport roundabout upgrading. They tell us that all three will be finished in June 2012, six months earlier than planned. When you think that the Gateway project is finishing in 2011 we will really have some great outcomes at that point in time.

It will be the biggest road and tunnel project in Australia's history. Last week there was a story in the *Australian Financial Review* headed 'Airport Link leads the way in integration'. It stated that Queensland has watched other states' mistakes while managing its infrastructure boom.

I have to say that there have been a number of people very concerned about delays in traffic to and from the airport. The Gateway project will by the middle to late next year relieve a significant amount of that traffic volume because if you are coming from the north or south you will go straight into the airport. There is still the east-west traffic.

The person I actually feel sorry for is the member for Southern Downs. He does not catch a plane home. He has it harder. He has a long way to drive. I think it is always important to remember that in a state like Queensland where there is often an aeroplane that you can catch somewhere. I am sure the member for Cairns is home tucked up in bed quicker than the member for Southern Downs is. Clive could take him for a burn in the DC 9. I do not know whether he can get the DC 9 into Yelarbon though.

**Mr SPRINGBORG:** You set me up an airport and I will.

**Mr LUCAS:** You could get the member for Maroochydore home in the old plane. When it is complete it will massively reduce travel times between Bowen Hills and the airport. It will cut out 18 sets of traffic lights. It was an early TransApex proposal of the Brisbane City Council. It now actually significantly differs from that in that it also has an east-west component and the interchanges will be underground. It will save up to six minutes in peak times from Bowen Hills to Kedron and six minutes from Bowen Hills to Toombul and a 40 per cent travel time saving. Australia TradeCoast and the CBD will have 350,000 jobs by 2026.

The innovations as part of the PPP process include reduced impacts on Kedron State High School by undergrounding Airport Link, dramatically reduced noise and visual impacts by partially burying two of the Airport Link's three ventilation stations, improved traffic capacity at the Kedron Brook intersection by undergrounding surface road, overhead and road bridges and the undergrounding of the Lutwyche busway station. Might I have an extension, Mr Chair.

**CHAIR:** Certainly.

**Mr LUCAS:** The Northern Busway from the Royal Children's Hospital to Windsor is already underway. If you go out there you will see the piles being poured. The new section is a three kilometre two-lane two-way busway, including 1.5 kilometres underground between Truro Street, Windsor and Sadler Street, Kedron, with new busway stations at Lutwyche and Kedron.

What we are going to do with the airport roundabout upgrade is what they call a fast diamond. If you ask me what a fast diamond is I cannot tell you what a fast diamond is but it is fast. It is a 750-metre flyover linking the East-West Arterial and Airport Drive bypassing the existing roundabout and traffic lights and saving more than 10 minutes peak travel time to and from the airport.

What we have learnt in terms of these PPP processes is that it is not just the project itself but what is pushing and pulling either side. So it is the north-south bypass tunnel feeding traffic in and out and the airport roundabout upgrade. It will not be a roundabout anymore. It will be a flyover and will be of significant benefit as well in terms of transport.

In other states there is always arguments about road closures and the like. Not only have we not got that but we actually have the proponents building a busway to encourage public transport on part of the route that they will be collecting a toll from. That is not a bad piece of work.

**Mr HOOLIHAN:** The Service Delivery Statements at page 1-90 deals with the Department of Infrastructure and Planning's role with regard to the declaration of state development areas. Can you advise the committee of the consultation currently underway with regard to the proposed extension of the Gladstone state development area to include Curtis Island?

**Mr LUCAS:** Yes, I can. I note that there is a meeting on about this early this evening in Gladstone. Regrettably because I am here I will miss it. I think people understand that as the Deputy Premier and minister I am accountable to the parliament. I acknowledge that there is a meeting on tonight for residents to raise a number of issues in relation to the Gladstone area.

State development areas are smart planning. They encourage continued economic growth but also manage the impact on communities. The key locations around the state where industrial development warrants SDAs is the proposed development in Bromelton, the Townsville development with 4,900 hectares south-east of the city close to the Bruce Highway linked by the Townsville Port Access Road and also the just declared Abbot Point industrial area. That will help us potentially create the next Gladstone at Bowen and foster industrial growth in north Queensland over the next 50 years. Only about a third of the land allocated is for heavy industrial use. Some of the remainder acts as natural barriers to neighbouring land and it is also another deep water port.

The Coordinator General has sought public submissions allowing 20 working days from 26 May to 20 June 2008. Almost 50 written submissions have been received. He will consider those. No doubt he will also take into account anything that is raised tonight at the meeting.

The proposed inclusion is the southern section of the Curtis Island below Graham Creek and Kangaroo Island. The South End township is not included in the proposed extension. It would provide land for proposed liquefied natural gas plants and other industry. I note that the Leader of the Opposition and the member for Maranoa were out with Arrow Energy the other day. He has clearly got an interest in the LNG. It will provide land for buffer zones and management facilities such as permanent fire breaks.

The proposed extension would add 6,420 hectares of land on the southern Curtis Island to the existing 22,000 hectares of the SDA. Only 1,500 hectares of the proposed extension would be available for potential industrial use. That restricts development to less than 25 per cent of the proposed extension. There would be a requirement for significant common user infrastructure over the Narrows Road and associated roads and dredging of the harbour.

The SDA extension, if approved, is not a green light for any project, and I want to make that clear. Each project—LNG or any other—is still required to undergo a strict environmental assessment to gain approval. If it is a significant project, the Coordinator-General's processes ensure that rigorous environmental assessment is conducted and his report with conditions aims to achieve a balance between the impacts and benefits of the project. I want to say this about LNG as well: it is quite different from any other fuels and flammable gases such as petrol and LPG in that it is not explosive in its liquid state but rather boils off as a vapour. LNG tankers have not had a major incident, I am told, in over 47,000 voyages since the first test cargo in 1959.

**Mrs KIERNAN:** Deputy Premier, I refer to page 1-89 of the SDS and government question on notice No. 7. Can you advise the committee of the interaction between the Coal Infrastructure Strategic Plan and the Coal Infrastructure Program of Actions?

**Mr LUCAS:** Yes, not that the honourable member has much coal in her electorate but she has a lot of stuff that needs coal. There is harder stuff in your electorate such as zinc, copper, magnetite and things like that. Coal is Queensland's largest single export product, with sales of \$15.66 billion in 2006-07. Growth in the industry has seen coal railing increase at an average annual rate of nearly five per cent between 2000-01 and 2006-07, with annual growth of almost 7.5 per cent occurring during 2006-07. To better plan for and manage that growth, the state approved preparation of the Queensland Coal Infrastructure Strategic Plan in mid-2006. The Coordinator-General commissioned Connell Hatch to assist with the preparation of the plan in early 2007.

The purpose of the CISP is to develop a medium- to long-term 20-year strategic outlook for the provision of infrastructure to meet the future needs of the Queensland coal industry. The government endorsed the Coal Infrastructure Program of Actions in 2005 to ensure the timely and commercial delivery of infrastructure. The strategic plan adopts a longer 20-year planning horizon and, in so doing, is able to consider a range of future industry growth scenarios. On the other hand, the program of actions identifies short- to medium-term coal infrastructure and skills requirements for the likely coal production targets to 2015. Port, rail, water, power and community infrastructure are key elements addressed under the program of actions.

We review the program of actions every 12 months and it is a rolling program. The strategic plan is due to be released later this year and it is recommended that it also be reviewed regularly. The 2008 audit findings indicate that the value of committed and planned infrastructure under the CIPA has increased from \$4.2 billion in 2005 to \$19.3 billion in 2008. I could go through the various items—rail, ports, rolling stock, water, energy, skills and housing—but they are all significant. Earlier today the Premier announced another step towards the significant expansion of our thermal coal industry in Queensland with the potential Port Waratah project out of the Galilee Basin, which has hitherto been pretty much untapped. I have also seen that there is some discussion about coal seam gas in relation to that as well.

We have seen significant increases in the price of coal. The price of coking coal now is up around \$US320 a tonne and it was reported the other day that thermal coal is now up around \$US194 a tonne. So there is a significant export and continued market for this in Queensland, and we will continue to work with the industry. With people like Ross Dunning on the Goonyella system, we have a very good working relationship with the coal industry so we can continue to deliver programs efficiently.

**Ms STONE:** Deputy Premier, I refer to page 78 of the Capital Statement and the number of new land lots developed and buildings constructed by the Property Services Group. Can you advise the committee of these projects and the opportunities that have resulted for Queensland businesses?

**Mr LUCAS:** Yes. Industrial growth is an essential ingredient to economic growth. It is the backbone of the state's future. I mentioned earlier when I was speaking in relation to some matters raised by the member for Maroochydore the importance of ensuring that we just do not focus in communities on building residential land but also industrial land. The member for Mount Isa in fact had some issues in her community with both residential and industrial land and its availability that was a severe constraint on continued economic growth in her community.

We need places to house new industry and we need space to grow existing industry, and we need to balance that against the impact on communities. Property Services Group, our commercialised business unit within the Department of Infrastructure and Planning run by that wizard Maurice Harvey, in its current budget through the state has committed \$109.8 million for acquisition, development and management of industrial estates across Queensland. There is construction in Townsville, Mackay, Yandina and Coolumb, with land purchases in Ipswich, far-north Queensland, Gladstone, Mackay, Rockhampton and south-east Queensland worth \$35.99 million this financial year. I have been in the

parliament now for about 12 years. When I was first elected the Lytton Industrial Estate had one building in it and now the early stage of it is full and now PSG is busily selling off the land for the remaining stages. The Australia TradeCoast is just growing. We do not compete against others. There are other suppliers of land as well, but in particular there are a number of areas where there is no-one in the market and our people there are doing a very good job.

Key activities around the state are centralised large-scale industrial development estate areas in Townsville, Abbot Point, which I spoke about before, and Bromelton in south-east Queensland. So not only do we have the estates people—as I said, Maurie Harvey's people—but also the stuff that we are doing with respect to potential SDAs. Industrial land activities undertaken by PSG are often in support of SDA development. They are a second tier of smaller but essential industrial estates. To give you an example, if you have a mine you have to have the people who maintain the buckets, the people who maintain the earthmoving equipment and the like. They are all critical, and they need to have quality serviced industrial estates.

Also a key activity is the Industry Location Scheme, encouraging business industry to Queensland through appropriately designated and serviced land at a competitive cost. The PSG develops industrial estates throughout Queensland, targeting regional development needs. The Lytton Industrial Estate targets port related industry in the Australia TradeCoast area. Gladstone's Clinton Industrial Estate targets service industry to support major industry within the GSDA. In the last year we delivered 115 new serviced industrial sites ranging in size from 2,000 square metres to 10 hectares and \$96 million in land sales. So we are working very hard in that area. I am very proud of the work that we do in industrial estates. I sort of figure this: one of the great things about my job and the people who work with me is that the best thing you can do for someone is to give them a job. We have a lot of people who do a lot of work involved with getting people jobs and getting businesses to employ people for the future.

**CHAIR:** Thank you, Deputy Premier. I turn to page 26 of the Capital Statement and the reference to the North Bank inquiry by design. I ask: can you advise the committee of the current status of the project and the next steps to be undertaken by government to ensure the riverfront is returned to residents?

**Mr LUCAS:** Yes. It is an opportunity to revitalise a large section of the northern bank of the river. In fact, I would have thought that the member for Maroochy, who was a pretty keen cyclist at one stage—I do not know if you are still doing the cycling or the running—would have got down there a fair bit and surely realised that it cannot stay the way it is. I really do believe that if the Riverside Expressway was not there and a roads minister today said, 'Hey! Guess what? See this beautiful riverfront we've got here. We now want to put a riverside expressway along it,' there would be riots in the street. But the fact is that it is there and it is now a question of what we can do to actually work around it.

I am a bit of a fan of the inquiry by design process, having observed one of them take place a few years ago in my electorate under the tutelage of Stephen Bowers. The inquiry by design workshop was held from 18 to 20 June, with a final report back to participants by 25 June. Wendy Morris, James Coutts and Stephen Bowers led it and there were a lot of people there. One of our great critics—Peter Skinner—was there and you can see very much Peter's handiwork in a number of the proposals, frankly, in terms of the suggestions that he made in terms of the use of the areas under the Riverside Expressway. It is a 'leave your ego out the door' sort of thing and everyone gets in there and brainstorm.

North Bank does provide the opportunity to activate this part of the riverfront with uses such as retail, restaurants and new bikeways and walkways to create a vibrant community space. I want to make this clear: the North Bank proposal must resolve technical issues, including flooding. If we cannot resolve that issue nothing can happen, and it must be resolved. But the nature of the river out of the front of that area is not all the same. The further upstream you go—the closer to the Victoria Bridge—the more the river flow is at a higher velocity and the more that potentially impacts when you build out there. The further you go downstream you then get into an area that does not have as much flow in it—out of the afflux—and what you do there has far less constraints. We will get our final report on the inquiry by design due to government in the very near future. We are very keen to get community feedback on what happens. We did put the initial presentation up on the internet, but once we have reviewed the report we will then undertake community consultation and that feedback will then inform where we decide to go from there.

**CHAIR:** Thank you, Deputy Premier. I now turn to page 1-90 of the SDS regarding the implementation of the housing sustainability policy. Can the Deputy Premier inform the committee about this policy?

**Mr LUCAS:** Thank you. On 15 June I launched the 'Improving Sustainable Housing in Queensland Discussion Paper' which, I might indicate, I sort of modelled on what I did with the young drivers discussion paper in terms of having a talk about various concepts. It is very readable to make sure that people have a say in what happens. When you go down south to building ministers' forums

and things like that they all have a view of the world of course, but 25 per cent of the building approvals in this country happen in this state. I think we have more building approvals than any other state—we do—and we have 1.6 million homes, with 33,000 new houses expected each year until 2026.

The McKinsey report on climate change—originally a US report but in February/March this year they put out an Australian version—mentioned a couple of things. In the area of transport and building, you can actually get a positive gain in environmental design. In other words, putting aside greenhouse, if you invest in environmentally efficiently designed houses and buildings you save money. So it is worthwhile doing, even if you did not have the greenhouse issue, the Leader of the Opposition and Cardinal Pell. It is important that new homes are designed with our tropical climate in mind and promote better indoor/outdoor connections like decks and verandas. Time has got away from me—

**CHAIR:** We are going okay for time. Did you want to complete that answer?

**Mr LUCAS:** I would be happy to take that a bit further.

**CHAIR:** We are ahead of time the way we are currently divided, so I will give you two minutes to complete that answer.

**Mr LUCAS:** Thank you. What we talk about with new houses is a number of existing measures, but also from January 2009 new houses must meet five stars out of 10 for energy efficiency and more thought must be given to the orientation of the house. On average, this costs one per cent of construction costs of new homes but gives savings of up to \$200 a year. So you could recoup the cost in around five years.

One of the problems with our building codes in Australia is that they are often geared towards what happens down south. For example, in Victoria if you built a veranda or a pergola it is actually a bad environmental design whereas in Queensland it is good environmental design. No-one in their right mind would sit outside under a pergola or on a deck in Melbourne most of the year. In fact, I do not think you are in your right mind unless you do that in Queensland. That is my sanity release; I know that for sure.

To encourage better building design not just for south-east Queensland but for the rest of Queensland as well, we are looking at banning residential estate covenants which restrict energy efficient design and fixtures. There will also be sustainability declarations for existing housing units, the prevention of the sale of inefficient air conditioners and a whole lot of things like that. Time does not allow me to speak about all of them. We have started a travelling roadshow around regional Queensland so people can have a say in relation to these issues. It is a very important benefit.

**CHAIR:** Thank you, Deputy Premier. Can we now just set the clock for a 15-minute session for non-government questions.

**Miss SIMPSON:** Minister, I refer to the Northern Economic Triangle Infrastructure Plan, and I ask: will the minister commit to provide funds for or to announce a rock-solid date for the commencement and completion of a new north Queensland baseload power station?

**Mr LUCAS:** No, I will not, because we have undertaken a number of important initiatives that will actually be of significant energy benefit to the people of north Queensland. The most important thing of all is to remember that the issue concerning electricity costs is a function predominantly of the load up there, bearing in mind that the decision to site generators is essentially an economic decision—unless you are suggesting that the government should interfere in the location of a generator and tell one of our government owned corporations to build a generator there. It is essentially an economic decision. The best way to encourage someone to locate generating capacity up there is to have a sufficient load up there that will then warrant it.

We are trying to do the things that will create the circumstances whereby the load that might then justify additional generating augmentation will happen. Let us take it a bit further. For example, the Bowen state development area declaration and the potential of having Chalco there will locate a significant energy user in that part of the world. That is why people, for example, in Townsville Enterprise have welcomed it. Some of them said they would rather have it Townsville—and I know there is mixed opinion about that in Townsville—but on the other hand they see Bowen as a reasonably good outcome as well.

The other thing I should say is that Powerlink is in the process of significantly increasing its transmission capacity into north Queensland in various stages. I just have not got the figures in front of me, but they are working in three stages to get the high-voltage line augmentation up there. What that will then do—and I am happy to provide this information to the committee—is reduce the price of electricity in terms of transmission issues, and I will just have to check that, to a similar level to south-east Queensland. So it is not just generation. In fact, whenever you do a transmission upgrade, the national electricity rules require you to have a look at what the various alternatives are. Will generation be a better alternative to a transmission upgrade of the line? That is what happens in those sorts of markets. We will foster the industry development that promotes the upgrade of electricity in that area for the people of north Queensland.

With due respect to the honourable member, I think you have it the wrong way around. It is not so much a generator up there—how you are going to make one go up there—it is actually having the circumstances where there are transmission upgrades and the potential in the future, if required, for electricity generation up there. That is driven off the back of more industrial and other load.

**Miss SIMPSON:** So how far off in the future do you believe the base load is for that area? It is a bit of a chicken and an egg argument, though. You are waiting for industry to line up without any assurances.

**Mr LUCAS:** I take the genuineness of your question. If you have an energy market, it is not appropriate to say to CS Tarong or Stanwell, 'Build a tower station there.' That is something that is done by the market. There are all sorts of peakers being built—gas turbine power stations—around the place at the moment by people in Queensland who are doing it on the basis of seeing an economic case to do that. The old days of subsidising electricity for people and for industrial users is not really how we do things these days. The Bowen state development area, for example, where government will involve itself in, is potentially the provision of common-user infrastructure that then might set up the business case for people to go there. Once, of course, you then have people going there, they generate the increased load and then that warrants further investment in it.

In October 2007 Powerlink completed the EIS on the proposed 132 kV transmission line from Strathmore substation to a new substation at Merinda to Abbot Point SDA. Once it is constructed, it will provide power for industry at Abbot Point. Also, Ergon announced the doubling of the power supply in May 2008 from Merinda to the port at Abbot Point. They are building a \$27 million powerline as well. It is a 66 kV one, I think. Of course, as I said to you there is a further line that is going from there up into Townsville. The 66 kV one will start in late 2008 and end in September 2009. That is stage 1. The overall completion date of the remaining stages is 2010.

Can I tell you that one thing I harp on about when I talk to the federal government—and I hope you will do it, too, when you talk to your colleagues—is Bowen, Bowen, Bowen, Bowen, Bowen. I want development in Bowen. The Bowen state development area has the potential to create a second Gladstone for us. They can all talk about Western Australia and its economic boom. The fact is that in this state we have people living outside the south-east corner. We have wonderful opportunities in the regional economy. I am absolutely obsessed with developing Bowen, because I think it is such an opportunity for this state in the future. So I will continue to push the potential location of industries there and in that northern economic triangle. However, as I said to you, the actual location of a base load power station is not as important as the transmission capacity and the delivered cost of electricity up there. Will it ever be the same as the delivered cost of electricity in central Queensland? No, it will not. That is not possible, because that is central Queensland—and even south-east Queensland does not have that advantage.

**Miss SIMPSON:** I ask a question in regard to the cost blow-out with the western recycled water pipeline corridor, which has grown to about \$800 million more than the estimated completion cost of \$1.7 billion last year. This cost blow-out would have just about paid for the Cairns and Mackay hospitals redevelopment, or paid for 136 new police stations, or paid for 38 new schools, or paid for half the new Gold Coast or Sunshine Coast hospitals. I ask: will you provide us with a breakdown of this \$800 million cost blow-out?

**Mr LUCAS:** I will just get the Coordinator-General to provide some information in relation to that and I will make some comments as well.

**Mr Jensen:** I am sorry, I am still trying to find the detail of an \$800 million cost increase that you have just described.

**Miss SIMPSON:** It was \$793 million more than last year's budgeted amount of \$1.7 billion for the western corridor recycled water pipeline.

**Mr Jensen:** And that is in the SDS?

**CHAIR:** Do you have a page reference?

**Miss SIMPSON:** The western corridor is page 1-91 or 1-92 of the Service Delivery Statements.

**Mr Jensen:** The only reference I can find in terms of that increase that you are referring to is from the May 2007 figure of \$1.7 billion, with the project then increasing to \$2.3 billion. I am advised that that comes from the increase from 210 megalitre capacity to 232 megalitre capacity as well as the bring forward of the completion date.

**Miss SIMPSON:** That is what I want: the breakdown of that amount. There has been an increase of up to \$2.4 billion.

**Mr Jensen:** \$2.3 billion, yes, or something.

**Miss SIMPSON:** Of that amount, I would like a breakdown of that cost increase. How much of that is the bring forward and how many days was it brought forward by and the components of the project.

**Mr Jensen:** I do not have that information to hand with me at this point.



**Mr LUCAS:** I just want to say this: the total project cost is \$2.493 billion with \$408 million committed by the federal government. The project will deliver capacity for 232 megalitres a day of purified recycled water. The extra \$630 million that Premier Beattie announced in May 2007 will help deliver a bigger and better recycled water pipeline faster. The funding boost will provide up to an extra 22 megalitres a day to be pumped into Wivenhoe Dam. The project was expected to be brought in about two months ahead of schedule in October 2008. I have indicated before that we will do some additional testing prior to releasing water into Wivenhoe. We expect that to be in February next year.

There is a reduced output from the AWTP in the short term. The reduced sewer flows are directly attributable to the success of the government's Target 140 campaign. They have reduced quantities of water available to be processed into PRW. During the current drought the production forecast is 131 megalitres a day. The project is still being built to provide a capacity of 232 megalitres a day.

**Miss SIMPSON:** In your response to question on notice No. 10 you indicated that the expected operational cost of the western corridor recycled pipeline had not changed significantly. However, the increase in the cost of the project, which has risen by \$793 million, would mean a four per cent return on investment and would mean about another \$32 million a year in increased return on that investment. I ask: are you expecting the ratepayers to pay for that through their water bills?

**Mr LUCAS:** My understanding—I am happy to be corrected if it is not correct—is that all of the current costs of the water projects are factored into the price path that the Queensland Water Commission has recommended to the government and we have adopted.

**Miss SIMPSON:** So you are still aiming to get a four per cent return on your investment, but the project has increased by about \$800 million.

**Mr LUCAS:** No, I have answered that before in terms of the additional capacity and the bring forward. You do not accept the answer. That is what I have given to you. It is not productive for us to continue to argue about it.

**Miss SIMPSON:** What I am trying to see is how you assess cost-effectiveness, given that the Tugun desalination plant—a project which was upscaled midway—is to deliver 125 megalitres of guaranteed water supply for \$1.2 billion. Yet the increase in the cost of your western corridor recycled water pipeline will mean that it is a \$2.4 billion project for only 130 megalitres—a 131 megalitres drought yield. So it is more than double the cost for a Tugun desalination, but only a comparable amount in the drought yield.

**Mr LUCAS:** But to compare purified recycled water production in drought yield to desalination in non-drought yield—because desalination does not relate to drought—is ridiculous. What we are doing with purified recycled water—and that big thing over there that looks like a fence post is the 2008 international water project of the year award for the western corridor water recycling project. That got international water project of the year. I know you do not like it, but that is what the world community thinks of it. It is like a fence post really, is it not?

**Mr SPRINGBORG:** A clear one

**Mr LUCAS:** A clear fence post.

**Mr SPRINGBORG:** I have had a few, but I have never seen a clear one.

**CHAIR:** That is a city one.

**Mr LUCAS:** There is not a hole for a barbed wire string to go through it, either. Anyway, it is being built to provide capacity for 232 megalitres a day. If we did not build that plant, what would happen is that all of that water would go to waste. It is no good you arguing about purified recycled water. I know that you do not want to have it for drinking—

**Miss SIMPSON:** I am arguing about the cost blow-out of \$800 million and whether that is world's best practice.

**Mr LUCAS:** We have discussed that before. I know you do not support purified recycled water going into the drinking supply. You have never said that you do not support purified recycled water. I do not know what your alternative is. You said you wanted it in the industrial supply. Fine. Now is not the time to argue about that. I have said something about that before. But it is not the same thing. Are you suggesting that we should just say to people, 'We will let all the phosphorous go into the river, we will let all of those issues concerning the sewerage system going into the Brisbane River system and all of that sort stuff. Forget about that. Forget about the intelligence of recycling water and go to another desalination plant, even if it was a similar cost?' Not everything in the portfolio will cost the same amount. One of the things we know is to produce water from desalination uses a lot of electricity.

**Miss SIMPSON:** And how much does the western corridor recycled water pipeline take?

**Mr LUCAS:** You also use a fair bit of electricity when you use it for purified recycling water. But the thing is that at the same time you clean up your waterways and provide a source of water that is about re-using the waste that you create. So the energy intensity of purified recycled water is about half that of desalination because, of course, it is nowhere near as salty as desalinated water and the western corridor recycling project will reduce phosphorous by about 50 per cent.

**Miss SIMPSON:** The question really is about how careful the government has been in its cost control of a project that has increased by \$800 million to deliver about 20 megalitres extra and yet has failed to come in any faster. I ask—

**Mr LUCAS:** Sorry, it has come in faster.

**Miss SIMPSON:** The project is not completed and it has blown out by \$800 million. How much time has been saved by adding \$800 million to the cost of the project?

**Mr LUCAS:** Sorry, give me that last part again?

**Miss SIMPSON:** How many days has the project been brought forward by adding \$800 million to the cost of the project?

**CHAIR:** Minister, just while you are preparing that, I note that we are at the end of non-government questions. If you would like to give a response to that briefly you can.

**Mr LUCAS:** It was brought forward significantly. Off the top of my head it was December to October, but more importantly, the capacity has significantly increased. You cannot compare—and I have said this to you before—the current drought forecast of 131 megalitres a day to its capacity of 232 megalitres per day, which will happen when either water restrictions are eased or, indeed, population increases, even under drought. It is a good investment and an environmentally sensible investment.

**CHAIR:** It is time now for government members' questions.

**Mrs KIERNAN:** I refer to page 27 of the capital statement and the Aurukun bauxite resource in western Cape York. Can you advise the committee of the current status of the proposal by Chalco and the role of your department?

**Mr LUCAS:** Yes, I can. Just another great history lesson, Pechiney's Aurukun bauxite deposit is the one that Joh signed with them but forgot to put a clause in saying that they must exploit it. He actually just gave them the lease, but don't worry about ever doing anything about it. The government held an international competitive bidding process for rights to develop bauxite with a requirement to build an alumina refinery on the Queensland east coast. There were 10 bidders. Chalco Australia Pty Ltd was announced the preferred bidder in September 2006 proposing a 10 million tonnes per annum bauxite mine and a 2.1 million tonnes per annum alumina refinery. It is a \$3 billion project providing 2,300 construction jobs, 700 at mines, 1,600 at refinery—600 jobs during operation, 100 at mine and 500 at refinery. This is Chalco's first venture in Australia and if it proceeds it will be the largest single Chinese investment in Queensland's history.

The current approval process is that on 1 August the Coordinator-General declared the mine and refinery to be two separate significant projects under section 26(1)(a) of the State Development and Public Works Organisation Act. The final terms of reference for the mine were issued in February 2008. The project requires federal approval under the Environment Protection and Biodiversity Conservation Act. As part of the Northern Economic Triangle Infrastructure Plan, the Abbot Point SDA was declared on 20 June this year and on 25 June at an MOU signing ceremony Chalco announced Abbot Point as its preferred site. That does not mean it will necessarily be at Abbot Point; it means it is its preferred site. So there is still a lot of work to do. We have to make sure the federal government is appropriately supportive. The next step is a \$40 million definitive feasibility study and EIS process that hatches Chalco's lead engineering contractor. So they are spending \$40 million on doing that. That is a pretty significant investment. The decision on whether to proceed with construction is expected at the end of next year.

We have provided up to \$300 million in-principle support for common user infrastructure related to the project of both the mine and the refinery states. We are very keen to have a federal government commitment to the Chalco project in Bowen as well. As I said to you, I urge the honourable member to use her good will with her colleagues in Canberra to argue for that. I think it has wonderful, exciting opportunities to spread our industrial development.

On a further issue relating to the North Bank cost recovery some further information has been provided to me. The amount to date of whole-of-government expenditure on the project is approximately \$5 million. The North Bank project has an allocated budget of \$500,000 for the 2008-09 financial year. This amounts to a whole-of-government actual anticipated expenditure of \$5.5 million. At the execution of the development agreement, Brookfield Multiplex is required to reimburse the government \$3 million for its costs.

**Ms STONE:** I refer to page 1-95 of the SDS and the performance measure relating to the development of priority infrastructure plans in high-growth local government areas. Can the Deputy Premier advise the committee what steps the government has taken to ensure that these types of plans are prepared by councils?

**Mr LUCAS:** Priority infrastructure plans and associated infrastructure charge schedules are a key part of infrastructure planning for growing populations. PIPs are also mechanisms for local governments to levy infrastructure charges based on detailed planning for five networks: water, sewerage, stormwater, roads and parks. The process for preparing and adopting PIPs has proved complex and

onerous. Councils were supposed to have them in place by 2003 but only the Gold Coast has adopted a PIP. Maybe the member for Robina was in there pushing away on the Gold Coast for them to do a PIP—he got in there early. The reform of PIPs is a key element of the Queensland Housing Affordability Strategy and to ensure consistency and certainty across local government areas. Developers should reasonably expect to contribute to the cost of new infrastructure but expect certainty about paying for what and when it will be delivered. A PIP says, 'This is what you should pay for and this is when it will be delivered.'

The Gold Coast, with a population of half a million, was able to use 13 different charging zones for transport charges, but the former Pine Rivers, with a population of 200,000, thought it necessary to use 957 transport zones. Some councils were seeking to charge developers today for infrastructure not expected to be needed for another 50 years. Different councils were charging for parks provision on the basis of very different standards: four hectares per person in Toowoomba and Cairns to 5.9 hectares per person in Caboolture, Caloundra and Pine Rivers. To address this issue, the Premier and I recently released for comment a proposed standard infrastructure charges schedule—what can and cannot be charged for. It does not have the amount, but the heads of charge, for want of a better word, that can and cannot be charged for. For example, in relation to parks, it allows a contribution for new development to be made for playgrounds but not, for example, for artificial reefs and jetties, which some councils considered. I hope they were coastal ones!

Submissions are invited until 25 July 2008. The standard schedule will be the basis for those councils planning to adopt the PIP to reflect their draft plan. This should occur by 30 September. The state will work with the councils to achieve this and to fast-track the final adoption for commencement on 1 July next year. Councils which do not meet these dates will only be allowed to increase existing charges by CPI. The standard schedule does not apply to slower growing councils who can adopt the regulated infrastructure charges schedule. If adopted by council, this standard template means a charge of up to \$2,000 for each infrastructure network. These reforms are in addition to changes announced last year whereby all PIPs are reviewed by the Queensland Competition Authority, which has now commenced. The Coordinator-General had some further information in relation to that western corridor.

**Mr Jensen:** In terms of those cost increases that you were referring to, firstly, you asked about the return on investment and the price path. The Queensland Water Commission advised me that it has factored in all of those costs in terms of the price path when it was adopted. So it is covered off. In terms of the financials and the breakup, I do not have it in a method to be able to present to the committee now, but roughly about \$223 million is the bring-forward and the balance of costs relate to the increased capacity.

**Mrs KIERNAN:** I refer to page 1-92 and the reference to the application of regional planning principles across the state. Can the Deputy Premier inform the committee about the progress of planning reform across Queensland, particularly in far-north Queensland?

**Mr LUCAS:** We have about 1,800 new Queenslanders every week. Interestingly, last year for the first time our overseas migration into Queensland exceeded our interstate migration into Queensland.

**Mrs KIERNAN:** Doctors.

**Mr LUCAS:** Doctors, yes, South African Rugby players, no doubt, and the like. The region is booming. Eight hundred of those 1,800 new Queenslanders are moving outside south-east Queensland. As I said before, that is what I love about Queensland: our regional economy. We actually have a regional economy; we actually have regions. That is why every new regional plan will be a statutory regional plan and will have the force of law behind it. The Bligh government is committed to sustainable growth not only in south-east Queensland but in the other regions as well. Far-north Queensland is one of the growth regions. In May the Premier and I launched the first statutory plan outside of south-east Queensland and the first regional plan for a non-capital city in Australia, FNQ2025. Far-north Queensland is booming. In 2006 it had 220,000. By 2025 it will have an extra 97,000. That is 5,000 extra residents each year, and 2,000 extra homes. That is sea changes, tree changes and all sorts of changes—people who are coming from other places.

**Mrs KIERNAN:** Bush changes.

**Mr LUCAS:** Yes, and other changes, but I will not go too much into that. Queensland is cosmopolitan. It is spending \$17 billion on infrastructure projects across the state, with an infrastructure expenditure in far-north Queensland of \$1.3 billion. That is \$4,451 per capita. With such a large increase in population and a substantial commitment from the government in terms of infrastructure, it is essential that we plan for the future. FNQ2025 will manage population growth for the next 20 years. This is one of the critical things about FNQ2025: 99.4 per cent of the total area is located within the regional landscape and rural production area, making it immune from urban encroachment. So 0.2 per cent has been set aside for the rural living area and 0.4 per cent for the urban footprint.

The Premier and I also announced the first Integrated Planning Act master planned area in Queensland at Mount Peter, south of Cairns. This is an important part of the Housing Affordability Strategy and will ensure appropriate development and dwellings for 50,000 to the south of Cairns. This

1,550 hectare site is the last remaining land in the Cairns area with few natural constraints. So there will be 50,000 people there. You see that by 2025 there will be an extra 97,000 people. That alone pretty much gets us there. There will be a new town centre and enterprise precinct at Edmonton. Also in relation to the areas in the tablelands, there is fairly modest growth there but we are also listening to what people are saying in terms of tourism and ecotourism and how we might further facilitate that.

**Mr HOOLIHAN:** Deputy Premier, just to carry on from that, page 1-90 shows a commitment to developing a framework for rural and regional planning. You have dealt with far-north Queensland. Could you outline for the committee the background of planning in rural Queensland in particular?

**Mr LUCAS:** I spoke before about the growth and our regional economy. The resources boom is opening up new economic and development opportunities—Bowen Basin, Surat Basin and the north-west minerals province in the area of the member for Mount Isa. In fact, I was at the Rugby the other night when Australia beat France. I pointed out that, in terms of speaking on matters French, the member for Mount Isa has a lot in common with France: her electorate is the size of France.

The Bligh government has committed \$4.5 million on delivering four additional regional planning initiatives: north-west, central west, south-west and Maranoa and district. Part of the 10-year plan is to build a strong rural Queensland of sustainable, liveable and prosperous communities. Like the South East Queensland Regional Plan, the Blueprint for the Bush plans are statutory. However, they do not contain urban footprints or minimum block sizes. They are more focused on network centres to ensure effective rollout of infrastructure.

In terms of infrastructure expenditure, south-west in 2008-09 is \$5,615 per head compared to Brisbane at \$4,273. The key issues in each region—the central west is 22.9 per cent of the state's area with 12,545 people; the population is predicted to be stable to declining—are protecting biodiversity, establishing a connected network of centres, support for the primary economic driver of agricultural production and a potential tourism increase. South-west is 13.3 per cent of the state with 8,373 people. The population is predicted to decline by a couple of hundred by 2026. It has sparsely inhabited areas providing alternative options for economic opportunities including energy development and research. Hot Dry Rocks is in that far south-west corner. The population for Maranoa and district is to increase to 26,000 by 2026 from 24,900. It covers 6.2 per cent of the state. As I said, the Leader of the Opposition was out there the other day with the federal member and Arrow Energy and some others—maximising the economic return on the development of the energy resources within the area while maintaining the region's liveability through efficient energy, delivery of services, facilities and infrastructure, and protection of natural assets. North-west, the area of the member for Mount Isa, covers 10.9 per cent of the state with 28,300 people. The population is to increase due to employment opportunities; however, constraints exist around housing. Key issues in the north-west are fly in, fly out workers—3,000 non-resident mining workers and contractors living in the region at the end of September 2007 compared with 4,560 resident mining workers. I know that is a big issue in your community in terms of dealing with that. I look forward to launching three of these plans in early August and getting feedback from the community.

**CHAIR:** We are about a minute off from the scheduled time for completion of this session. We might say at this point that the time allotted for the consideration of the proposed expenditure for the portfolio of the Deputy Premier and Minister for Infrastructure and Planning has now expired. Thank you, Deputy Premier. Thank you to your advisers, to departmental staff and to other people who have assisted with this examination today.

**Mr LUCAS:** I thank you, your deputy chair and committee members. I thank my department and associated entities. I thank my long-suffering office staff, Hansard and parliamentary staff.

**CHAIR:** The committee will now break for a late afternoon tea and resume at 4.45 pm to examine the estimates for the portfolios of the Minister for Public Works, Housing and Information Communication.

**Proceedings suspended from 4.30 pm to 4.45 pm**

## ESTIMATES COMMITTEE A—PUBLIC WORKS, HOUSING AND INFORMATION AND COMMUNICATION TECHNOLOGY

### In Attendance

Hon. RE Schwarten, Minister for Public Works, Housing and Information and Communication Technology

#### **Department of Public Works**

Mr M Grierson, Director-General

Mr M Smith, Deputy Director-General (Works)

Mr T Waters, Deputy Director-General (Services)

Mr W Pashen, Director (Acting), Finance

Ms J Prowse, Director and State Archivist, Queensland State Archives

Mr J Fennell, Assistant Director (Acting), Budget

#### **Department of Housing**

Ms N MacDonald, Director-General

Mr I Fulton, General Manager, Housing Finance

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

Mr I Jennings, General Manager, Queensland Building Services Authority

Mr F Smith, General Manager, Residential Tenancies Authority

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**CHAIR:** Good afternoon. I declare this meeting of Estimates Committee A reopened. My name is Simon Finn. I am the member for Yeerongpilly. and chair of the committee. Joining me on the committee are Paul Hoolihan, the member for Keppel who is just joining us; Betty Kiernan, otherwise known as 'Paris' Kiernan, and the member for Mount Isa; Fiona Simpson, the member for Maroochydore; Lawrence Springborg, the member for Southern Downs and deputy chair; Ray Stevens, the member for Robina; and Barbara Stone, the member for Springwood. This afternoon the committee will examine the proposed expenditure contained in the Appropriation Bill 2008 for the portfolio of the Minister for Public Works, Housing and Information and Communication Technology. Welcome, Minister Schwarten, advisers and departmental staff. The committee will examine estimates for the portfolio until 7.15 pm.

The proceedings today are lawful proceedings subject to the standing orders and rules of the parliament. As such I remind all visitors that any person admitted to this hearing may be excluded in accordance with standing order 206. In relation to media coverage of the hearing, the committee has resolved to allow television film coverage and photography during my introduction and the Minister's opening statement. The committee has also agreed to the live broadcast of the hearing via the Parliamentary Service web site and to receivers throughout the parliamentary precinct. If anybody in the room is carrying a mobile phone, they need to switch it off now. The time limit for questions is one minute and three minutes for answers. A warning bell will chime 15 seconds before the time runs out. An extension of time may be given with the consent of the questioner. For the benefit of Hansard I ask advisers if you are called on to give an answer to please state your name before speaking.

I now declare the proposed expenditure for the portfolio for the Minister for Public Works, Housing and Information and Communication Technology open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister Schwarten, you have an opportunity to make a five-minute opening statement. I am sure you will take that opportunity.

**Mr SCHWARTEN:** You picked me in one, Mr Chair. Thank you. I look forward to addressing any issues your committee may wish to raise with me in regard to my ministerial portfolio responsibilities. This is the eleventh year that I have appeared before an estimates committee to answer questions about Public Works and Housing, and the second year for Information and Communication Technology. However, I cannot remember a year when the issues we are currently addressing had such far-reaching impacts upon government services for the people of Queensland.

A fortnight ago I attended a luncheon in Brisbane where the Premier addressed over 900 people from the ICT industry and outlined a program of ICT developments in the Queensland government for which my department has carriage. This program is unprecedented in size and complexity, but more

importantly it is unprecedented in the impact of its service delivery by government agencies. Projects such as the establishment of the new Polaris Data Centre, the consolidation of servers and networks across government, the introduction of e-government applications, the rollout of the national broadband network and the information management aspects of the FOI Solomon report are massive projects.

Another whole-of-government initiative relates to the implementation of the government's climate change strategies. The department is already implementing policies designed to reduce energy consumption in buildings, reduce carbon emissions from our motor vehicle fleet, conform with level 6 water restrictions and ensure that our procurement practices support environmentally sustainable goods and services. The government has set challenging targets in each of these areas as we address global warming. The Department of Public Works will ensure that we meet these targets from a whole-of-government perspective.

The third whole-of-government project we are now undertaking is the rollout and management of the Shared Service Initiative across government. The technology area of shared services, CorpTech, moved from Treasury to the Department of Public Works from 1 July this year to join the Shared Service Agency as additional business units servicing government agencies. I have no doubt that these new business units will bring their unique set of challenges for the year ahead. The traditional business units have returned overall profits exceeding \$29 million for 2007-08, which is a solid performance particularly as we are hampered by skills shortages like most areas of industry. The building industry in particular continues to struggle with the recruitment and retention of a skilled workforce.

I turn to housing. As of 30 June 2008, the Department of Housing has supported over 85,000 households, with more than 85,300 of these receiving ongoing assistance. This number was boosted during 2007-08 by a net increase of 974 in the number of units of accommodation owned and funded by the department. It is almost certain that the current housing affordability crisis will drive more and more people to seek government assistance. Therefore, the Department of Housing plans to spend on average \$4.15 million per day in 2008-09 to provide and support housing services for Queenslanders, which is up from \$3.38 million per day in 2007-08. This includes a record outlay of \$759 million in housing assistance expenditure programs that cover capital works, grant assistance, maintenance and lending. Ongoing assistance will be provided through a wide range of services, including social rental housing, Brisbane Housing Co. accommodation, bond loans, housing loans, deposit assistance, mortgage relief and assistance subsidies. One-off assistance will be provided through services such as rental grants, tenancy advice and advocacy services, housing modifications and Home Assist Secure. Last year over 136,200 households received such assistance.

Starting later this year, we will be directing resources to assist people according to their level of need rather than according to how long they have been on the waiting list. Since the introduction of the One Social Housing System we have been able to bring the wait-list numbers down by tightening eligibility for long-term social housing to give preference to those who need it most. We have also asked people who are earning in excess of the income limit and who own property to move from social housing into the private market. In fact, to date 842 households have either vacated or purchased their social housing dwelling because they do not meet the criteria for housing assistance. These reforms are creating a more equitable social housing system.

People living in private rental accommodation may also benefit from the National Rental Affordability Scheme. With two new federal ministers dealing with housing, we are finally seeing new ideas and energy directed into housing policy. For a start the National Rental Affordability Scheme aims to add 50,000 new private rental homes around Australia. Queenslanders could receive 10,000 of those and possibly more. The federal government is targeting people in the lowest 40 per cent of earners. In Queensland we will ensure that the scheme is targeted at people on the waiting list and ensure that the available assistance goes to those who are most in need of this type of help. I am looking forward to a new affordable housing scheme agreement being developed to replace the Commonwealth State Housing Agreement.

**CHAIR:** Thank you, Minister, and thank you to the media. It is now time for the examination by non-government members. I call the member for Robina.

**Mr STEVENS:** Minister, obviously there is great community concern in relation to the asbestos management that you have to handle through your department, so we will go straight to questions on that issue. With respect to SDS 3-40 and the answer to question on notice 1-11, the Minister has advised that audits were undertaken of the 30,736 buildings on Q-Build's building asset register. The minister claims that 1,880 buildings were identified as containing loosely bonded asbestos containing material, ACMs, and subsequently dealt with. With respect to SDS 3-40, can the minister advise how many buildings on this register of 30,736 state government buildings still have identified ACMs?

**Mr SCHWARTEN:** Say that last bit again?

**Mr STEVENS:** Can the minister advise how many buildings on the register of 30,736 state government buildings—

**Mr SCHWARTEN:** 30,376 buildings, yes?

**Mr STEVENS:** 30,376; that is correct. How many of those still have identified ACMs?

**Mr SCHWARTEN:** I suppose the figure is that. They are all done, is my understanding.

**Mr STEVENS:** There are none left of the 30,000?

**Mr SCHWARTEN:** Max?

**Mr M Smith:** As you mentioned before, Mr Stevens, there is the non-friable, which is the 1,880 or so, and all of that has been removed. In the balance of the 30,000, in the vast majority of those 30,000, there still would be bonded asbestos within those buildings.

**Mr STEVENS:** Correct.

**Mr SCHWARTEN:** They would be fibro.

**Mr M Smith:** Fibro, yes. So to answer your question, it would be hard to give you a definitive answer, whether it is 28,000 or 29,000. But given that we are talking about bonded material, it would be fair to say that the vast majority of those 30,000 would still have asbestos in them.

**Mr STEVENS:** Correct. Thank you. Further to that, with respect to SDS 3-40, can the minister advise—and you are going to love this—how many of the 30,376 buildings on that asset register have been identified with amosite, crocidolite, actinolite, anthrophyllite, tremolite and chrysotile? Don't you love that?

**Mr SCHWARTEN:** Yes, I do. If I had gone out and inspected them, I still wouldn't be able to identify them. Max, are we in a position to provide that advice or will we take it on notice? It is a pretty detailed question.

**Mr M Smith:** Given the number of types of asbestos and I have already mentioned the fact that within the total 30,000 there are a significant amount that do have bonded asbestos, to answer that question we would have to take it on notice.

**Mr SCHWARTEN:** Which we will do.

**Mr Grierson:** I do not think we can answer that question at all, taking it on notice or not. To go through every one of those buildings to identify every one of those compounds you have just mentioned would take years and years.

**Mr SCHWARTEN:** What would be the point of it?

**Mr STEVENS:** Can I go to my next question, which might answer that.

**Mr SCHWARTEN:** Yes, let us see where you are headed.

**Mr STEVENS:** I refer the Minister to 3-40 of the SDS and a follow-up answer received to question on notice No. 1. Minister, as you are aware, all commercial industry buildings from 1 January 2008 have to undergo an asbestos audit every year by your own government's legislation to protect workers' health. Are you equally insistent that all government owned buildings will have the same yearly audit to protect your workers' health?

**Mr SCHWARTEN:** We do, as far as I am aware. In some cases they are probably inspected more often than that. I do not know. Max?

**Mr STEVENS:** Not inspected, audited. It is a major difference.

**Mr M Smith:** Each one of the buildings actually has an asbestos management plan on site. From that, unless there is any change in actual fact, the audit remains. The point that the minister just made is that every year we do inspect those buildings and those asbestos management plans are updated according to either change in the shape of the building, any material that has been removed and/or if there has been a change in the status of the asbestos itself in terms of the condition of the asbestos. It is then notified and put on the asbestos management plan at that particular site. There is an annual audit and an upgrading of that audit.

**Mr STEVENS:** So there is an annual audit done as per the commercial industry annual audit?

**Mr M Smith:** In the question you asked, Mr Stevens, you said an expert professional audit?

**Mr STEVENS:** Correct. It is easy to do management plans, but the commercial industry has to, by your legislation, get a professional auditor in to make sure that the plans are put in place. That is the standard of private enterprise to protect workers in private enterprise, and a very esteemed value that has as well. As a government looking after your own workers, what professional audit standards do you have in place?

**Mr M Smith:** The same.

**Mr STEVENS:** Every year?

**Mr M Smith:** Every year by professionals.

**Mr Grierson:** It is the same. You commented on a professional audit. A professional audit is done on every building and that is how you get this asbestos management plan, as you just said—a management plan. That plan is put in place and that plan is checked on an annual basis.

**Mr STEVENS:** By the auditor?

**Mr Grierson:** Well—

**Mr STEVENS:** That is what happens in the commercial industry.

**Mr Grierson:** It is done by a professional person.

**Mr SCHWARTEN:** A person with the relevant qualifications.

**Mr STEVENS:** Yes, exactly, a person with relevant qualifications. That happens in commercial enterprise. So that happens in all government buildings?

**Mr Grierson:** I do not want to mince words, but you say a 'professional auditor'. If you have a person who is qualified—

**Mr SCHWARTEN:** External to the department we do not have.

**Mr Grierson:** We do not have, no. We do not send auditors in. We have qualified builders who will look at the plans and ensure that the plan is still current, that any asbestos in that building is still encapsulated or is still in a good condition such that it does not need replacement. That happens on a regular basis, on an annual basis. We do not call for an independent external auditor to go into every government building.

**Mr STEVENS:** Thank you. We will move on from that. With respect to SDS 3-40, in April 2005 the minister provided advice to my colleague, the good looking member for Surfers Paradise, that listed all Education Queensland schools with ACMs that were registered. This list identified 1,714 schools not including residences and district support offices that contained ACMs. Can the minister advise how many Education Queensland schools still contain ACMs?

**Mr Grierson:** It is exactly the same as the answer to your first question—that is, in any school that has friable asbestos, that is loosely bonded asbestos, it has been removed, whether it is on the roof, whether it is in a tile on the floor—

**Mr SCHWARTEN:** Where it has been identified.

**Mr Grierson:** Where it has been identified. But there would still be schools built before—

**Mr M Smith:** Up to 1990.

**Mr Grierson:** Up to 1990 that may have asbestos in them, but as long as that asbestos is encapsulated, as long as it is in good condition, it is not being removed.

**Mr SCHWARTEN:** And it is identified in the school asbestos management plan.

**Mr STEVENS:** That leads me to my next question. With respect to SDS 3-40, I refer to a 27 February 2008 weekly newsletter from Moranbah State School. I can table it if you want but it is very simple. It talked about 'several queries about the black tape which is on many of the vinyl floors in the school'. Minister, could you please outline whether the National Code of Practice for the Management and Control of Asbestos in Workplaces endorses the use of black sticky tape for Q-Build's so-called 'make safe' repairs to damaged vinyl floorings and whether there should also be ACM warning signs along with the black sticky tape?

**Mr SCHWARTEN:** My understanding is that there would be some form of warning. I guess that is why the principal sent the newsletter out. What I understand is that there were some schools that made those decisions. I am talking outside of my portfolio responsibilities now; this was done through the education department. I understand that where there was some concern there was encapsulation by way of some form of tape. I do not think it was the sticky tape that you wrap Christmas presents up with. I think it would be more like duct tape. I did not see any of it. Max, I do not know whether you want to add to that. It was identified. I do know of cases where workers have gone into schools and have inadvertently put their foot through a ceiling or whatever the case may be. There is a process for dealing with that, identifying the risks and all that sort of stuff. In terms of the education department's procedures in that regard, I am only aware of it second hand from that newsletter.

**Mr M Smith:** If I can just add to that, Mr Stevens. The protocol that we have arranged is that if there is any sign of damaged flooring then the first issue is to encapsulate in some way, shape or form, and the most practical way to do it is with tape. If there are any identifiable tears or anything like that which might cause some concern, that is only the first layer.

**Mr SCHWARTEN:** Whether or not it is asbestos. They assume it to be, as I understand it.

**Mr M Smith:** Yes. But then from there we would look at whether we would epoxy that area. If that is not sufficient then we would look at either removal of the floor and/or encapsulation of that floor which is effectively putting carpet over the top of that floor. The last is probably not preferred. The removal of the floor is preferred. In that process, the asbestos management plan on the site is updated and people



are made aware that there is still work in progress—that is, from the tape through to the epoxy and/or replacement. So at any one stage there is notification of the condition of that floor and the action that is to be taken.

**Mr SCHWARTEN:** Mal has handed me a note here. Q-Build attended 4,177 flooring issues at 646 schools over the holiday school closure period using standard procedures to make safe any damaged or worn vinyl floor coverings—for example, sealing any splits, cracks or holes. The work included both asbestos contained in vinyl floor tiles and asbestos backed vinyl sheet flooring. That is a pretty reasonable effort.

**Mr STEVENS:** With respect to SDS 3-40, I refer to a ministerial statement by the Premier on 11 October 2007 where the Premier claimed the 10-year, \$120 million ACM roof replacement program finished under budget, costing \$95.9 million, and well under time, in just under 2½ years. The Premier said that this was achieved with no environmental incident and an outstanding workplace health and safety record, with no major injuries. Safety standards that reflected industry best practice and benchmarks that exceeded the national occupational health and safety code of practice were implemented. Minister, was this an accurate statement and does your government always comply with the National Code of Practice for the Management and Control of Asbestos in Workplaces?

**Mr SCHWARTEN:** I believe it to be a statement of fact. Certainly it is our intention at all times to comply with any laws that apply to the building industry, or any other laws for that matter.

**Mr Grierson:** Mr Stevens, yes, we do have procedures for officers to comply with any asbestos material in buildings. If perchance an officer of the Department of Public Works or a contractor breaches those procedures, if it is an officer we would take disciplinary action and if it is a contractor that contractor would have to show cause as to why they should be employed further in that business. We cannot control every contractor out there, nor can we control 2,500 employees, but we have procedures in place.

**Mr STEVENS:** With respect again to SDS 3-40, I refer to the National Code of Practice for the Management and Control of Asbestos in Workplaces, section 9.3 'Register of ACM'. It notes, 'The person with control should ensure workers at the workplace are informed about the register of ACM.' Minister, the opposition has been on a political merry-go-round between your department and the minister for education about asbestos related risks in schools and the BEMIR—the Built Environment Materials Information Register—system. Minister, will you provide the opposition with the updated list, together with names of the state government schools, community facilities and public hospitals with ACMs and also the BEMIR?

**Mr SCHWARTEN:** That is not within my portfolio responsibility; that is the education minister's responsibility.

**Mr STEVENS:** The BEMIR?

**Mr SCHWARTEN:** That is the education minister's information.

**Mr Grierson:** The BEMIR system is ours but the information is Education's.

**Mr SCHWARTEN:** It is Education's information.

**Mr STEVENS:** So what is in the BEMIR is not your responsibility.

**Mr SCHWARTEN:** Well, it is my responsibility, but it is not mine to release. It is information of another portfolio.

**Mr STEVENS:** I refer to the National Code of Practice for the Management and Control of Asbestos in Workplaces, section 9.5 'Warning signs and labels'. It states, 'Any areas of a workplace which contain ACM, including plant, equipment and components, should be signposted with warning signs to ensure that the asbestos is not unknowingly disturbed.' Can the minister please advise how many of the schools that have been affected have had ACM warning signs in the classrooms and if they have not had these signs erected then why not? Obviously it would be when the contractors have gone in to work et cetera.

**Mr SCHWARTEN:** Max, I think you can have a stab at that, but it is an education department—

**Mr M Smith:** It is an education department responsibility. But at each site where there is asbestos-containing material there is a sign and it also references itself to the fact that there is an asbestos management plan on that site.

**Mr STEVENS:** I move on to greenhouse gas emissions. I refer to SDS 3-45 and 3-46. Minister, with regard to the whole-of-government strategy ClimateSmart 2050, can you advise the total amount of greenhouse gas emissions that were produced by the department over the 2007-08 financial year and the estimate of greenhouse gas emissions for the 2008-09 financial year?

**Mr Grierson:** I can give you the figures of whole-of-government greenhouse gas emissions but you just want figures for the Department of Public Works.

**Mr STEVENS:** Correct.

**Mr Grierson:** No, I cannot give you the Department of Public Works figures because the Department of Public Works is scattered across Queensland in buildings all over the state and we have not yet got to the point of doing a carbon footprint of every building in the state in which we reside. What I can tell you is that at 80 George Street, which is the head office of the Department of Public Works, for the year 2007-08 we used 6.225 million kilowatts of electricity, which generated 6,474.4 tonnes of CO<sub>2</sub> emissions. That was the figure for 80 George Street. Next door at the Executive Building, just to give you a comparison for 2007-08—

**Mr SCHWARTEN:** It was 7,853 tonnes of CO<sub>2</sub> emissions for the Executive Building.

**Mr Grierson:** The difficulty we have is that we base this on our electricity consumption. We do not have submeters in individual buildings—

**Mr SCHWARTEN:** Per floor.

**Mr Grierson:** If you take the Executive Building as an example, what we do is we get the electricity account for that building and we charge 55 per cent of the electricity account to the agencies that occupy that building on a pro rata floor space basis. The other 45 per cent the Department of Public Works pays for and that is our percentage that we believe covers foyers, lift wells, car parking underneath, all of the public areas and so forth. So the tenants on a pro rata rate based on their floor space pay for that 55 per cent of electricity. That could then be extrapolated into CO<sub>2</sub> emissions if you wish us to do that. That is how we do it. I cannot give you the figures right across the state for Public Works.

**Mr STEVENS:** I refer to SDS 3-45 and 3-46 again. Minister, what would it cost your department to conform to the ClimateSmart 2050 greenhouse gas emissions reduction target of 60 per cent below 2000 levels by 2050? Have you done any costings?

**Mr SCHWARTEN:** No, we have not. I do not think anybody has. We could tell you things like what it has cost us in Q-Fleet, for example, to get to the 15 per cent reduction target by 2010. We can tell you how much it has cost us to plant 500,000 trees, how much we have spent on diesel, how much we have spent on Priuses and Honda hybrids and all those sorts of things. In terms of an actual costing of every element that we are going to be up for, I think that is something that is burdening the whole world at the moment. We do not know what a carbon trading system is going to look like for a start, anyway. That is an unforeseeable cost that we will have. We do not know what sort of agenda is going to be put on us nationally in that regard and it is impossible for us to predict.

**CHAIR:** Thank you, Minister. It is now time for government members' examination. I want to pick up on the question you were just responding to in relation to climate change. Issues relating to climate change will have a severe impact on our economy, our environment and our lifestyle. You mentioned that work is being done in relation to the Queensland government fleet, with motor vehicles being a significant contributor to carbon emissions. I wonder if you could expand on what is being done in relation to the fleet for the committee.

**Mr SCHWARTEN:** I note that the Leader of the Opposition has a new ally in Cardinal Pell last night as another sceptic of climate change. But I am not a sceptic; I think it is for real and that is why we have taken the steps that we have. On 10 December 2007 cabinet approved the Q-Fleet ClimateSmart Action Plan 2007-2010 as part of our commitment to reduce greenhouse gas emissions. The action plan sets a target to reduce the emissions from Q-Fleet by 15 per cent by the end of 2010, as I mentioned earlier, compared with July 2007. This will be followed by further reductions to reach 50 per cent by the end of 2017.

The action plan also established minimum greenhouse emission standards for vehicles in the fleet based on the Australian government's GVG, Green Vehicle Guide. The guide provides greenhouse ratings for passenger and light commercial vehicles sold in Australia derived from mandatory Australian Design Rules emissions testing. Only passenger vehicles rated at 5.5 or better and commercial vehicles rated at 3.5 or better are available from Q-Fleet. That is our initiative and we have very much led the fleet industry in this regard.

Annual emissions for the Queensland government fleet have been reduced by 4.62 per cent since 30 June 2007. So that puts us on target, where we are supposed to be. This has the same effect as removing approximately 920 cars from the road for a year. Of course, emission reduction achievements can only increase as the new or lower emissions vehicles come online as existing vehicles fall due for replacement. There is a cost in bringing that forward. We believe that the other offsets that we are doing compensate for that.

We have 167 Toyota Priuses and 17 Honda Civic hybrids. I must say at the outset that they are not the answer to the maiden's prayer that everyone says they are. There are other vehicles, and we certainly have turbo diesels and so forth. We very much believe in the eclectic approach of taking a wide range of solutions to these problems. Recently I met with Ford and Holden. They are very much going down other paths. It is a truism that they have been caught short in this regard. They are grappling, but I would urge people not to jump on the hybrid bandwagon as being the only solution to this issue. That is why we have a wide variety of solutions such as getting down to four-cylinder cars and so on. The fleet is a very different fleet from the one I inherited 10 years ago.

**Ms STONE:** Good evening, Minister. I refer to page 3-40 of the SDS, which includes as highlights of the 2008-09 Department of Public Works achievements the construction of Skilled Park stadium at Robina. I have to say, that must have been the motivation for the Titans to beat the Broncos, because it would have been for no other reason that that happened! The government continues to deliver state-of-the-art sporting facilities for the people of Queensland. Could you please outline the department's most recent and ongoing initiatives in this area?

**Mr SCHWARTEN:** I thank the member for Springwood. I note her enthusiasm for the world's greatest game and that the stadium is near and dear to her heart.

**Ms STONE:** It is a good stadium.

**Mr SCHWARTEN:** I think you got the No. 1 ticket that day.

**Ms STONE:** I think I did. It is being displayed in my new office.

**Mr Stevens** interjected.

**Mr SCHWARTEN:** Well, the local member was missing in action, as was his praise.

**Mr STEVENS:** He wasn't invited.

**Mr SCHWARTEN:** I was there with the minister for sport on the way back from our caucus retreat. I will say that the member for Robina, in whose electorate the stadium is, agrees that it is a great stadium and it is an example of the level of expertise that our government has. I see Paul Hoolihan nodding his head.

We built three stadiums—or finished one, I guess, that we started some years ago. Stage 6 at the Gabba cost \$50 million. It cost \$280 million for Suncorp. Everybody knows that they are great stadiums. I think they are a great tribute to the state but they are also a great tribute to this department. The capacity that we have demonstrated in that regard I do not think any other department of public works in Australia would be capable of in terms of the projects that we have completed. Of course we have had good partners, especially in Queensland. Watpac has developed a lot of expertise in construction, having picked up the three of those jobs in one form or another. The \$82 million State Tennis Centre at Tennyson is rapidly coming to an end. One hundred apprentices, trainees and cadets gained valuable hands-on experience working on the site. More than 118,800 training hours were achieved at Skilled Park stadium, so there is a lot to be gained out of it as well in those terms. In terms of the social infrastructure of this state, I think anybody now who does not think that the home of Rugby League is in Queensland has not been to Suncorp Stadium and its baby brother, Skilled Park.

**CHAIR:** When I was elected back in February 2004, one of the first issues that was raised with me in the first week I was in the job was constituents who lived alongside the RSPCA site in Fairfield. They were familiar with living with very little sleep because of a lot of barking, distressed dogs. I actually know people who moved out of the area because of that. I was heartened by media reports that the RSPCA will be moving from its Fairfield site to a Wacol site. Can you outline what role your department played in this initiative?

**Mr SCHWARTEN:** It is well known that I am a big friend of the RSPCA and animals in particular. Animals do not have a voice, unfortunately, to complain about maltreatment. I think the RSPCA does a wonderful job. It has outgrown its premises there, and the department was able to put about \$140,000 into trying to help the RSPCA out in those pretty grim digs that they have there at the moment. The way it is, it is of no help to your constituents, it is of no help to the animals that are there and it is even worse for the people who work there. So a solution had to be found.

You have hit the nail on the head. No-one wants an animal refuge near their home because they do not like barking dogs and all the rest of it that goes with it. The bottom line is that it is pretty hard to find a place. We found the old Redbank rifle range and thought that was all right until they discovered that it is built above an area of Ipswich that used to have a coalmine under it. So the more they went down that path the worse it got until, bingo, one day we came up with the John Oxley detention centre. It is a win-win solution. The government is going to put \$12 million into it.

Our department will provide a lot of assistance in this regard in terms of the contracts and so on. It is their money to spend on that project, but we will put our shoulder to the wheel and provide our expertise to assist the RSPCA make this a seamless transition from the quarters that they are in. Ultimately we will take over that site at Fairfield. I have no doubt we will consult with the local member there as to what its future might bring, but I can guarantee it will not be another animal refuge. I think the detention centre at John Oxley offers us a great opportunity to provide dogs and other animals with safe refuge, and it saves the trouble and expense of demolishing it. It would probably cost a few million dollars to demolish it.

**Mr HOOLIHAN:** Minister, the Australian government's National Broadband Network program is critical, enabling infrastructure for Queensland. Under your Information and Communication Technology responsibility, could you outline what you and your department are doing to ensure that all Queenslanders, particularly those in remote and rural areas of the state, receive access to enhanced broadband technology and services under the program?

**Mr SCHWARTEN:** I know this is a project that is very dear to your heart because we were having a very lengthy conversation in your electorate about it just recently. It should be close to everybody's heart because this is a superhighway to the future. Those who do not have access to high-speed, affordable broadband are going to be in the same position as people who did not have a road 100 years ago or a train line or any other communications device.

The reality is that the federal government has \$4.7 billion on the table. It is out to tender at the moment. There are a couple of interested parties. Everybody knows who they are. The reality is that it is not going to be easy. I know that where Betty Kiernan lives two per cent of people are left out of the broadband solution. We are yet to see how that is going to be resolved. Certainly in your electorate and my electorate, being coastal electorates, there is every bit of hope that we will be looked after as part of this.

I have had discussions with the main players in the game. I spent a long time with Senator Conroy at the last online ministers meeting. My concern has always been that we in Queensland do not get left behind, because it would be easy to fire up, say, Victoria. That would be a tempting solution for a company. I am advised by the senator that, whatever happens, it will all be run equitably. Part of the tender will be that there is equity between the states. But it is something that we are keeping a watching brief on. It is something that we have a whole-of-government approach to. We have set up a communications committee within government to get a whole-of-government approach to this.

At the end of the day, this is serious business. It is the way that all of our constituents in the next 100 years are going to participate in government, participate in commerce and participate in education. We in Queensland, having areas from the Torres Strait right out to Mornington Island, in Betty's electorate, and places like that presents a unique challenge for anybody who is going to get a contract to do this.

**Mr HOOLIHAN:** One other matter which is near and dear to your heart and also to mine is on page 3-41 of the SDS, which mentions the \$16.5 million Rockhampton Riverbank redevelopment project—your old home town and probably mine. It was opened on 8 December. What was the impact of the February 2008 floods on this project overall?

**Mr SCHWARTEN:** We had a bit of mild damage to the vegetation but Max's platforms, as I call them, stood up to it admirably well. One of the issues we had in terms of design was the council was concerned about erosion. To the Department of Public Works' credit, and mainly Max's, I have to say, they came up with a solution with those fishing platforms. I think the amount of use that they are getting tells me that they are a very good solution to what has occurred. We spent \$16½ million, or we are in the process thereof, and out of the savings we have been able to divert some funds into the showgrounds.

We have also been able to put a million dollars into the basketball stadium, which is now being held up by the Rockhampton City Council over a matter. Interestingly enough—and it is a statement about the whole industry, really—the cost of steel in that building is escalating. It has gone up by 30 per cent in one hit. The basketball association there and the contractor have some really grave concerns about the possibility of getting that basketball stadium completed, which is of grave concern to me. We are only a part player in it. The feds have got money in it and the basketball association has got money in it as well. But it is good to enhance the rest of the riverbank development.

Basically all of that facility, as you know, is based around our cattle expos. We will be ready for Beef Expo 2009, which I am looking forward to. The whole idea has been not to build large infrastructure that requires a lot of maintenance. The whole idea of these Beef Expos is that people come to them and they put up temporary accommodation. To have the services and the open spaces there and, more particularly, open spaces where you can host large functions I think fits the bill. My ancestors came to Rocky in 1877 and it has taken from 1877 until 2007 for people to get access to the river. It is a project about which I am particularly proud, and I know that you are enthusiastic about it as well.

**Mrs KIERNAN:** Good evening, Minister. Over the last couple of years I am pleased to say that Q-Build in the north-west has employed young people and mature age apprentices in the Mount Isa electorate. I went to the new intake earlier this year where five of the six were Indigenous people, which was great to see. What is your department doing to ensure that we keep this level of skilling up?

**Mr SCHWARTEN:** Thanks, Betty, and thank you for your ongoing support. The Q-Build people in your region really value your level of interest and support. I know that you go to all of their functions and are very praiseworthy of the fact that they go out in all types of climates, in the harshest parts of the state, at all times of night and day to resolve problems. As you well know, it is very difficult to get tradespeople in north-west Queensland, so we are indeed fortunate that we have a Q-Build there. I know that people want to bucket it from time to time, but the reality is that you do not find many people in your position doing that because you know that, for a start, aside from doing all of that, it is a great opportunity for a kid in the bush to get a job and to get a trade.

That is not just the case in the bush. There would be kids in the member for Robina's electorate who have got apprenticeships through Q-Build. There have been 1,049 apprenticeships since July 1998. Some 1,049 people have gone into the building industry. We do not keep most of them because most of them find their way into the industry. Imagine the situation if we took 1,049 tradespeople out of the system over that period of time. There is no-one else who can quote that record.

My view is that we train them very well. Nearly seven out of 10 of those apprentices are located in regional Queensland. That means further opportunities. It is also a must as far as I am concerned. I know that we put 70 per cent of our work out to subcontractors. That whole subcontractor chain depends very much on us too. The apprentices that they train and the experience they get and the services they provide in regional Queensland are very dependent on Q-Build as well.

I am advised that this year 14 new positions were identified for Indigenous apprentices. All 14 were filled with successful applicants. Do not believe people who say that the trades are not popular; they are very much so. We had 3,000 applicants this year for the 100 positions. They are very popular. Our biggest problem is keeping tradespeople and competing in the private market. We have an EB round coming up and no doubt that point is going to be made by the unions.

**Mrs KIERNAN:** The Shared Service Initiative as discussed on page 3-97 of the SDS is obviously tailored to achieve economies of scale in processing transactions. What scale of transaction volumes does the Shared Service Agency process each year?

**Mr SCHWARTEN:** It is frightening actually. I have looked around for a better name for the Shared Service Agency because it is actually the engine room of government. For example, for the human resource services area for 2007-08 the SSA did over two million individual pays and prepared the necessary paperwork for nearly 60,000 appointments. In the recruitment services area the Shared Service Agency handled over 11,000 advertisements and dealt with more than 130,000 individual applications. In the financial services area it did six million invoice lines for accounts payable and for accounts receivable 500,000 invoice lines. That is the end.

**CHAIR:** Would you like to complete that question?

**Mr SCHWARTEN:** It is very impressive. The one that really gets me is that the carers of the 6,000 children at any one time in Queensland subject to care and protection orders with the department received their payments on time thanks to the Shared Service Agency. It is not without its challenges. I get sick of people knocking it because the people who work there are very good.

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

**Mr STEVENS:** Minister, I will give you the opportunity to go further on that. I refer to page 3-97 of the Service Delivery Statements. With the Shared Service Agency moving from Queensland Treasury in September 2007 to the Department of Public Works can the minister advise how much the move cost his department and the government and what future benefits will be gained by the shift?

**Mr SCHWARTEN:** I will go to the latter part first because I am not sure of any costs associated with it being transferred. What Public Works is very good at is running business units. We have already heard about Q-Build and Project Services and the list goes on. It was once called the administrative services department. By and large it takes a whole-of-government approach in purchasing and procurement. That is what we are good at. That is what we specialise in. If you are going to develop a whole-of-government approach in doing the things I have just mentioned it makes sense, in my view, to have that in a department that takes a whole-of-government approach to things like procurement, purchasing, car provision and so on.

I think it is a good that it has come over with us, especially since I had ICT with CITEC as part of my portfolio. We got CorpTech last week. I think it is in the right place.

**Mr Grierson:** It did not cost anything. Nobody actually physically moved from where they were in Treasury. The only thing that changed was the reporting structure. The head of SSA, Mike Burnheim, now reports to me.

**Mr SCHWARTEN:** They are in 18 sites around the city.

**Mr Grierson:** There are no costs.

**Mr STEVENS:** I refer to the SDS at page 3-73 and Q-Fleet's 14,000 vehicles. Can the minister advise whether there are any surplus vehicles in that 14,000? What is your program for selling those surplus vehicles?

**Mr SCHWARTEN:** We have 750 surplus vehicles or five per cent of the total fleet. That is a comfortable number to have. We did have a problem when we had 2,000 or so surplus vehicles.

**Mr Waters:** During the period from 1 July 2007 to 31 May, Q-Fleet sold 5,225 vehicles. Of those, 4,485 were sold at auction by the Public Trustee's office, 628 were sold at a fixed price, 50 were sold by Q-Fleet at dealer-only auctions and 62 were sold either interstate or at regional auctions. Q-Fleet does not have any surplus vehicles available. What is coming back is getting sold and its holding of 740 is well within its work-in-progress arrangements.

**Mr SCHWARTEN:** I want to correct the record. As at 30 June 2008 there are 808 surplus vehicles.

**Mr STEVENS:** I refer to page 3-73 of the SDS and estimates question on notice No. 2. Can the minister advise how many of Q-Fleet's 14,000 vehicles are emission friendly hybrid cars? What are the government's plans for replacing existing vehicles with more emission friendly vehicles?

**Mr SCHWARTEN:** I mentioned before that we have 167 Priuses and 17 Honda Civics. They are the hybrids.

**Mr STEVENS:** So there are 167 out of 14,000?

**Mr SCHWARTEN:** The Priuses are the hybrids. We have 10,847 vehicles that are in the climate smart action plan. As I said to you before, everyone is getting carried away with hybrids being the be-all and end-all. We have a diverse fleet that covers everything. If you talk to Vaughan Johnson, for example, he will tell you that he needed a four-wheel drive. I was quite happy to tick that off as a fit-for-purpose vehicle out in western Queensland. We certainly do not want him running around in a Prius. If you wanted to buy a hybrid four-wheel drive you would then go to something like a Lexus which is about \$145,000. The net gain of that would not justify the means, as far as I am concerned.

We are continuing to look at new products that come onto the market—there are diesel and ethanol vehicles. People should not get too carried away with just one solution to any of these problems. I think the car manufacturers out there are having a field day with this stuff. If you have a certain type of image and a certain type of brand and you can convince people out there that that is the only green vehicle to have then you are on a winner, but we are not going to come to that here.

To clarify, as at 31 May 2008, 10,847 or 77.73 per cent of the total fleet complied with the minimum GVG greenhouse gas rating of 5.5 or above for passenger vehicles and 3.5 for all light commercials. Rather than prescribe a type of vehicle what we have said is that we will use the national Green Vehicle Guide. To get around this business of saying that we should have this number of hybrids and that number of whatever we say that the greenhouse emissions that these render is the issue and any vehicle that complies with the 5.5 benchmark can be in the fleet, within reason. There are a lot of cars like Mercedes-Benzes and so on that we probably could have which are at the right price but, Fiona, would you like to drive one of those around as a member of parliament?

**Miss SIMPSON:** Around Maroochydore, no way.

**Mr STEVENS:** I have a follow-up question to question on notice No. 880 and refer to page 3-60 of the SDS and Q-Build's emergency maintenance fund. Why was \$650,000 taken out of the emergency maintenance fund and utilised for the stonework on Parliament House? I thought the fund was for emergency work in schools and government buildings. You would not exactly call Parliament House emergency work.

**Mr SCHWARTEN:** That is an historical arrangement that we have had here. I think it is justified. This is a grand old building. It is just actually a place where that money from Treasury can be parked. We have had it going back to Joan Sheldon's time.

**Mr STEVENS:** Emergency?

**Mr SCHWARTEN:** David Watson had it. We have always put it in that fund. It was given to us on the basis that it would be put into that fund. I think our grand old lady here deserves to be restored. That is just where accountability lies for it. That is a fair enough question.

**Mr STEVENS:** I refer the minister to the performance statement of Q-Build at page 3-61 with particular reference to the number of community councils assisted by host employing Indigenous apprentices. How will the department report on the number of community councils assisted by host employing Indigenous apprentices seeing the department no longer sees it necessary to do so because the Service Delivery Statement indicators do not adequately reflect performance and therefore Q-Build will continue to internally monitor the performance of these apprentices? What were these indicators and why did they not adequately reflect performance?

**Mr SCHWARTEN:** That is a good question.

**Mr Grierson:** I have a good answer too, Minister.

**Mr SCHWARTEN:** We are waiting for it.

**Mr Grierson:** With regard to the key performance indicators, the Auditor-General has made several reports to parliament—report Nos 3 and 5 of 2005, report No. 4 of 2007 and more recently report No. 1 of 2008—which suggested that departmental performance management reporting could be improved. This is across all agencies. We have taken on board the findings, recommendations, associated checklists and have revised our total departmental planning approach to establish revised performance indicators which we consider more effectively measure, manage and report our performance as an agency.

When it comes to the Indigenous communities we believe—and with my 18 years in Public Works I know—that we have never seen the activity that is occurring right now in Indigenous communities. We have gone back to the drawing board. We have appointed a senior officer in north Queensland to now work with every community. We are working with the mayors of all of the communities on their capital works. We are now coordinating and consolidating all capital works for the communities in the Torres Strait and in the cape. We are doing all the maintenance of housing in that area. We are now talking to agencies and I believe we will take over all of the public sector employee housing for agencies up there.

We are putting together a whole new plan of how we will interface with each community to ensure that (a) we get the right sort of work done, (b) we can have the volume so that we can get good builders to go into those communities and (c) we have the volume of work so that we can get some of the local Indigenous people employed in those areas. We are going to come up with a whole new set of performance indicators.

**Mr SCHWARTEN:** I think the thing that Mal is skirting around is the issue of Indigenous communities adequately supervising their apprentices. We have tried basically everything over the years short of intervening. There are very few communities that I would say have the capacity to train their people. Part of the reason we have run into trouble with maintenance projects up there is that local communities have been given these projects and they just do not have the supervisory capacity to do it.

With regard to what we are intending to try to do—and I say ‘try’ because I cannot guarantee that it is going to work—at Woorabinda, for example, we put in a lot of effort there and bought tools and all the rest of it only to have them flogged off. The same thing happened at Palm Island. What we are saying is that when we go into a community we will not leave the kids unsupervised until such time as we are sure there is a level of expertise to do it.

**Mr STEVENS:** Thank you, Minister. I could not finish up without following on from last year with regard to Goprint. In view of the damning report by the Service Delivery and Performance Commission on Goprint, will you finally acknowledge that, although Goprint is a necessary vehicle for the provision of vital government printing and indeed is justified in getting an ‘operation grant’, commercial printing for other departments is better achieved by the private sector and that further capital injections to Goprint should be resisted?

**Mr SCHWARTEN:** I refer to my 11 previous answers on this subject in which I have defended Goprint against vicious attacks from the Liberal Party and sometimes the National Party.

**Mr STEVENS:** Tories.

**Mr SCHWARTEN:** The tory collective. The reality is that you would have seen—and I know you have seen it—the SDPC report which made certain recommendations. That is being considered. My view is that there will always be a place for Goprint. The SDPC believes that it should be a print unit that just does *Hansards*. If it were to just do that there would not be the volume and you might as well close it down in my view, and I have never been a fan of that. While I have still got breath in my lungs there will be a Goprint and I will continue to advocate its case.

One of the things that we need to do is getting back to what we said about shared services before. What we are very good at in Public Works I think is whole of government, and we need to get a whole-of-government relationship with printing companies. By and large, the amount of take-out that Goprint requires to keep a number of people employed and to run with the new printing stuff that it is doing is negligible in terms of the overall \$140-odd million that SDPC identified. My view is that we need a centralised unit that directs all of the printing activities of government. If Goprint was allowed to pick up some of that work, then you would not be asking me that question next year.

**Mr STEVENS:** Thank you, Minister. I refer the minister to the Department of Public Works’ cash flow statement with particular reference to cash flows from investing activity inflows on page 3-53, and I ask: what were one-off sales of property in Mareeba and Mackay that contributed to the eightfold increase of the 2007-08 budget of \$1.05 million to the 2007-08 estimated actuals of \$8.67 million?

**Mr SCHWARTEN:** That is why we have Warren here.

**Mr STEVENS:** For what reasons were these properties sold?

**Mr Grierson:** Warren Pashen can start answering the question. This is Mareeba and Mackay. In Mareeba there is an office building that is owned by the department of natural resources which we are taking over and we are selling the old courthouse in Mareeba to the justice department.

**Mr STEVENS:** So they are internal sales?

**Mr Grierson:** I think you will find they are both internal sales within government to other agencies because the initial agency no longer has a purpose for the facility—for the asset—and so we are taking it off their hands in the case of the Mareeba office building. We are buying it from DNR.

**Mr SCHWARTEN:** We will take it on notice, Ray, and we will get you a detailed answer.

**Mr Grierson:** They are both internal to government.

**Mr STEVENS:** Thank you, Mr Chairman.

**Mr SCHWARTEN:** We will take it on notice and we will get a detailed answer back to you.

**CHAIR:** There will now be a 10-minute block for government questions.

**Ms STONE:** Minister, you recently announced that Bovis Lend Lease has been appointed as the managing contractor for the new Brisbane Supreme and District courts building. Can you provide more details about the project, please?

**Mr SCHWARTEN:** Yes. It is a \$600 million project which has 19 storeys and 47 courtrooms at full capacity with dedicated wings for civil and criminal trials supported by separate lifts and pathways for the security of judges, jurors, prisoners, witnesses and members of the general public. One aspect about all of our buildings that we are going to build from now—and Ray asked the question before about it; rather, I should say the member for Robina.

**Mr STEVENS:** Ray is fine.

**Mr SCHWARTEN:** I think we are a formal part of the parliament, so he will start knocking the gavel on me and say, 'Order!' One of the reasons why we find it difficult to estimate how much it is going to cost to build any of the buildings that we will build now is that all of our buildings are going to be climate efficient. As such, they will very much cut down the costs that we have in some respects but increase the costs in others where you provide rainwater tanks and all the rest of the stuff that we have to provide to try to shrink our intrusion onto this planet. On 30 June 2008 the Department of Public Works' design and construction authority announced the appointment of Bovis. The revised schematic design stage was completed on 29 May 2008, with Bovis starting from there. There will be a GCS type of contract—guaranteed contract sum. More than 5,000 jobs are expected to be generated during it and Project Services, the Department of Public Works' design and project management business unit, was engaged by the Department of Justice and Attorney-General to deliver it.

There will be additional courtrooms which will significantly increase the number of trials that can be run each year. If Kerry Shine were sitting here he would say that justice delayed is justice denied, and there is a lawyer in our midst who would agree with that statement no doubt. The design also included a state-of-the-art recording suite for vulnerable witnesses to present their evidence by closed-circuit television as well as digital audio for transcription services and free wireless broadband access to the internet for lawyers and other court users. I do not know about free wireless internet for lawyers, but anyway. They should be paying, I think—the wealthy lawyers. I am crooked on them too.

**Ms STONE:** Thank you.

**CHAIR:** It would come as no surprise to you, Minister, that government members have a brimful of questions for you in this portfolio area, and I have two questions I want to ask you but I think I only have time to ask one of them to give my colleagues an opportunity. So I am not going to get to ask you about the Oxley Creek Common in my electorate, but I would like to ask you about the Tank Street Bridge project and whether you could give a brief update on the progress of this project and the anticipated milestones of the construction period.

**Mr SCHWARTEN:** Since you mentioned the Oxley Common, I know how dear that is to your heart, and I thank you and Julie Attwood for taking me for a wander around there last week. I know you have several ideas. I brought them back to the department, which is in ongoing dialogue with the council. I think your view on that is shared—that is, that we need to get something sorted out there with council in that regard. With regard to the cow that you found the other day, what it showed me was how great it was to have a common there where a cow was calving while we were there. Julie was able to get on her mobile phone and ring up the P&C. They got a vet and it was delivered and they have named the cow Julie. I do not know whether that is flattering her, but certainly it showed me that having green space in the middle of Brisbane has a lot of value.

I had a look at the Tank Street Bridge this morning on my morning walk. The reason I went on a morning walk was that I was dissuaded from my energies in the gym because of the member for Robina pounding up there, so I pounded the pavement—at least hobbled down the pavement—and had a look at the Tank Street Bridge which is a \$63.3 million award-winning, as I predict it will be, bridge. Tensegrity is its nature—tension with integrity—so there is a Trivial Pursuit question for you. When you look at it, you will see it is a matter of poles and wires that basically support the structure. It is a unique structure as I understand it because that sort of method of support is normally used in sculpture.

The Premier will be there on Friday this week to see some of the first beams swung into place. It really will address the Gallery of Modern Art, and in a very environmentally friendly way. It will create a link between the parklands that we also were responsible for building in Roma Street and the rest of South Bank. It will involve Baulderstone Hornibrook, Cox Rayner and ARUP Engineers. Cox Rayner of course is well known to people and Baulderstone Hornibrook is also a good building firm, and they are really making progress. I ask members to watch this space. Tomorrow, Ray, it is your turn to walk down there and I will go up to the gym.

**Mr STEVENS:** Okay.



**Mr HOOLIHAN:** Minister, 2009 brings up the state's sesquicentenary, its 150th anniversary celebrations. Page 3-40 of the SDS refers to that, but could you outline what role your agency will play in these activities?

**Mr SCHWARTEN:** Yes, I can, but there is somebody who can do it even better than me. One of my pet projects and one that you will be familiar with is the old School of Mines in Charters Towers which you would have seen many times. That is one of our restoration projects. I want to bring forward Janet Prowse because I am a big fan of the State Archives, but Janet never gets to answer a question here. So here is her big moment and she has put a lot of work into it.

**Ms Prowse:** Thank you, Minister. As the state's archival authority, Queensland State Archives is taking a lead role in helping prepare for the celebrations. Certainly I can outline briefly some of the activities that we are coordinating. 2009 is also the 50th anniversary of Queensland State Archives as an organisation, so we will be having a small exhibition to showcase the history and development of the archival collection here in Queensland. Certainly we are planning two major exhibitions. One exhibition will be called *Top 150* showcasing the most important 150 significant documentary heritage records that the state has—

**Mr SCHWARTEN:** According to an historian, anyway.

**Ms Prowse:** Yes, according to an historian. It will feature the top records not only in the collection at Queensland State Archives but other leading cultural organisations such as the State Library, the Fryer Library and even Parliament House has some documents which will feature in that exhibition. So that is going to be of interest. The other major exhibition is called *Queensland Firsts* which is an exhibition of documents, maps and photographs from the collection just at Queensland State Archives to celebrate milestones in Queensland's history, so it could be the first strike, the first free education, the first women's hospital or the first child born on the colony. So it is to showcase some of our history and make it accessible to the public.

Certainly State Archives is assisting the Queensland government's Q150 committee in planning the celebrations and we are involved in a number of activities. We are also providing research assistance to individuals and historical societies and organisations which are using the collection at Runcorn to do their own research for their own activities, be they books, exhibitions and events. We are also assisting organisations with writing letters of support for their grant applications so that they can also undertake activities for the celebration.

**Mr SCHWARTEN:** Janet, can I just pull you up there—but thank you very much for that—because Mal has an answer to that question that Ray had before to save putting it on notice.

**Mr Grierson:** Mr Stevens, with regard to the two properties that you were talking about, the one in Mackay which is the government office building in Mackay was surplus to requirements and that was sold to a private company called 33 River Street Pty Ltd for \$1.575 million. The second building was, as I said, a former courthouse at 167 Walsh Street in Mareeba. That was sold to JAG—Justice and Attorney-General—for \$1.325 million. So they are the two properties. One was sold to a private company and the second was an internal transfer to Justice and Attorney-General.

**Mr STEVENS:** Thank you very much.

**CHAIR:** Member for Robina, that satisfies as a response to that question?

**Mr STEVENS:** Yes, absolutely.

**CHAIR:** That is good. There is under a minute now, so that might conclude the opportunity for questions in relation to the examination of the Department of Public Works. I thank departmental officers and other advisers who have come along for that section of the examination for your assistance. There is not actually a break scheduled before the examination of Housing, but if there is a changeover of staff we might just wait 30 seconds to enable that changeover to take place.

Thank you, minister. We shall reconvene the hearing of Estimates Committee A. I welcome the departmental officers and advisers to this part of the hearing. The examination is now underway for the Department of Housing. Questions from non-government members. I call the member for Robina.

**Mr STEVENS:** I refer the minister to—

**CHAIR:** Sorry, members of the media, we are in proceedings now.

**Mr STEVENS:** I refer you to page 3-10 of the SDS and your answer to the prehearing question on notice regarding the sale of public housing stock. I note that one of the 70 sales of public housing stock to the existing tenants was for a 1,674 square metre low-density residential property in Darra for \$530,000. Can the minister explain how his department has assessed that someone who is benefiting from cheap rents through some subsidised public housing can now afford a half a million dollar debt?

**Mr SCHWARTEN:** Good point. The reality is that these were identified as part of going through—and my term—cleaning up some of the age-old problems we have had of having no eligibility criteria once people have got past a certain point in their tenancy. I always said that one day we will turn up a millionaire. I do not know whether we have one here, but the reality is that until the end of last year we

did not have the right to go and demand people's assets and all the rest of it. I do not know of this particular person's circumstance. But it does show you that obviously that person had got well beyond the limit of having to need public housing if they can afford to buy a house at that price.

**Mr STEVENS:** So this is one of the guys you would have picked up in your audit?

**Mr SCHWARTEN:** Yes, that is my understanding; is that right?

**Ms MacDonald:** We would need to go back and get the details.

**Mr SCHWARTEN:** Yes. It would not be the only one, that is for sure, that we would have picked up in our audit. That is the reason we did it. I set the benchmark at \$80,000 because at that time that was the figure that was provided to me as the capacity to buy an average home. So if you earn \$80,000 in household income, then out of that you should have been able to buy a home. That figure is now \$90,000, I think. I do not know what this fellow's income is, but I can get you all the details of that provided we did not breach any privacy or whatever.

It is a very good question. It just shows you that the audit system that we have come to has led to home ownership. We are far better off with \$530,000 to buy a new home. A family needs it.

**Mr STEVENS:** Further to that—I think I am going back to around April—in the House you referred to this audit procedure and that there were about 800 or so who had not responded to you.

**Mr SCHWARTEN:** Yes.

**Mr STEVENS:** You were going to take serious action by the end of the financial year, or by the end of May if they had not. What is your 'serious action'?

**Mr SCHWARTEN:** I think we have ended up with about 100 or so who we are going to take to court—120 or something? Who has that figure?

**Ms MacDonald:** It is 117.

**Mr SCHWARTEN:** One hundred and seventeen who have just dug their heels in. What were the figures? There were 4,246 households that were identified and 843 households have terminated their tenancy after being found ineligible. This includes settlement of 16 property sales to householders of \$4.648 million who transitioned to home ownership through the sales to tenant program. Thirty-six cases remain. They are proceeding through the Small Claims Tribunal. In other words, there is 36 out of all of those. But what we found through that process is that there are 4,246. Out of all of those 3,277 households asked us to have another look at it. We found that there were people—and one case I remember was a woman who had foster-children. So they had a larger income. There were people who were on temporary wages and that sort of stuff. So it tells me the system works. What it has done is freed up at least 843 houses. If we had to buy them, that is \$300 million odd.

**Mr STEVENS:** Further to that, if the audit has picked up these people who are basically rorting the system—freeloading on the public housing system—why reward them by selling them their houses when it should perhaps go to public tender?

**Mr SCHWARTEN:** No. See, I do not take the view that they are rorting it, because they were in a system. This is one of the challenges that you have in public housing. When I came into this portfolio 10 years ago, public housing was for life. It did not matter if your circumstances got better, 'How dare you question?' The thinking was not down that path by tenants, or departmental people, or the general public that those people were rorting it. They were entitled to stay in public housing. You would be surprised. I had an electrician who we discovered in Rockhampton who really upbraided me publicly because we are telling him to shift out. He is paying market rent and how dare we shift him because he is on a good wage. When he came into public housing he did not sign a contract that said that. So it is just new thinking. We have the changed system around these people. So I do not accept that they are rorting it.

I actually believe that if we can transition people into home ownership, that ought to be something that—certainly it is an aim that this department has, anyway. It has always been the aim of this department to get people into home ownership. Sales to tenants go back for the whole 50-odd years of history of this particular product. In fact, it was always home ownership back in the 1950s as people's circumstances improved. So I do not accept that those people are rorting it. I think selling to tenants, provided you are getting market price, you can go and buy another house down the road. Given that they have lived in it for a long period and paid rent on it and looked after it and all the rest of it, I think that does give them some priority, quite frankly.

**Mr STEVENS:** How do you know you are getting a market price for the property when you do not go to tender for it, or go to auction?

**Mr SCHWARTEN:** What we do is that we get it independently valued. Those valuations are done by professional valuers. I cannot say any more than that.

**Mr STEVENS:** So would this tenant have a government assisted purchase plan to buy this \$530,000 property?

**Mr SCHWARTEN:** No, I would not think that we would be lending \$530,000. We do not have a scheme that does that. No, they have gone to a commercial bank and got it.

**Mr STEVENS:** So how many of the sales of the public housing stock—and I think there were 72 tenants, as I recall—

**Mr SCHWARTEN:** Yes.

**Mr STEVENS:** Were for people who should not have been receiving the public housing benefit?

**Mr SCHWARTEN:** I would say none of them in that case, because the old rules were that there were no rules, basically. There was no means testing. Once you were in public housing, if your circumstances got to the stage where you got a good income, then you were entitled to it, having got over the threshold in the first place, which all of these people would have presumably—unless they were rorting it and if they were rorting it at that level, so it be. That is a rort. Public housing is supposed to improve people's circumstances. Arguably, all of those people's circumstances have. They got to a point where they were paying market rent and doing it as they were asked to do. Then we went one step further. It has been my view—and the beauty of staying in a portfolio for as long as I have is that I have been able to do these things incrementally over a long period and change the whole face of how public housing now works and how it is seen without necessarily throwing people out on the street. I think this is an indication that those people who we have approached and said, 'Your income is such that you should not be in public housing,' have gone into home ownership. I think that is a very good outcome.

**Mr STEVENS:** I could put it to you then that one of the reasons they have been able to get to a position of being able to afford a \$530,000 house is they have been heavily subsidised through the public housing system. How do you explain that to the 38,000 people who obviously have no means to afford any sort of housing? They are flat out affording rents and they are on public housing waiting lists.

**Mr SCHWARTEN:** These people have been paying commercial rent. So they have not been—

**Mr STEVENS:** All the time?

**Mr SCHWARTEN:** For the proportion of time that their circumstances have been good, yes. They have paid a commercial rent. So they are no better off than Joe Blow down the street who is renting privately. So they have been subsidised to get to the stage where they can afford commercial rent. That commercial rent, by the way, has been reinvested back into the department. So they have actually subsidised, I guess, people on lower rents in terms of the maintenance that is done on the houses.

It depends on where you come from in this world on these things. When I came into this job 10 years ago there were 500 vacant houses out at Inala that no-one wanted to live in. It was a vastly different portfolio and a different set of circumstances from what we have now. I have a letter on my desk from a woman in Toowoomba. She wrote to me about eight years ago complaining that the rent that she was paying was higher than the private rental down the road because she was in one of these market rents. The only reason she stayed there, she said, was that she got some security of tenure. But she reminded me that if she went down the road and she rented—and the figure was then \$120—she would get ceiling fans, curtains and a couple of other amenities included that we did not have in public housing. It is a vastly different world now from what it was then, the way that rents have escalated over those periods. So that is why we have done what we have done.

**Mr STEVENS:** Thank you. I refer the minister to page 3-10 of the SDS and also to the Department of Housing's plan for 2006-2011 of one social housing system. This report listed the Queensland Disability Housing Coalition as being—

... funded by the Department of Housing to provide policy and program advice to the Department in relation to housing for people with a disability.

Can the minister advise who will now provide housing advice for financially challenged people with disabilities now that the Queensland Disability Housing Coalition funding has been axed?

**Mr SCHWARTEN:** Shelter will. That is who is being funded to provide that level of advice. The disability coalition is well aware of that decision. They sat at the meeting where I outlined it to them. They are not happy with that as a result, but my responsibility is to ensure that where taxpayers' money is paid it is paid to organisations that are going to give me housing advice.

Regrettably, in the case of Disabilities, they were not in a position to provide me advice on housing. The sort of advice they used to provide me was more pertinent to the communities minister. The same applied with the Youth Housing Coalition. I am confident that Shelter, the professional organisation that it is developing to be, is well placed to provide that level of advice. What it then does is engage with the disability organisations and peak bodies to provide me with that level of advice.

My view is that the scarce taxpayer dollar that I am using for housing should, for the most part, go to housing, and that is what I am trying to do. I have some advice on the \$500,000. The \$500,000 property was sold to the Vietnamese community of Australia. It was a block of flats that they had been managing. That puts a whole new perspective on the whole thing.

**Mr STEVENS:** That is a block?

**Mr SCHWARTEN:** It was sold to the Vietnamese community of Australia. It was a block of flats that they had been managing previously as housing. It was community housing.

**Mr STEVENS:** They were managing it for their own community?

**Mr SCHWARTEN:** Yes. So they have actually bought it. That is where they got the money from, I suppose. The questions that you asked were relevant to the other people that we have sold tenancies to.

**Mr STEVENS:** I refer you to page 3-110 of the SDS and the review of the public housing waiting list with allocated public housing on an individual needs basis, which brings to mind, of course, the infamous Ros Kelly whiteboard pork-barrelling allegations. I ask: will you provide a list of public housing placement allocations after completion of the review on an electorate-by-electorate basis for the whole state, similar to the electorate-by-electorate basis that I received in the questions on notice?

**Mr SCHWARTEN:** We have no intentions of changing any reporting facilities. Simply, the new segmented waiting list is about transparency and honesty. There are people who have been on our waiting list for 10 or 12 years and, quite truthfully, may well never be housed because their means are such that they do not require the high level of subsidy that you spoke about before. It is a fact that six out of 10 people on our waiting list can and do survive in the private rental market. Some of them struggle considerably to do so, but we need to make sure that that product becomes available to them rather than the fully subsidised, 25 per cent of income, rationed product. We have 200,000 families in Queensland who would qualify for the lowest 40 per cent of income. No government in the world is ever going to meet that with public housing. To just house the people on our waiting list now would cost over \$10 billion.

What we are doing by way of segmented waiting lists is to say to people, 'You're either eligible or you're not,' and there is a group of people who will not be eligible for public housing. That does not mean they do not form a list. With the Commonwealth government's project, the national affordable rent scheme, in mind, I think we have a list then to provide that. This is not an attempt to mask a problem at all. I am happy and always have been to be transparent about this, because I think the community needs to understand the level of housing difficulty out there. In 2002 I called for a national approach to this and we have finally got it. I am delighted that that is the case.

Segmented waiting lists are transparent. People know where they are on them. I have a couple of case studies here. This is someone who is not eligible, for example: a single male aged 52 on a disability support pension who is currently living in appropriate housing and paying affordable rent. We say to that person, 'You are not one of our top priorities. However, if your circumstances were to change in terms of rent or your health deteriorates or whatever then you can go into the next category.' That is segment E we are talking about; they can go into another segment. Segment A is for very high-need applicants—homeless or have the highest need as their current housing is inappropriate and they have a number of issues with accessing and sustaining a tenancy in the private housing market. It goes through from A to E, and E is ineligible for long-term social housing but eligible for other affordable housing products. Their current accommodation is appropriate and meets their needs; that is, their rent is affordable and it is appropriate in terms of location, size et cetera. That is all we are trying to do.

**Mr STEVENS:** Further to that, we have 38,000 on the public waiting list now in one form or another, and to get on that list they must have filled the qualifying parameters. What we are doing with this new policy, of course, is having a list to get on the list. It reminds me of the hospital waiting list: you have a list to get on the waiting list. With this review of the public housing waiting lists and the new client intake and assessment process, how many people have been reclassified to be further down the waiting list? How much is the review expected to cost the Department of Housing? How are you addressing the impact of the change to a lot of people being downgraded on the waiting list and the obvious emotional upset that that will cause?

**Mr SCHWARTEN:** They are not downgraded, for a start. As I say, I looked at one the other day who had been on the waiting list for 11 years, and he will be on it in another 11, too, if his circumstances do not get worse, and chances are they will not. The reality is that the system that we had in operation did this, anyway. We said to people, 'You can put your name down on the list,' but then someone else will come along. The one I always use is: who are you going to house first? A woman with five little kids or a couple who have means? Who is going to be the winner out of that? You are going to house the woman with the five kids, and that is what the department has done. This actually prioritises it. It is not a list for a list; it is actually a list that we currently have by which we say to people, 'Well, you just stay on the list and something may come up in the future, but chances are.' We do not even say that, actually. We just say, 'Put your name on the list.'

I think this is a far more appropriate way. Everybody knows where they stand. The people who have been waiting five, six or seven years who put their name down to a certain location know damn well that they might wait forever to get in there and they might never get housed. That is the current arrangement. I do not think anything will change.

**CHAIR:** The time for that section of non-government members' questions has expired. I want to pick up on a related matter to what the shadow minister has been asking you about. It is a good opportunity in this committee to be talking about changes to social housing. I note the shadow minister's media release of last Thursday. He referred to these changes as the government 'purging' people from public housing waiting lists. I am wondering whether you can advise the committee of the truth or otherwise of this description of purging of the lists.

**Mr SCHWARTEN:** We are not purging people. I am glad I have a bit more time to answer this, because it is a serious accusation to say that we are purging. We are not doing that. We are saying to people, 'This is what the criteria are. This is what the criteria has always been, but we just have not told you that that is the case. As a result of it, these are the expectations you should have from us.' They will be annually reviewed. But if people's circumstances change they will always come to our area office. They can reapply at any given time and they are not disadvantaged in that regard. All of the numbers of people who are eligible for public housing assistance, whatever that form may be, will be available. We will continue to make that available. Just as we have topped and toed this, we have said to people at the top end—we were talking about them in the early part of the estimates, people who have means—that they will continue to have that monitored. I can forecast to you now that at this time next year when we are sitting here we will be talking about what we are doing about underoccupancy, for example.

**Mr STEVENS:** We'll be sitting there.

**Mr SCHWARTEN:** There will not be an election by this time next year, so I do not know how that is going to happen. In dealing with the underoccupancy issue, we will take into consideration what people's needs are in that regard. It is root-and-branch reform that we are doing here. Everybody will understand why we are doing it if they want to give it a fair go. It is not about saying to people, 'We're going to take away your right to put your name on a list.' People will have a right to be on a list. But we will try to tailor a solution for people who are in a position to support themselves with some form of assistance, be it a bond loan, through our RentConnect program or through the Commonwealth offering of the national affordable rent scheme. The greatest support will go to those who are in greatest need. That, in effect, is what is happening now and especially so now that we have actually taken people with \$80,000 in income out of the top level of it.

**CHAIR:** I just want to ask about one of the issues that has come through my office, and that is what will happen to people who no longer qualify for social housing once the new process has been implemented. I have had examples in my office where people have been waiting for long periods on social housing lists who will now hear they may never qualify.

**Mr SCHWARTEN:** I guess that is the bit that the shadow minister talked about. There will be people to whom it will come as some shock. However, the reality is that they were never, ever going to be housed in the first place unless their circumstances deteriorated—and that is not beyond the realms of possibility, either. Unfortunately, a lot of people do find that their circumstances do get worse. But they will still be able to remain in contact. I think there is a misconception that they will not be able to put their name down for a level of support, be it RentConnect, a bond loan or some other service that we might be able to provide. I am very keen to work with the Commonwealth government to develop a waiting list for their product. There are 10,000 to 20,000 brand-new homes coming into Queensland through that product and we have people who can match their needs to that. From this list we will do that. I have offered that to the federal government and it is still a work in progress.

The reality is that that is where the problems are—in the private rental market. If we can help people sustain their tenancies—and we have a couple of pilot projects going at the moment to help people ease their way into it—that is what we are going to do. This is not about saying to people, 'Don't bother contacting us.' This is about people coming to us and us saying to them, 'You fit into this category. You are on our radar,' as it were, 'but you are not entitled to go into fully subsidised public housing because your needs are not that great at this stage. We hope that, with our support, we can actually improve the outcomes for you in the private rental market with a level of assistance and support there. But if you fall off the edge, we will pick you up.'

To a greater extent, where we find ourselves today is a result of 10 years of your lot being in government federally. This is what has redefined public housing in Australia which has forced the states—and I might add that this is the only state in Australia that is adding to its bottom line in terms of the number of public houses. We have 1,200 extra houses coming on to do that. But 10 years of the Howard government taking money out of public housing has taken us to a position where we must define what it is the state will do in partnership with the Commonwealth, with public housing being that major product. We do have other products such as the Brisbane Housing Co., the Gold Coast Housing Co. and all of those products that we are getting. But the fundamental product, the highly subsidised product of public housing, will be available to a certain level of clientele.

**Mr HOOLIHAN:** Minister, the SDS at page 3-113 mentions private market assistance output. I have a recollection of a new product mentioned to be known as Homelink. Could you tell us whether or not that model will be progressed in 2008-09?

**Mr SCHWARTEN:** Homelink, as I announced it back in 2006, was something that I was keen for the previous government to take on, but it was reluctant to go into public housing and was always saying, 'Our product is Commonwealth rent assistance.' Commonwealth rent assistance is all very well, provided you can find some property in which to provide that assistance. We know that it has not kept pace with inflation and we know that the products that are out there really are not suited, in a lot of cases, to low-income tenants. Therefore, I put Homelink on the table, suggesting to the previous government that there be a state subsidy and a federal subsidy. At that stage I believed they should bring forward a number of years of rent assistance. I never actually got an answer from Brough about it. Brough is the darling of the media in so many ways in recent times, but he did not even pay me the courtesy of giving me an answer to this. At least Macklin and Plibersek both showed some interest in it prior to the election. After the election, while they have not embraced Homelink cheek and jowl, they have a product that resembles what Homelink was about, which is providing a level of subsidy so that investors will get into the market of affordable private rental. The Commonwealth model is \$6,000 with a \$2,000 state matching contribution, cash or kind, per year over the 10-year life of the project. That is \$80,000 of taxpayer support into the project. I notice the shadow minister is shaking his head about it.

**Mr Stevens** interjected.

**Mr SCHWARTEN:** The Commonwealth ministers tell me that a number of companies are interested in it. They announced that at the meeting of ministers last week. I know some Queensland companies are certainly looking at it. It is a hell of a better feeling to go to those Commonwealth-state ministers meetings and have them embracing this product. If the dollars do not add up at the end day—and we need to do some work there—at least there is a recognition at a national level of something that I have been saying since 2002, which is that we need a Commonwealth product that will harness rent assistance. Rent assistance still applies to this product. After 10 years, that is a good start in anybody's life, to try to get them on their feet. That segment E of our waiting list is a ready-made group of people to go into it.

**Mrs KIERNAN:** Minister, in terms of the efforts to expand Queensland's social housing base, I note the planned investment of \$510.7 million in 2008-09, which includes a further \$125 million from the Queensland Future Growth Fund. Could you provide the committee with a further overview of this accelerated expansion and what it really means for Queensland?

**Mr SCHWARTEN:** It will mean that 1,260 new departmentally owned and funded dwellings will be added to the portfolio next year. That is 950 dwellings this year plus 1,260 next year. It has been a long time in the history of this state since that level of investment was made in public housing or social housing. 'Social housing' is a relatively new term. Even going back to the days of Burns they were doing 1,400, when the federal Hawke government was funding them. They were doing 1,400 or 1,500 starts a year. That \$500 million was promised and we are the only state in Australia that has done this. We are the envy of all the other states in terms of what we are putting into public housing. We are now outspending the Commonwealth government. That is the legacy of Howard; there is no doubt about that.

As I said, we are doing the heavy lifting in that regard. We are looking at all the products that we can possibly get into the market, but we also need to have a buoyant affordable private rental market. That is the thing that is missing. By carrying this through, I believe we will continue to try to address those in greatest need. I am confident that that level of injection of funds will do that. However, it will not help those people who are at the unaffordable start of it.

I am delighted that when I came into this portfolio it was around \$300 million and it is now over \$1 billion. That has not been replicated in the past 10 years from the Commonwealth. I am looking for good things from the federal government. A Labor federal government always has to come in and tidy up these sorts of issues after conservative governments. That is the history of it. I am certainly not holding them accountable in one year to try to fix up that mess. We are certainly looking for a better approach and we are certainly getting it so far from the Labor government federally.

**Mrs KIERNAN:** Minister, I would like to refer to page 3-111 of the SDS and plans in 2008-09 to provide \$90.2 million specifically to provide housing to regional and remote Indigenous communities. I can remember in June when you advised the House that you were taking over approximately 90 Indigenous community housing organisations and they were being given to the state government simply because the former Howard government had cut all funding to them. I have to say to you that the Department of Housing in my electorate particularly is viewed as being very dependable. Many of the tenants are welcomed and we have a great housing office. Minister, what measures—and you did touch on this—have been put in place to maintain and upkeep these properties that you will be acquiring?

**Mr SCHWARTEN:** Thank you, Betty. If anybody knows about Aboriginal housing it is you, certainly. The trials and tribulations of community type accommodation are bad enough without getting into this. Again I go back to 'Boy Wonder' Brough. He was going to fix this problem. How did he fix it? He defunded them. He said, 'We're going to stop funding you,' and guess what will happen next? They will come knocking at the doors of the states. Is there any money? They were talking about all that. We signed an agreement back in 2005 to transition this. It is a bit like his claim that he would have

Aboriginals building houses in communities for \$300,00, when \$750,000 is the latest figure I heard when I was talking to them in the Northern Territory. That was one of Brough's legacies and this is the other one.

Thankfully, Jenny Macklin is right on the ball with this stuff. She had a serious conversation with me about this at the housing ministers conference. They have put a large sum of money on the table to try to make this work. I have told them that as a state we are prepared to work in partnership with them. We are not going to own this problem holus-bolus. It is not of our making. They were basically allowed to do as they pleased under a self-determination model. They did as they liked. Some paid rent. There is an enormous repair bill out there and we are asking the Commonwealth to give us all their data on it. They range from hovels in Mount Morgan and Charleville to places with lap pools on the Sunshine Coast. They are totally unregulated, disorganised and in a lot of cases owe money in rates to the councils. They are a disaster, and there are 2,000 of them, I think, in Queensland which could involve anything up to 10,000 people. They will all descend upon our waiting list, and guess where they will be? They will be in category A because they are the poorest of our citizens.

I am thankful that Macklin and the Labor government have not taken the irresponsible attitude that Brough did of saying, 'We're going to cut the funding off and you can please yourself what you do as a result,' therefore abrogating his responsibility. As I say, he has sucked the media in beautifully over the years with this sort of nonsense. Those of us who have to deal with this problem know exactly what his level of policy discipline was and his vision was to push it back on the state taxpayer.

**Ms STONE:** Minister, in regard to the Ongoing Eligibility policy—and you may have given a figure before, I am not sure, but I want to have it clarified—can you advise the committee how many houses have been freed up as a result of this policy shift?

**Mr SCHWARTEN:** I do not think I did give that figure. It is about 800 properties; 843 is the exact number. I think I said 800 before. Of that, 16 have bought properties under the Sales to Tenant program. That does not include our friends the Vietnamese, that answered the solution to that problem.

The figures are worth repeating, anyway. Of the 4,246 households that were identified as having \$80,000 worth of income or assets, if you stood back and looked at that you would say, 'They should be out. Just scratch a cheque out and send the lot of them out.' However, when you delve into it you find, for example, there were elderly people who had a couple of kids living at home. If the parents ushered them out, we would have to find social housing for those people. I congratulate the department, under Natalie's leadership, and Jenny and company who have done all this work. It has been tough stuff. It has taken a long time to do. No-one has ever been game to do it before.

Out of that exercise we have ended up with 3,400, which tells me that, with the eligibility criteria, the way we run our area offices and the way that we react and interact with the client bases from our area offices is pretty right. Historically, 800 have been in there and their circumstances have got better, and they have paid the market rent and been happy to do so. We are not doing them any favours and they are not doing us any favours. Well, they are doing us a favour in one respect, because we are picking up solid increases in rent and resubsidising them back to poor people. That works. I would much rather have them buy that house and give us market value and then we go down the street and buy another house to replace it.

**Ms MacDonald:** I should just clarify that the 4,000 or so households also included households that had not disclosed their income to us for a period. That was not a requirement under our eligibility framework until we changed the policy and then said to those households, most of whom who had been in our housing for a long time, 'It is now a requirement for you to disclose your income.'

**Mr SCHWARTEN:** They said, 'We're not going to tell you what we earn. We just earn over the income level and we'll pay market rent.'

**Ms MacDonald:** The majority of those 3,000 who were deemed eligible just in fact provided their income and that resolved the issue from our point of view.

**CHAIR:** It is changeover time; we will concede our 22 seconds.

**Mr STEVENS:** Minister, further to that, those tenants are now happy to pay market rent. That is okay, but if they are paying market rent why are they not shifted into the private rental market where they will pay private rent?

**Mr SCHWARTEN:** That is exactly what they are doing now, Ray.

**Mr STEVENS:** You have shifted them out?

**Mr SCHWARTEN:** Yes.

**Mr STEVENS:** And you have moved some of the 38,000 people in?

**Mr SCHWARTEN:** Yes. Those people who can sustain private rental have been moved on.

**Mr STEVENS:** You are not collecting the extra private rental for your public houses?

**Mr SCHWARTEN:** No. Where their income is at that level, we would get market rent for it. We have determined that the income that is coming into the household is temporary by nature, or it may well be permanent if people are foster-carers and so on. If we charged them 25 per cent of the income that came into the house we would be charging \$20,000 in rent a year. The highest we charge is the market rent. We have satisfied ourselves that the 3,400 tenants that have household income of \$80,000 are eligible to be in public housing, even though they are paying market rent. The 840 or whatever it is who were deemed to be in a position to either buy or rent have now been moved on.

**Ms MacDonald:** The 3,400 that we are referring to have been deemed by us to be eligible to remain in social housing. They were not all high-income households, so the majority of those people had perhaps declared some form of property ownership. And we have uncovered some very unusual cases in that, such as 50 square metres in Venezuela and a whole range of issues that we have had to work through. And we have worked through those.

**Miss SIMPSON:** Thank you for your assistance in resolving that.

**Ms MacDonald:** We have worked very hard to resolve all those issues. So there were issues like that, as well as households that had simply failed to declare their income at all after their initial entry.

**Mr SCHWARTEN:** We did not know about the \$80,000 income.

**Ms MacDonald:** Once we actually found out their income, they are in fact eligible to remain.

**Mr SCHWARTEN:** But my point is correct, is it not, that there are households about which you would ask, 'There is \$80,000 coming into that household. Why are they there?' We have satisfied ourselves that that amount of income coming into that house is either temporary by nature or they have a special set of circumstances. But they are eligible for public housing and they would not be able to sustain housing in the private rental market.

**Mr STEVENS:** Minister, I refer you to page 3-112, 'Expanding the Queensland Social Housing Base' and the sell-off of public housing properties in the Inala area. Can you confirm that empty public housing stock in the area is being renovated and sold off to the private market and not being put back into public housing stock to be utilised for the 38,000 people?

**Mr SCHWARTEN:** If you had said that a few years ago, Ray, I would have said you were probably right. David Watson started that and I continued it because it was the right program because we could not give houses away out there. I would be surprised if we are doing that now. Sales to tenants in Inala—have you got one in mind?

**Mr STEVENS:** We have but I have not got it with me at the moment. There was a report through from a tenant.

**Mr SCHWARTEN:** It certainly has not shown up in the work that we have done here. I am happy to have a look at it. I would be very surprised.

**Mr STEVENS:** We will get the specific details to you. Minister, I refer you to the National Affordable Housing Agreement, page 3-110 of the SDS. Will the state be receiving the National Affordable Housing Agreement grant in the lump sum base grant form it received through the previous Commonwealth housing agreement or will it be allocated to specific areas of housing to ensure funding will get to the necessary priority areas?

**Mr SCHWARTEN:** That is work in progress. We have a COAG working party of which the director-general is a member and I will be attending the next meeting. There are a number of options available. Natalie, you might want to talk about it since you are in the working party.

**Ms MacDonald:** I think the reality is that this is still under discussion. The funding framework and how it might flow will be substantially different under the National Affordable Housing Agreement from what we have seen in the past through the Commonwealth-State Housing Agreement. It will also include Commonwealth own funded initiatives—the first homeowners grant and rent assistance are being talked about being wrapped up in that agreement as well as the Supported Accommodation Assistance Program. So the whole nature of the agreement, we believe, will be fundamentally different and a whole range of housing initiatives will be wrapped up into that agreement.

How the actual funding flows is one of the things that I think we are all very interested in and are yet to work through. It will also be subject to advice from state treasuries and the federal Treasury and how they see it evolving. I think the short answer is that it is really too early to provide advice to you at this stage.

**Mr SCHWARTEN:** It is work in progress and they have rolled the old agreement until the end of the year.

**Mr STEVENS:** Mr Jennings is not here, but I assume someone can answer a BSA question for me.

**Mr SCHWARTEN:** He is here.

**Mr STEVENS:** He is here. Sorry. Normally he has the front spot.



**Mr SCHWARTEN:** You got it right this year. He turned up for Public Works just in case.

**Mr STEVENS:** I refer the minister to page 3-125 and the statewide certifier audits to investigate compliance with provisions under the Building Act 1975. What was the cost to the BSA of the statewide audit? How many licensed contractors are there in Queensland? Of the 61 suspected unlicensed contractors out of the 2,779 interviewed statewide, how were they dealt with by the BSA? Is there any provision to allow for these contractors to obtain a licence in the future? How are the new amendments regarding giving more responsibilities to lesser qualified persons through the Queensland Building Services Authority impacting on the industry as a whole?

**Mr SCHWARTEN:** I will let you answer that one.

**Mr Jennings:** There are 389 licensed certifiers in Queensland—313 of them hold endorsement as private certifiers. The remainder are local government certifiers. On an annual basis we do audits of certifiers. There were a number of audits conducted during the financial year. From 2001 to 2006, 100 audits were conducted—99 were satisfied. There was one where there was a recommendation in relation to the fact that they did not comply with elements of the building code and the building regulation. A number of interviews are done on an annual basis to make sure they do comply.

There are a number of issues with regard to certifiers. We do audits and we also do investigations of certifiers in relation to complaints. The number of complaints that came through for 2007-08 was 65. Of those 65, 10 related to town planning issues, 42 were of a technical nature and 10 related to the standard building regulation. Those certifiers that were deemed to have committed the offence of misconduct—misconduct is the offence known under the standard building regulation—are being held accountable through the Commercial and Consumer Tribunal. We have a number of cases at the moment before the Commercial and Consumer Tribunal in relation to those offences.

**Mr STEVENS:** What is the cost of the statewide audit?

**Mr Jennings:** It is an annual audit that occurs. The cost of the audit is funded through the certification fees and also supported through the BSA licensees. I can get details on how much it costs to do the actual audit if the minister is happy with that. But the system is funded through their licensing fees.

**Mr STEVENS:** They are paying for it, in other words.

**Mr SCHWARTEN:** They are paying for it, yes.

**Mr Jennings:** The BSA is fully self-funded. It does not get any government funding. So the audit was funded through the BSA's fees. But I can get the exact cost for the audit function.

**Mr STEVENS:** How are the 61 unlicensed contractors being dealt with?

**Mr Jennings:** The 61 unlicensed contractors relates to BSA licensees, not certifiers. We do a number of audits of unlicensed contractors. There are a number of offences under the act. The 61 licensees are either dealt with through the SPER system—which means a fine, a ticketable offence—or they are prosecuted through the tribunal. It all depends whether they were caught before. Also the contractors are assisted to try to get licensed. So the system is about trying to get them licensed. It is not about policing or penalising, but if they are found they are prosecuted and then assisted to get a licence through the system.

**Mr STEVENS:** Minister, I refer you to the Service Delivery Statement page 3-125 in relation to the 93,000 home warranty insurance policies for building work—I know you love this one—valued at \$11.4 billion. How many disputed claims were lodged in 2007-08 and how many of these were settled through the court process?

**Mr SCHWARTEN:** Ian Jennings will answer that.

**Mr Jennings:** With regard to insurance, last financial year we had 5,308 disputes that were lodged with the BSA. Of those 1,250 were claims. So they became claims on the statutory home warranty scheme. That is to the end of the financial year. A large proportion of those claims relate to some big builder collapses which have been well known in the media.

**Mr SCHWARTEN:** RPC.

**Mr STEVENS:** On the north coast.

**Mr Jennings:** For example, one builder that collapsed on the Sunshine Coast has cost the scheme \$3.1 million for the completion of those homes to date.

**Mr SCHWARTEN:** Who is that?

**Mr Jennings:** Real Property Constructions, RPC. The aim of the system of the home warranty insurance scheme, which is achieving a huge benefit for Queensland, is to make sure that the homes are fixed and completed. So of all the defects, about 1,200 are claims and those homes are either fixed from a defect perspective or with regard to noncompletion or subsidence. They are the three types of claims.

**Mr STEVENS:** I just remind Mr Jennings he was going to fix up that insurance period. Has he done that?

**Mr SCHWARTEN:** I told him you would ask about this.

**Mr STEVENS:** And just briefly because I have another question to ask—yes or no.

**Mr Jennings:** What has occurred is the reinsurers have agreed to cover the extra cover. What happened is the RPC collapse occurred in February during our renegotiation period. In principle they have given agreement to the cover taking effect from 1 January 2009. However, we are in negotiation with them at the moment about how much it will cost and we are analysing the collapse of RPC. With RPC some vandalism and theft also occurred. We are analysing that data to see what is the price of the particular cover.

**Mr SCHWARTEN:** That spooked them in other words.

**Mr Jennings:** Yes.

**Mr STEVENS:** Thank you very much, Mr Jennings. Minister, I refer you to page 3-133 of the SDS with regard to the unclaimed rental bonds administered by the RTA. Of the \$3.6 million that RTA is holding in unclaimed rental bonds, how long will it be held for the rightful owners, how long has the government held this amount and is there a finite period before it ends up going to Treasury?

**Mr SCHWARTEN:** It does not go to Treasury. My understanding is that it goes back into projects like your Gold Coast Housing Co. The board has made those decisions to do that. Fergus, did you want that question repeated?

**Mr F Smith:** Yes, please.

**Mr STEVENS:** In regard to the unclaimed rental bonds administered by the RTA, of the \$3.6 million that the RTA is holding in unclaimed rental bonds, how long will it be held for the rightful owners to try to get it back to them and how long has the government held the \$3.6 million for already? You have answered the last question.

**Mr SCHWARTEN:** What will become of it basically?

**Mr F Smith:** The \$3.6 million potentially could be bonds going back to the origins of the RTA, which I think was 1989.

**Mr SCHWARTEN:** So if anybody comes out of the woodwork from five years ago they can get their bond back.

**Mr F Smith:** Yes. Basically the RTA in 100 years time will still pay someone's bond back if we are all alive. But after seven years—so a small amount of that money has been with us for longer than seven years—the minister I think under the legislation has the potential to use those funds for appropriate purposes.

**Mr SCHWARTEN:** For housing purposes.

**Mr F Smith:** For housing purposes. But if someone wanted their bond back from 10 years ago, we would still pay them. We will still pay them irrespective of whether those funds have been used for those housing purposes, but I believe that the funds have not been used at this point for those purposes.

**Mr SCHWARTEN:** I was getting confused with the interest off the bonds themselves.

**Mr STEVENS:** You would be utilising that now. That is a nice little earner.

**Mr SCHWARTEN:** Yes, that has gone to your Gold Coast Housing Co., amongst other things.

**Mr STEVENS:** Thank you, Minister.

**CHAIR:** There being no further questions, that concludes the examination of the expenditure of estimates for the portfolio of the Minister for Public Works, Housing and Information and Communications Technology. Thank you, Minister. Thank you, advisers.

**Mr SCHWARTEN:** I have a clarification that might stop us from having to do it later on. I have a note here from Damian. I thought you might be referring to the old Liberty Homes arrangement which no longer exists in Inala. Was it the old Liberty Homes circumstance? We will deal with it later. Sorry to interrupt.

**CHAIR:** That is fine. Anything we can clear up at this opportunity we should do so. I thank all of the members of the committee for their long hours at this hearing today and also parliamentary staff, including Hansard and other technical officers, time keepers and all of the various parliamentary staff who get involved in this important part of the examination of government.

**Mr SCHWARTEN:** A 15-minute early mark, Mr Chairman. Thank you very much.

**CHAIR:** That concludes the committee's consideration of the matters referred to it, and I declare the public hearing closed.

**Committee adjourned at 7 pm**