

THURSDAY, 17 JULY 2008

ESTIMATES COMMITTEE C—EDUCATION, TRAINING AND THE ARTS

Estimates Committee C Members

Ms A Palaszczuk (Chair)
Mr C Bombolas
Mr SW Copeland
Mr PR Gray
Mr HWT Hobbs
Mrs LD Lavarch
Mr PW Wellington

In Attendance

Hon. RJ Welford, Minister for Education and Training and Minister for the Arts
Dr S Oberhardt, Senior Policy Adviser
Ms C Hetheron, Senior Policy Adviser (Education)
Ms K Bannan, Policy Adviser (Training)
Department of Education, Training and the Arts
Mrs R Hunter, Director-General
Ms Z Johnston, Deputy Director-General, Corporate Strategy and Resourcing
Mr A Abrahams, Chief Finance Officer
Ms J Branch, Executive Director, Arts Infrastructure and Services

Committee met at 8.30 am

CHAIR: Good morning. I declare the meeting of Estimates Committee C now open. I am Annastacia Palaszczuk, the member for Inala and chair of the committee. Joining me on the committee are Mr Stuart Copeland, the member for Cunningham and deputy chair; Mr Chris Bombolas, the member for Chatsworth; Mr Phil Gray, the member for Gaven; Mr Howard Hobbs, the member for Warrego; Mrs Linda Lavarch, the member for Kurwongbah; and Mr Peter Wellington, the member for Nicklin.

The committee will examine the proposed expenditure for 2008-09 as contained in the Appropriation Bill 2008 for the portfolios assigned to it by the order of appointment made on 1 May 2008. The proceedings for today will commence at 8.30 am until 12.15 examining the portfolios of the Minister for Education and Training and Minister for the Arts. From 1.15 to 5 pm, the committee will then examine the portfolios of the Minister for Main Roads and Local Government. The committee will suspend proceedings for the following breaks: morning tea from 10.30 to 10.45; lunch from 12.15 to 1.15; and afternoon tea from 3 pm to 3.15.

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

I remind members of the committee and the minister that the time limit for questions is one minute. Answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the end of each of these time limits. An extension of time may be given with the consent of the questioner. A double chime will sound two minutes after an extension of time has been given. The standing orders require that at least half the time available for questions and answers be allocated to non-government members. Any time expended when the committee deliberates in private is to be equally apportioned between government and non-government members. For the benefit of Hansard, I ask departmental officers to identify themselves if the minister refers a question to them to answer.

On behalf of the committee, I welcome the minister, departmental officers and members of the public to the hearing and declare the proposed expenditure for the Department of Education, Training and the Arts open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, would you like to make an opening statement or do you wish to proceed direct to questioning?

Mr WELFORD: Thank you, Chair, I will make a short opening statement. I thank the committee for the opportunity to present the budget estimates for the Department of Education, Training and the Arts for 2008-09. I am pleased to report on the budget for this year and comment on the activities of the Education, Training and Arts portfolios over the past year. Every Queenslanders at some stage in their life will benefit from the services delivered by this department. These services include quality learning experiences, building skills and knowledge, and inspiring innovation and creativity.

The 2008-09 state budget is helping to secure Queensland's future by building on these solid foundations. This year it commits \$7.03 billion in recurrent funding and invests \$833.8 million in capital funding to the education, training and arts sectors. We have made major reforms to the education and training system in recent years, and 2008 sees the full introduction of prep, the new senior certificate—that is, the Queensland Certificate of Education—and this year is the Year of Physical Activity in Queensland state schools. With our reforms, we are determined to build an education system that equips young people for the challenges of the 21st century.

We will also be developing a new strategic direction for the next decade of state schooling, in consultation with school communities and stakeholders, which I hope to release as a discussion paper later this year. Some proposals reported in the media recently were drawn from early deliberations for a public consultation paper but of course are not yet ready for public consideration. When the consultation paper is released for public discussion later in the year it will include a range of ideas for action to stimulate a robust debate about the future directions for our state schools.

The 2008-09 budget delivers a major boost to education including new schools, more teachers and teacher aides, a better curriculum and significant increases for state school maintenance. In this budget we also continue to tackle skills shortages head-on with an investment of \$616 million to support Queensland's vocational education and training system. This is part of a combined state, Commonwealth and industry investment of over \$1 billion to address the skills and labour needs of our state.

This further builds on the success already achieved through the Queensland Skills Plan, which is one of the most comprehensive strategies in Australia to address critical skills shortages now and into the future. According to figures released by the National Centre for Vocational Education Research in December last year, Queensland is leading the nation in overcoming skills shortages with apprenticeship and traineeship commencements increasing at more than double the national rate.

Our government will also invest more than \$259 million in the state's arts sector including capital works in this coming year—a \$50 million increase over last year. We are strengthening our diverse arts and cultural sector by providing funding for the state's leading cultural institutions and major performing arts organisations as well as Queensland's signature festivals. Our state is making its mark on the cultural landscape by attracting world-class exhibitions such as the Andy Warhol and Picasso exhibitions and by creating quality, home-grown arts experiences that we are exporting interstate and internationally. Through collaboration between our agencies, the Department of Education, Training and the Arts is shaping to build a clever, skilled and creative Queensland. I look forward to answering questions of the committee.

CHAIR: Thank you, Minister. It is time for non-government questions, and I call the member for Cunningham.

Mr COPELAND: At the outset, Minister, I thank your departmental staff for the preparation that I know at every level has gone into preparing for today's estimates. At last year's estimates committee hearings, I asked you about advice that you or your senior departmental officers had received about asbestos and risks of asbestos in staff accommodation. Given that 12 months has elapsed, what advice have you now received regarding asbestos in staff accommodation for Education Queensland?

Mr WELFORD: Thank you, Mr Copeland. As you know, and as I think I answered in a question in the parliament not so long ago, an extensive audit was undertaken early in the new year of staff accommodation in the north. Of course, asbestos products were used in many buildings—in staff accommodation, schools and public and domestic buildings—all throughout Queensland over a number of years. But in relation to staff accommodation, as I say, an extensive audit was undertaken by officers of my department, particularly in the north, earlier in the year. Q-Build is also engaged to carry out an inspection of all housing stock owned by the department over a three-year period. A register of asbestos products that are in staff accommodation is maintained for employee housing. When Q-Build carries out maintenance, it undertakes the work in accordance with the relevant legislation and guidelines.

Mr COPELAND: What work has been done, Minister, to proactively address the issue of asbestos in that staff accommodation?

Mr WELFORD: Any asbestos, whether it is in staff accommodation or in schools, is removed if it poses any risk to either occupants of that facility or people in schools. As you know, we have completed the roof replacement program in all schools and we have inspected all staff housing based on the advice of Q-Build. Should any damage be done to any bonded materials which might contain small quantities of asbestos material then that will be repaired immediately.

Mr COPELAND: What figures have you got, Minister, for what work has been done to replace that asbestos material in the last 12 months?

Mr WELFORD: I can only give you what work is proposed. In the last financial year \$5.2 million was allocated for the maintenance of education department houses and an additional half a million to maintain the equipment in houses. In the coming year, \$15½ million has been allocated for new and upgraded housing. As part of those upgrades, any asbestos materials that are identified as posing any risk will be replaced.

I might as well address the issue of schools at the same time by indicating to you that, similarly, now that the roof replacement program has been completed, the process that applies now will ensure that there is a better system for monitoring any work done in schools and registering any work on the Q-Build work program. Should there be any asbestos materials disturbed in the course of that work then, again, appropriate measures are taken in accordance with the government guidelines.

Mr COPELAND: Thanks, Minister. As I have said in the parliament before, you have done a good job with the roof replacement program and certainly better than it had previously been done. Minister, you referred to a register of asbestos in staff accommodation that has been compiled by Q-Build. We applied for that register under FOI and were refused on the grounds that it was too onerous. If you have that register, will you be releasing it?

Mr WELFORD: Which register did you apply for?

Mr COPELAND: The asbestos within staff accommodation.

Mr WELFORD: One of the problems with supplying that register, I imagine, is that it relates to hundreds of buildings and hundreds of properties, and at any point in time work is being carried out. What we do know is that, of the 2,296 units of staff accommodation—in other words, 2,296 houses or duplex type units of accommodation—the responsibility for inspecting those and reporting on their maintenance requirements is the responsibility of Q-Build.

We have recently put in place, particularly in the north, a system whereby, rather than Q-Build going in and doing some other department's work and then leaving and not doing my department's work at the same time, there is more coordination to ensure that when Q-Build goes in on a regular basis—every eight or 12 weeks—any work that is required to be done by my department is also done. I suspect that there is still more work to be done to update the materials information register that Q-Build hold. This is a new register they put in place when I realised, in the course of doing the roof replacement program, that there was no proper system for identifying what work needed to be done and what work had been done.

Mr COPELAND: Exactly.

Mr WELFORD: This new electronic system replaces the old hard copy building management plan that was introduced in the 1990s. I understand that there is still more data to be loaded onto that system. Part of the reason it would be onerous is that, even though the largest part of it is electronic, some of it is still hard copy, as I understand it. Once all that is loaded then theoretically we should have a better management system in place.

Mr COPELAND: Is there any liability expected or have there been warnings of any liability from actions that may be taken by staff as a result of asbestos in the workplace or in staff accommodation?

CHAIR: Member for Cunningham, I have given you quite a degree of latitude, but you really do need to refer to the Service Delivery Statements or the budget papers when you are addressing this line of questioning.

Mr COPELAND: There is a significant amount of money for the upgrading of staff accommodation. Part of that is to address the risk and potential liability as a financial impost on the department in the future if there is such a case.

Mr WELFORD: There have been no incidents, if that is what you mean, in relation to asbestos materials. I think most people are well and truly aware, given the publicity surrounding this issue over the last few years, of the importance of workplace health and safety requirements being complied with in relation to asbestos.

There is an acute awareness of it in schools. We are rolling out the signage in schools. Every school has now been supplied with appropriate signage in accordance with the latest government guidelines. The guidelines that we are applying in government for the replacement of any damaged materials—for example, floor coverings—are in fact in excess of the national guidelines in relation to the management of asbestos materials.

As I say, the only circumstance where there is any risk to anyone is where materials are disturbed. As you probably know, there are two categories of asbestos based materials. There is friable asbestos—asbestos that exists in the form of loose fibres. Then there is bonded asbestos—asbestos that is bonded into materials. In relation to bonded asbestos in walls or in the lino type floor coverings, there are only very minute amounts of asbestos—less than 15 per cent in the walls and less than two per cent in the actual floor tiles. The risk of anyone being exposed to any health risk from those is extraordinarily minimal. You would virtually have to grind them with a sander or something in order to create dust particles of any danger.

Mr COPELAND: Moving on but still related to staff accommodation, there was a well reported alleged rape of a nurse in staff accommodation on Maubiag Island. Have there been any incidents of assaults against staff of Education Queensland within staff accommodation in the last 12 months?

Mr WELFORD: I will ask my officers to check that.

CHAIR: Member for Cunningham, the questioning is becoming quite broad. Can you please come back to the estimates. When you are talking about legal issues please remember that some of these matters could be before the courts. Could I ask you to be very cautious in relation to that.

Mr COPELAND: I was not talking about legal issues. I was referring to the reports of an alleged rape that has been well documented. I have not asked about any legal issues concerning staff within Education Queensland. The security of staff is well covered by the upgrades to staff accommodation which we have referred to in questions on notice and in various places within the SDS.

Mr WELFORD: In relation to that matter, I have not had drawn to my attention any other incidents of staff having their personal security similarly exposed to the incident you talked about. I could go into further details about the incident you talked about and give you an explanation for why the person was as exposed as they were, but I do not want to do that, for obvious reasons.

Mr COPELAND: And I do not expect you to, Minister.

Mr WELFORD: Suffice it to say, in relation to that incident and in relation to the issue raised by the Queensland Teachers Union about the maintenance of staff housing generally, we undertook that extensive audit of all housing in the far north earlier this year. All security matters, all screening and all air conditioning was put on the agenda for repair. My understanding is that by 30 June that was done.

Mr COPELAND: This was simply to get an assurance that Education Queensland staff had not been placed in that position. Regarding assaults against staff generally, do you keep records of the number of assaults against teachers and other Education Queensland staff while they are at their place of employment—at school, at work?

Mr WELFORD: I think either you or one of your colleagues asked a question on notice in relation to this in the parliament recently. I provided an answer to that question which fully detailed not only the number of breaches of behaviour relating to physical misconduct but also the breakdown of that behaviour according to whether or not the physical misconduct involved an object.

We do not keep minute details of the circumstances of every incident of student misbehaviour in schools. For example, the media was trying to indicate that students were taking knives to school, for example, and suggested that the number of incidents of misbehaviour involving an object could have involved a knife. But it could also involve a student kicking a chair or misbehaviour like that. We do not try to keep an endless list of the categories of misbehaviour that might be in the nature of an assault.

The key issue that needs to be addressed at a school level is misbehaviour. Where the misbehaviour involves a serious criminal offence then obviously the matter is referred to the police. Where it involves something less than that then it is dealt with like any other form of misbehaviour, according to the school's responsible behaviour plan and the statewide code of school behaviour that I initiated.

Mr COPELAND: Do you know how many incidents have been referred to the police?

Mr WELFORD: We would. I can probably take that on notice, I suggest.

Mr COPELAND: If you could.

Mr WELFORD: We may have that data, I am not sure. Obviously there are protocols and guidelines that schools follow. In appropriate circumstances matters are referred to the police.

Mr COPELAND: You can take that on notice. Moving on to the number of enrolments, the SDS at page 2-16 refers to the percentage of secondary students at state and non-state schools. Would you be able to provide the committee with the numbers of new enrolments, rather than the overall percentage, of students at state and non-state secondary schools this year?

Mr WELFORD: That sort of statistic we can take on notice. We might recap so we do not lose track of these. You want to see whether we have a record of the numbers of behaviour matters referred to police. You are talking about student misbehaviour?

Mr COPELAND: Any that have happened at school, but students in particular.

CHAIR: That is very broad.

Mr COPELAND: I am happy for it to be students, Minister.

Mr WELFORD: Let us be clear about that. The other one was in relation to the numbers of new enrolments.

Mr COPELAND: For this academic year at state and non-state schools at secondary level.

Mr WELFORD: I have some figures on state schools but I do not think I have the non-state school figures here. What say I take that on notice and get that to you.

Mr COPELAND: When the ETRF reforms were introduced some years ago—they were supported by everyone in the parliament—one of the aims was to increase retention rates. If you go back to when the Beattie government was first elected in 1998-99, the retention rate was 72 per cent from years 8 through to 12. There was an increase in the target in subsequent years but no increase in retention rates. Then the measure was changed to the retention rate for years 10 to 12. Ten years later, the estimated actual for this financial year is still 72 per cent. There has been no increase in that retention rate at all. Why has there not been any movement in that figure in the lifetime of the Beattie and Bligh governments?

Mr WELFORD: You need to understand that in the budget papers when we talk about 'estimated actual' what we are talking about is what we anticipate will be the case in the next year. At one level it is not surprising that in the current economic climate in Queensland there will not be a huge increase in the number of students staying at school. The fact is that they are getting jobs in droves. Even despite the fact that more young people than ever are able to move into employment sooner than in other eras our retention rates are higher than any other state jurisdiction in the country. In terms of both job opportunities and retention rates we are still higher than other states.

As part of the federal government's education revolution the states and the Commonwealth are looking at signing up to a proposal that by 2020 we achieve 90 per cent year 12 attainment. But year 12 attainment does not mean that every student has to stay to year 12. It means that, following year 10 and through senior schooling, they get some form of qualification that is the equivalent of completing year 12. So it could be a vocational education certificate. It could be a combination of learning experiences that entitles them to a Queensland Certificate of Education ultimately.

So the real issue, I guess, is not so much how many students actually sit around in schools right to the end of year 12 but how many people by the age of, say, 20 or 21 have achieved levels of qualification that are appropriate to what we would want to call the Smart State—that every young Queenslanders goes into their post school life with qualifications fit to meet the job challenges of the 21st century.

CHAIR: Thanks, Minister. We will now move on to government questions. I refer you to the budget documents, in particular the Capital Statement. Minister, I note that on page 40 there is quite a bit of detail in relation to new schools relating to that huge capital injection there. I was wondering if you could provide the committee with an understanding of the major capital works which are planned over the next 12 months.

Mr WELFORD: Thank you, Chair. As you point out, we have a significant investment in our capital works program in the next 12 months. In fact, \$532 million has been allocated to build new schools with new buildings and renewed facilities at existing schools. Some \$89.6 million has been allocated to build four new schools, all of which are planned to open for the start of 2009. Three new primary schools will open in high-growth areas to the north and south of Brisbane. They will be located in the northern part of Ormeau, west of Oxenford, in the southern part of Upper Coomera and in the northern area of North Lakes. A new high school will also open in the eastern area of Ormeau between Brisbane and the Gold Coast.

Funding has also been allocated for further construction work at a number of other recently constructed new schools that need expansion following growth in student numbers, including \$3.6 million for stage 2 of the Burpengary Meadows State School. Chancellor State College at Sippy

Downs on the Sunshine Coast will receive new state-of-the-art performing arts facilities at a cost of \$3.2 million. Coomera Springs State School will have \$9.7 million spent on the next stage of its development and Meridan State College at Caloundra will benefit from \$4 million to undertake a further stage of its works. In the north of the state, \$7.7 million has been allocated for the completion of stage 3 of Isabella State School in Cairns and \$16.6 million has been budgeted for Redlynch State College, also in Cairns, to complete the third stage of its development. Stretton State College on the south side of Brisbane will have stage 2 of its secondary facilities undertaken for \$12.4 million.

As I have already outlined, the major projects that the State Schools of Tomorrow program will deliver during the next year will be in addition to what I have just mentioned. There are a number of other projects, of course, which are too many to list now, but let me mention some of the highlights. There is \$9.6 million for an outstanding performing arts centre at Brisbane State High School as part of its major redevelopment which flows on from the Southbank Institute of TAFE development; \$1.8 million for a science block at Corinda State High School; and \$5 million for the redevelopment of Kenmore State High School. These are all major high schools in Brisbane, of course.

Special schools and special school facilities, something which is close to my heart, will also benefit. There is \$2.3 million for a special education unit upgrade at Loganlea State High School; \$5.1 million for the redevelopment of Mitchelton Special School; \$2.2 million for classroom blocks and amenities at Pine Rivers Special School; and \$2.2 million for classrooms and amenities at Redcliffe Special School.

CHAIR: Thank you, Minister.

Mrs LAVARCH: Good morning, Minister. My question relates to the school industry trade centres. If I take you to page 2-7 of the Service Delivery Statements—the SDS—and the second last dot point, there is reference to the investment that will be made in school industry trade centres. Can you provide more information on how these trade centres will help address skills shortages in various industry sectors and how they complement the federal government's school trades training centres initiative?

Mr WELFORD: Thank you, Mrs Lavarch. To provide young Queenslanders with access to industry based skills training, our government is allocating \$11.8 million, as you mention, to establish five of these school industry trade centres. The centres should be in locations with skills shortages, so they will be established in far-northern Queensland in Cairns, in Townsville, Mackay-Whitsunday, the Sunshine Coast and the Gold Coast.

Each centre will have a specific industry focus linked to the skills shortages in the identified regions. In Cairns, for example, it is marine industries; in Mackay-Whitsunday the focus will be manufacturing and engineering; in Townsville it will be creative industries; and the Sunshine Coast will focus on civil construction. Originally it was hoped that a marine and allied trade centre would be established on the Gold Coast. However, with the opening and success of the new TAFE marine centre, other industry options are now being explored. We have been working with industry to design education and training facilities relevant to industry's requirements. We will be establishing partnerships to ensure that the right environment is designed for students to work on and with industry standard equipment.

The Rudd government has also introduced a similar program, the Trade Training Centres in Schools Program, and I was pleased to join with the Deputy Prime Minister, Julia Gillard, and the federal Treasurer, Wayne Swan, the other day at Aviation High on the north side of Brisbane when they announced the first round of successful applicants for the Commonwealth program. In Queensland, six state schools or clusters of schools and five non-state schools will receive up to \$18.8 million to build new trade training centres as well as refurbish existing ones or buy equipment to provide industry standard training to secondary students. These initiatives will provide training to students across a range of skills shortage areas such as construction, marine, hospitality, automotive and engineering.

One of the successful state school applicants, for example, is the Cairns cluster marine tech proposal, which will provide year 11 and 12 students from eight local high schools with trade pathways into the marine industry, complementing nicely our initiative on that front. The Commonwealth funding combined with funds from our state will enable the marine training centre in Cairns to be fitted out with state-of-the-art equipment, providing the very best of 21st century training for our students. Both of these programs will maximise opportunities to enable young people to acquire the knowledge, skills and attributes to contribute effectively in the workplaces of a globalised economy.

Mr GRAY: Minister, I refer you to the government's commitment on pages 2-3 of the SDS to improve sustainability in environmental innovation in Queensland state schools and the government's recent announcement about the Solar Schools Program, something near and dear to my heart. How will this program reduce schools' greenhouse emissions and which schools will be involved in the first phase of this program?

Mr WELFORD: Thank you, Mr Gray. This is a major initiative of mine, launched only recently and announced by the Premier. Funding of \$60 million has been allocated by our government to tackle climate change and implement solar and energy efficiency measures in schools over the next three years. This is not just a solar initiative but an energy efficiency and climate change mitigation initiative.

The program will assist schools in reducing energy consumption, and with it greenhouse gas emissions, by installing sustainable technology including alternative energy sources for schools through the delivery of solar panels and through energy efficient lighting. Other features of the program will include the installation of smart meters to provide an analysis of energy consumption, curriculum programs that build on those already being used to support students and teachers in energy management, encouraging environmentally responsible sustainable behaviour change, and energy efficiency technology tailored to suit the individual school.

The program will begin this month and will be initially trialled in 10 Queensland state schools, with work in those schools to be completed for the start of the 2009 school year. Audits will be conducted in the 10 schools to determine the size and scope of the works required for the trial. Expert advice will be sought throughout this initial period to establish the proposed energy technologies and classroom activities required. We will also be working with the Rudd government's National Solar Schools Program to maximise value-for-money outcomes and coordinate our funding with funding that we can draw from the federal government to ensure the best outcomes for our state.

I am pleased to announce that the 10 schools proposed in the trial are as follows: Annandale State School in Townsville; Mr Hobbs will be pleased to know that Charleville State School will be one of the first 10 schools to be trialled in the solar and energy efficiencies program; Albany Creek State School; Coombabah State High School on the Gold Coast; Dutton Park State School; Edge Hill State School in Cairns; Frenchville State School in Rockhampton; Holland Park State High School; Kimberley Park State School in Logan; and Mount Isa Central State School.

Climate change, of course, is one of the biggest challenges facing our community, and our government needs to tackle this as well. I believe our schools are an ideal opportunity for us to showcase, not only for the educational benefit of young children but also for the whole community, ways in which we can contribute to addressing the climate change challenge. State schools are important in every community, and by using our state schools to demonstrate what can be done they can be a role model and provide leadership in how we can use energy more wisely and be an example, as I say, for the local community in addressing the issues of climate change through both energy efficiency and renewable energy systems.

Mr BOMBOLAS: I would like to quiz the minister about physical activity, which I am sure he will agree is another very important modern-day issue. I note on page 2-5 of the SDS the investment in the Year of Physical Activity in 2008 and the introduction of the Smart Moves physical activity program in schools this year. Can the minister outline innovative ways that schools are incorporating physical activity into their curriculum?

Mr WELFORD: Thank you, Mr Bombolas. I know from your long-term interest in sport that you are a keen supporter of my initiative to declare the Year of Physical Activity and to establish the Smart Moves program in Queensland schools. Only the other day I was at Hilder Road State School in Ashgrove on the north side of Brisbane and again saw some of the most exciting and creative work that teachers are doing in terms of not only physical activity outside the classroom and during lunch hours—for example with the year 7 sports captains in that school coordinating physical activity programs for students in years 3, 4 and 5 during lunch hour—but also teachers incorporating physical activity during the classes such as various dance lessons in the music class, maths games in the maths class and a whole range of ways that teachers are innovating to incorporate movement education into the mainstream.

Forest Lake State School, for example, has integrated physical activity into its maths program. The teachers have designed games that place maths concepts at the centre of the physical activity that students do and students are revelling in these. We have developed a DVD showcasing the interesting work that is happening at Forest Lake State School, and this DVD will be available to all schools as an example of innovative curriculum practice. Another great example is Tullawong State School, which has received three national Ausports awards from the Australian Sports Commission for its work. It created the first ever sports development program for talented primary school students to develop their sporting prowess alongside their academic studies. The program in Tullawong is available to boys and girls in years 5, 6 and 7 and uses physical activity as the stimulus for their learning across all key learning areas in the curriculum.

Schools are also excelling in their commitment to professional development for teachers so that teachers are learning new and better ways to implement the Smart Moves program in their school. Interestingly, I was at the Hilder Road school the other day and the principal was at pains to mention to me how until the Smart Moves program was implemented they had a Responsibility Room in the school, which was the 'gulag' for kids who misbehaved at lunchtime. She was glowing in her praise for the Smart Moves program because she mentioned to me that they had now closed the Responsibility Room because they had so few behaviour incidents occurring during the lunch hour, now that the sports captains were coordinating physical activity programs during the lunch hour. They only had six incidents over the entire term last term, so it is making a massive difference to behaviour as well as making an obvious contribution to learning.

CHAIR: Minister, page 2-7 of the SDS states that you have invested over \$11 million to build and deploy the first release of OneSchool to over 500 schools to modernise student and school information management. Minister, there has been a bit of misinformation, I believe, in the media about this new database. Can you please explain how OneSchool works and why parents do not have to be concerned about this information management tool?

Mr WELFORD: Every school already keeps information on its students in various types of a mishmash of database systems currently held at schools, but the OneSchool initiative will bring Queensland's education record keeping into the 21st century. It provides our teachers and administrators with access to student academic reports, behaviour reports, school extracurricular activities, student attendance, a record of contact with parents and guardians and family contact details so that the school can provide the best possible educational service not just to the student but to their entire family. It is a web based application that can be securely accessed by authorised users only. It is not on the internet as such available for all to tap into and log on to and see; it simply uses the internet to connect an authorised user. Data is fully encrypted and no data or files are stored locally on individual computers, making it safer from school break-ins. The application has been thoroughly tested by security experts to ensure strong technical controls prevent unauthorised access. Centrally held data can be managed appropriately and backed up for disaster recovery. No longer will a fire in a school risk the loss of all student records in that school. Examples of students' work are not stored in OneSchool. Only one ID photo can be stored and the inclusion of a photo is a decision made by individual schools in consultation with parents and students.

The first release of OneSchool is now operating in over 600 schools across the state. It is receiving rave reviews from teachers in terms of the flexibility it provides to manage students' records at any time of the day or night when they choose to do that work. It gives them much more flexibility and much quicker access to that information. It has been used successfully by over 10,000 teachers to date, involving over 130,000 student report cards. A significant investment has been made in professional development to enable teachers to get the maximum benefit from this technology. Every teacher receives at least one and a half hours of training in the use of the application and feedback from the schools, as I say, has been extremely positive.

I also acknowledge that the opposition spokesperson has been measured in his comments in relation to this. He understands the value of this technology for teachers and students, despite the fact that there has been some attempt by some in the media to sensationalise it and exaggerate any risk.

Mrs LAVARCH: Minister, earlier you referred to the federal government's education revolution. I note on pages 2-5 and 2-6 of the SDS there is reference to the Council of Australian Governments' national initiatives as part of the education revolution. I ask: how is the government cooperating on these initiatives with the federal government?

Mr WELFORD: There has been some reporting on this recently, including as late as today, in relation to the federal government's digital revolution program—the rolling out of computers in schools. Our government is wanting to play a key role in the implementation of the federal government's education revolution reforms being progressed by COAG. In the schooling area, there is a lot of collaboration occurring. I am in regular contact with the federal education minister and Deputy Prime Minister in relation to a range of reforms. There, of course, is the Digital Education Revolution involving computers for secondary students; the trade training centres, which we have already discussed today; the extension of vocational education and training with additional training places being allocated by the federal government; access to early childhood education programs, which is going to be a major challenge for us in Queensland; an increase in the year 12 or equivalent attainment rate, which I mentioned before; the development of the national curriculum which, of course, has been a debate that has been around for some time now; and the National Asian Languages and Studies in Schools Program that the federal government is proposing to reinvigorate, and I am looking forward to our schools and students taking the benefit of that.

The most advanced of the reforms is the Digital Education Revolution. It is a \$1.2 billion five-year Commonwealth commitment to provide computers to secondary schools through the National Secondary School Computer Fund to roll out broadband fibre network in all schools to increase access to online content, that is resource materials for teachers, and web portals for parent interaction. These build on our state government's initiatives to improve community and digital access to students and teachers. Of course, we have delivered additional computers for students and teachers, professional development for teachers and electronic access to learning materials.

We are working with the Commonwealth to roll out an additional 1,961 computers allocated to 12 Queensland state schools as part of the first round of the Digital Education Revolution. We are working with them and the other states to implement the 450,000 additional training places that are going to be made available over the next decade, particularly in areas of skill shortage in Queensland—in the health and aged care sectors.

CHAIR: Thank you. The time for government questions has expired. Member for Cunningham?

Mr COPELAND: Following on from that question regarding the federal government's program, you answered a question on notice recently to me saying that you did not know how much it was going to cost the Queensland government for the implementation of that program. I may have heard incorrectly, but I think you reported it as saying it was going to cost \$2 for every \$1 of computers on Tuesday night, but that may have been an incorrect reporting—I am not sure. Have you any idea of how much it will cost the Queensland government and if you do not get increased resourcing from the federal government for the implementation, will you still be cooperating with them on that rollout?

Mr WELFORD: Thank you for the question. There are certainly on-costs involved and the report that you heard the other night was substantially accurate, that is to say on average we estimate that it could cost in the vicinity of \$2 for every \$1 of computer value implemented into schools. This, of course, will vary significantly from school to school. Now that we know which schools have allocations in the first round, we are obviously going back to assess what additional requirements there may be for the computers to be installed in those schools.

Some schools will already have adequate backup support systems, such as power points, wiring to servers and so forth, but there are on-costs that involve extending the software licences to additional numbers of computers that we will have to manage, at least in this first phase. In terms of the on-costs in future phases, obviously I am in discussions with the federal minister and Treasurer in relation to those.

I think it is fair to say that they are conscious of the issues involved. They have already increased the funds available for this initiative from \$1 billion to \$1.2 billion in recognition of some of the additional costs that will be involved. Obviously, they will be looking to us to meet the costs of things that we would normally meet anyhow, such as the professional development for teachers that we undertake in the rollout of our laptops for teachers program.

We estimate, for example, that for this first round the cost of the additional hardware installation works required will be approximately \$4 million. We estimate that there could be a number of schools eligible for the second round, but we will have to wait and see how many schools are involved. Depending on which schools succeed in each round of the program, it could be anywhere from a one-to-one ratio—that is a dollar-for-dollar on-cost—to a two for one, as I indicated.

Mr COPELAND: So will you be picking up that on-cost? Have you any estimation over the life of the program what the exposure to the Queensland government will be?

Mr WELFORD: We do not have a specific dollar figure for what—

Mr COPELAND: Ballpark?

Mr WELFORD: For what it could cost across the entire state at this stage. We are working on that, obviously, because given that many schools have installed their own computers and some have supplemented them with their own funds from fundraising, we will obviously need to get information from each school as to what numbers of computers they have now, how many extra computers they are likely to get, what their facilities are to meet that extra demand, and then progressively go out and cost the installation of each of those.

But I guess the key principle that you are driving at, which I agree with, is that the federal government really does need to acknowledge that there are on-costs inherent in the installation. I am not going to make an ambit claim, as New South Wales did, and ask for everything from teacher professional development to the long-term electricity costs of running computers, but I do expect that they would respond to determine what the legitimate installations costs are. We will give them, as I discussed with the federal Treasurer the other day, an accurate and—not loaded—true costing of what our installation costs are. Maybe they can use that as some sort of benchmark for what supplementary funding they might need to give other states for installations costs.

Mr COPELAND: If they do not provide that funding when you come to give it to them, will you still be participating in the program?

Mr WELFORD: We certainly want to participate in the program in the sense that I do not want our students missing out on any opportunity we have to get extra computers for students in schools. We have probably close to the highest, if not the highest, ratio of computers to students in schools of any state in Australia, which is why in the first round, which focused on the most needy schools—that is the schools with the oldest or least numbers of computers—we had a relatively small take-up. Our rollout is, in fact, ahead of every other state, as I reminded the Deputy Prime Minister of the other day—you might have noticed.

Mr COPELAND: I did.

Mr WELFORD: So I do not want to deny our schools the opportunity of participating in this program, but it may well be that the rollout is delayed to some extent in order to sequence it in accordance with our capacity to meet the costs of installation if that cost is not fully met by the federal government.

Mr COPELAND: Thanks. I want to move on to the implementation of the prep year and the full rollout of prep this year. You answered question on notice No 14, which came through yesterday, regarding the total number of classes and students—those sorts of things. The total number of prep

classes has gone from 672 last year to 2,057 this year, which is what we obviously expect, but the total number of classes over the target of 25 has gone from 20 to 123, or three per cent to six per cent. Why has the number of classes over the target size increased by that much?

Mr WELFORD: Because you will notice that in 104 of those classes there are 26 students instead of 25.

Mr COPELAND: You are still over the target, though, Minister.

Mr WELFORD: It is a target. What would you propose? That we create another class of one? These are decisions made by the principals in schools on how to best allocate their classes and resources in consultation with parents and, obviously, according to the specific skills of teachers. Some teachers, for example, may have a class of students where they can handle one or two extras over the target in return for another teacher taking a smaller number of students where they also include students, for example, with special needs or behavioural problems. So it is an adjustment that is made at the school level according to the specific needs of the students and the school and to best serve how those students can get a good education.

By and large, in circumstances where they are over the target—and, as I say, in 104 out of those 123 they are only one over the target; barely noticeable in the scheme of things in terms of instruction in the classroom—there are a range of factors, including the kinds I have mentioned, that would prompt a principal and teachers to do that, and I think quite reasonably and without any excessive additional burden on the teacher or any significant diminution in the quality of the education being delivered.

Mr COPELAND: Of the remainder, what is the breakdown for how many are in those classes and what is the largest single prep class in Queensland?

Mr WELFORD: The largest prep class in the entire state has 29 students. Out of the 2,057 classes, there are two classes that have 29 students and those classes have extra teacher aide time.

Mr COPELAND: How much extra teacher aide time, Minister? It is pretty significant for the teachers.

Mr WELFORD: Extra teacher aide time according to the extra needs required by the class.

Mr COPELAND: But still not a full-time aide?

Mr WELFORD: I am advised that there is extra teacher aide time in some of the classes that are over target, extra teacher aide time for at least one of those two classes.

Mr COPELAND: If you multiply out at 26, which is the majority of those classes that are over target, that is 3,198 Queensland children that are in oversized classes. It is not a small number. Is that figure accurate, or what is the total number of students that are sitting in those classes that are over target?

Mr WELFORD: You are multiplying 26 by 123?

Mr COPELAND: That's correct, which is the total number of classes over target. They had to contain at least 26 students, but there are some that you have acknowledged that are in fact over 26. I am just after the total number of students in prep classes that are in classes that are over that target of 25.

Mr WELFORD: You have worked it out already.

Mr COPELAND: No, I have not. That is using a figure of 26. You have acknowledged that some classes are up to 29.

Mr WELFORD: If you take 104 where there is 26 away from 123 you get 19. Multiply 19 by the average of 27 and that will give you the result. If you want to play with figures, pick a figure.

Mr COPELAND: It is a significant issue.

Mr WELFORD: Pick a figure—19 by any number between 25 and 29. You might want to then compare that with the number of students in prep classes that are 25 or under and see where you get.

CHAIR: I think we should move on. The minister has answered that question.

Mr WELFORD: It is a silly proposition. All you are doing is trying to get a bigger number by multiplying the number of students instead of the number of classes. You actually get 25 or 26 times the number if you do not actually use the class number and use the student numbers in each of the classes. That is a very clever way of trying to exaggerate it.

Mr COPELAND: I do not believe that it is a silly issue because, as you know, we have been committed to having full-time teacher aides. These are young children in large classes with sometimes only one adult in the classroom and, as we have seen in recent reports, teachers even having to do things like changing nappies.

Mr WELFORD: That, too, is a media exaggeration. I have talked to a number of teachers. As recently as last night I talked to a teacher at a school on the north side of Brisbane, a school in a low socioeconomic area, who is teaching the prep and early years classes. She told me that she has never once had to change a nappy in her school. There are children with disabilities or special needs in the special needs units at our mainstream schools who do occasionally have to wear nappies to school.

This is something that schools have been coping with for many, many years. It is not something that is new or sudden or anything to do specifically with prep. As you well know, and as I said before, in those classes where there are either students with special needs or where there are extra students beyond the target size, the school has allocated—and has the resources to allocate—additional teacher time or teacher aide time. I should just remind you, if you want to talk about statistics, that the average prep class size across the state is in fact 23.

Mr COPELAND: Still with no full-time teacher aide, Minister, is the point. I want to move on to the maintenance budgets for Queensland schools.

Mr WELFORD: No other state in Australia has full-time teacher aides except Western Australia. South Australia has had prep for years and years and years. Victoria and New South Wales have prep in all their schools and none of them have full-time teacher aides.

Mr COPELAND: They have different starting ages.

Mr WELFORD: No. Their starting ages are within two or three months of ours: exactly the same. Some of them are younger. I think they are younger in South Australia. They do not have full-time teacher aides. They allocate teacher aide time, as in every other section of the school, according to need. We have at least put a minimum floor of teacher aide time in every prep class—a minimum of 15 hours for a full class—and it expands beyond that according to need.

Mr COPELAND: We will continue to disagree on that point, I suspect. I want to move on to the maintenance budgets. There has been some reallocation of funding from the Schools of Tomorrow project to maintenance in the Queensland budget. I asked a question on notice recently regarding maintenance budgets for individual schools. You replied that it was too difficult to compile that information.

CHAIR: Which question on notice are you referring to?

Mr COPELAND: Question on notice 459, but I am talking about maintenance budgets for schools that are referred to in the SDS. Have there been any Queensland schools to your knowledge that have had a decrease in their maintenance budget in either of the last two years?

Mr WELFORD: The maintenance budgets of schools will vary according to the outstanding maintenance requirements they have. For example, if a school last year had an outstanding maintenance requirement of, let us say, \$150,000 and we spent \$80,000 on it, then this year the outstanding requirement would be \$70,000 and they will be allocated that accordingly. So, yes, they will have less to spend this year than last year because they have less maintenance to do this year than last year.

Mr COPELAND: The regular budgets allocated are fairly consistent.

Mr WELFORD: In most cases the budgets allocated for maintenance are incrementally increasing year to year. But it does vary according to the categories of maintenance. For example, there is the base maintenance allocation that each school gets which, as I say, on average is incrementally increasing each year—increasing in some schools more than others according to the age of the school and the needs of the school. Then there is the special maintenance allocation. If a school has a particular maintenance requirement identified in the Q-Build annual assessments then we look at that.

Mr COPELAND: It is that base maintenance, I guess, that I am referring to. While most of them will be incrementally increasing, are there any that have decreased and, if so, how many?

Mr WELFORD: We have not researched whether a specific school has had an increase or decrease. I am advised that it is highly unlikely that the base maintenance allocated to any school would decrease from one year to the next because, as I say, we are constantly increasing the funding made available recognising inflation costs and so forth. There is potential, as I said right at the start, where if in one year there was a significant amount of work done on a school in addressing its maintenance then in a subsequent year they may not need to spend so much and would not necessarily get the same amount.

Mr COPELAND: The money reallocated from the Schools of Tomorrow project to maintenance, \$50 million this year and \$50 million next year from memory; will that address the full maintenance backlog that has been picked up in the Q-Build audit that you have implemented?

Mr WELFORD: It will substantially address it. It will not address it entirely because the backlog is more than \$100 million.

Mr COPELAND: What is the total figure for the backlog?

Mr WELFORD: It is about 220 or something. Sorry, it will substantially address the current backlog. What I need to clarify, of course, is that what you call a backlog is just the current outstanding list of maintenance work to be done as a result of the assessment. That \$50 million per year over the next two years will address what has currently been identified as \$99.3 million in maintenance required

as at February this year. Some of that, of course, has already been addressed so it is less than \$99 million. But, of course, in two years time there could be other items come onto the list, obviously, due to wear and tear in schools, taps breaking down or whatever. In terms of the current identified maintenance requirement, the answer to your question is yes.

Mr COPELAND: The reallocation from the Schools of Tomorrow project to maintenance; how does that affect the Schools of Tomorrow project?

Mr WELFORD: Obviously we are drawing on those funds to bring forward maintenance because I see it as a significant issue that needs to be addressed. My anticipation would be that in future years the funding for what we call Tomorrow's Schools type projects for new capital works in schools will be topped up at the other end of the program.

CHAIR: Time for non-government questions has expired. We now move back to government questions. Member for Gaven?

Mr GRAY: Minister, I refer to page 2-8 of the SDS in respect of positive behaviour and how the government is supporting a community of well-schooled and knowledgeable people by providing quality education access to all. How is the minister ensuring that all students have access to a quality education by assisting teachers to manage behaviour in classrooms?

Mr WELFORD: We are obviously very committed to ensuring that teachers can engage young students in the classroom in a positive way and that positive behaviour is promoted in classrooms across the state. We are investing \$28 million every year to support schools to maintain discipline and promote positive behaviour initiatives in their schools. To further reinforce the message that bullying and bad behaviour is not tolerated in our schools, I have asked my department to identify a range of social and emotional learning programs that students can implement to build the resilience of students. Research shows that by building children's social and emotional skills we not only improve their behaviour; because their behaviour improves their capacity to learn and interact with others in positive ways improves. This will in turn reduce bullying, resolve conflicts, build confidence and build resilience amongst young people.

I am also encouraging schools to adopt a schoolwide positive behaviour support program to further support the Code of School Behaviour I introduced in 2006. Over 200 schools have begun the process of implementing the schoolwide Positive Behaviour Support Program and this number will continue to grow. There are 323 full-time equivalent behaviour specialists employed in the department across our schools. They are in classrooms supporting teachers and providing professional development to school staff. I am looking at how we can deploy them even more effectively in years ahead.

We have also developed a comprehensive set of professional development materials entitled Better Behaviour Better Learning Professional Development Suite. These are materials that are on the department's web site so that teachers can draw on new strategies and techniques for improving behaviour in the classroom so that they can get on with teaching and students can get on with learning. In the last financial year, 320 participants enrolled in the interactive online course that we are running for teachers. More than 600 teachers took part in the Essential Skills for Classroom Management course throughout state schools.

For the small minority of students who have difficulty in a regular classroom environment, we have established a range of alternative education options, including 14 positive learning centres that I have established and more than 102 alternative education programs in schools across the state. These are all about assisting students to reintegrate into mainstream schooling or into more appropriate learning and vocational pathways that best suit their needs. In short, we are working hard to ensure that our schools are safe, supportive and disciplined environments where all students can get a good education.

Mr BOMBOLAS: You touched a little in your previous answer on professional development. I refer to the government's \$47 million commitment to professional development of staff on page 2-5 of the SDS. Are there any requirements for teachers to undertake professional development in order to remain a registered teacher and are there any particular disciplines in which teachers will be encouraged to take up training?

Mr WELFORD: Thank you, Mr Bombolas. The issue of professional development is probably the single most significant priority of mine as education minister. There are of course many issues in relation to facilities, new schools and the demands for maintenance and issues around positive behaviour in schools and the challenges of dealing with students with special needs. But all of these issues fade into virtual insignificance compared to the quality of teaching in the classroom and the difference that can make no matter what the challenges and hurdles are. That is why I am strenuously putting in place systems to enable teachers to undertake professional development to enhance their skills and raise the profile of professionalism in the teaching profession.

More than \$47 million is being invested in professional development in this coming year. It is complemented by the requirements within the new continuing professional development framework issued by the Queensland College of Teachers. Under this framework, as you mentioned, for the first

time all Queensland teachers will have to satisfy the college that they are actively engaged in enhancing their professional practice. It is currently in its consultation phase, so it has not actually been formally implemented yet. But in effect it will see all Queensland teachers engaging in a variety of professional development that is employer directed, school or system supported and individually identified.

From next year all state school teachers will be required to participate in focused developing performance discussions. These are discussions about their responsibilities, capabilities, professional development and support needed to optimise their performance. I have established a Professional Development and Leadership Institute within the department for the first time. This institute works with state school teachers and leaders to provide them with access to high-quality professional development. It plays a pivotal role in building better coordination between the centrally managed and supported professional development and aligning that with our educational reforms, the ETRF reforms.

I recently launched the Master of Education and Doctor of Education programs being provided collaboratively between our internal institute and the universities. They give our employees access to courses at three of Queensland's most respected universities and allow them to reflect on and analyse the work they undertake in schools every day. We are also providing scholarship programs to build capacity within the workforce. These programs will enable teachers to move into priority specialist areas such as special education, industrial technology and design, senior maths and science.

CHAIR: Minister, I refer you to page 2-4 of the SDS where it states that the government is looking to improve the educational life outcomes of the state's most disadvantaged students. Can you provide to the committee some more detail about how the government plans to help our students most in need?

Mr WELFORD: At a recent ministerial council meeting of education ministers a presentation was given by Professor Barry McGaw, international expert in education and the chair of the new National Curriculum Board. He made the point that one of the things that distinguishes Australia from other OECD countries, particularly the Scandinavian countries, is not that our students on average are further behind significantly than any other OECD country but that the distribution of students from top to bottom is the widest distribution of just about any other OECD country. In other words, the difference between the best students and the weakest students in Scandinavian countries is something like half the difference between our best and weakest students. It means that our best students, although they are well up there, are not excelling quite to the same extent as the top students in those countries but, more importantly, we have a long tail of students who are underachieving. Many of those of course are in our Indigenous communities, and attendance at school is a key factor in their performance measured against these international benchmarks.

So for me addressing the issue of educational disadvantage has to become a priority. That is why I am initiating a new program, a new strategy, which I call Believe Achieve Succeed—in other words, believing that every student is entitled and can achieve to ensure their success. The biggest problem that we have I think across our systems not just in Queensland but around the country is that we are too easily led to believe that there are some students who simply cannot achieve. We must not accept that as an acceptable standard. Every student should be entitled to achieve.

For those students who are part of a cycle of disadvantage—family disadvantage or social and economic disadvantage—education is the key to their emancipation. So this Believe Achieve Succeed strategy promotes a common understanding that all students are entitled to achieve high standards of academic achievement. It encourages school leaders and communities to seek innovative, positive and practical solutions to local barriers affecting student learning and achievement. It will explore innovative and holistic responses in the areas of staffing, curriculum and family support services to wrap around these students and their learning environment to ensure that our most vulnerable students get the best teachers, are led by the best school leaders and are undertaking the best educational programs we can provide.

Workforce management strategies will be implemented to ensure Believe Achieve Succeed schools are staffed with the best teachers who deliver personalised learning to help students engaged in schooling achieve more. They will implement the Schoolwide Positive Behaviour Support program as a mandatory part of this initiative.

Mrs LAVARCH: Minister, I want to return to the rollout of the prep year. Can I say that from where I sit it has been an enormous success. As I go around the schools in Kurwongbah, I have never seen a group of happier or more delightful littlies. It is a joy to visit the prep classes. I congratulate you and all of Education Queensland on this outstanding success. Last year we had the half cohort rollout of prep and this year is the first full cohort of students across the state. Minister, can you advise what the experience of the introduction of prep was with the half cohort in 2007 and what you learnt from that experience to improve implementation this year?

Mr WELFORD: The implementation of the prep year has been a resounding success for parents, teachers and prep children alike. We now have 54,000 children enrolled in prep across the three schooling sectors after having invested something like \$333 million in its delivery. It is now of course

fully implemented. Teachers are working enthusiastically with the Early Years Curriculum Guidelines, which were especially developed for the introduction of prep. Teachers have also undertaken extensive professional development to support the implementation of the play based curriculum.

Principals, prep teachers, teacher aides and parents of children in state schools were surveyed last year about their views on the implementation of prep to identify opportunities for improving delivery when we rolled out the full cohort this year. Feedback was also received from stakeholder groups such as the unions and parent and professional associations. It was rated successful or highly successful by the majority of state school principals, prep teachers and parents. I asked my department to identify particular schools, regions, areas or districts where there were opportunities for improvement where particular problems might have shown up in some parts of the survey so that we could support schools in improving their practices in the rollout of prep this year.

The sorts of things we looked at were: timetabling opportunities for staff in the early years so they could plan jointly across the early years; targeting communication strategies better across the school so that the prep teachers and parents were better supported in how prep was operating; acknowledging and responding to the social and emotional needs of prep children so that we ease them into the routines of the prep year; and of course making sure that we held prep parent interviews early in the year or before the start of the year so that parents were able to support teachers and their children in introducing them to prep.

We are also encouraging regions and schools to use the results to support their planning for this year. It was trialled and progressively phased in from 2003. The experiences over those years provided valuable input into the implementation this year, particularly in relation to how we designed and installed the prep facilities. There were no major changes to prep facilities as a result of the experience last year, but there were some changes to the facilities in the phase-in years. Prep is now integrated into 13 years of schooling in Queensland and children across the state are much better prepared for their entry into year 1 of schooling.

Can I just correct the record. I think I mistakenly said \$333 million. I meant to say \$330 million was the full cost of the rollout of prep.

Mr GRAY: Minister, I refer you to page 2-4 of the SDS in regard to QCAR, the new Curriculum, Assessment and Reporting Framework. Can the minister provide an update on the implementation of this framework and the benefits derived from QCAR?

Mr WELFORD: Thank you, Mr Gray. QCAR has been the foundational reform relating to curriculum improvement in the last couple of years. It is a key part of our Smart State Strategy. All schools, including Catholic and independent schools, have begun using QCAR this year.

Phase 1 of the project was successfully completed last month—that is, by the end of June—and has delivered essential learnings. These include: statements that define what Queensland students should know, understand and be able to do; standards that provide a common language for teachers in describing student achievement levels; an assessment bank, which is an online collection of downloadable assessments and resources linked to the essential learnings and standards; the development of statewide assessment—that is, comparable assessment tasks—to help teachers develop familiarity and confidence in using the standards; and of course guidelines on how to report student achievement using the new student report cards, which are themselves consistent now across the state.

The benefits of the framework include obviously greater consistency in what is taught in the classroom; greater clarity for teachers in knowing what to teach in the classroom; an assurance for parents and carers that the core of the curriculum their child experiences is consistent in every school across the state; better guidance for teachers around the common standards used to describe student achievement so that teachers can more accurately and consistently make judgements about the level of student achievement of what they are learning; and an assurance for parents and carers that the judgements teachers make about their child's performance are based on the same standards used in every school in Queensland regardless of which sector. Teachers will be equipped with high-quality tools to improve the assessment capability of teachers and the consistent reporting of student achievement under the new standard reporting format.

Schools this year began using the essential learnings and standards in planning their curriculum. They are being supported by professional development being rolled out by the Queensland Studies Authority and the school sectors. Queensland schools are also on the way to being able to demonstrate consistency of teacher judgement and comparability of student achievement, both of which will improve the outcomes across the state in terms of that differential I mentioned before. Phase 2 of the framework will include ongoing maintenance of the assessment bank—that is, the bank of assessment tasks or test items that teachers can use—an extended trial of the comparable assessment tasks in 2008 so that comparable and consistent assessment can be used across the schools; and full implementation of the tasks next year, especially in years 4, 6 and 9 in English, maths and science.

Mr BOMBOLAS: Minister, I take you to page 2-5 of the SDS and I refer to the new Queensland Certificate of Education. How will this new senior certificate better recognise the achievements of our students in the years of senior schooling?

Mr WELFORD: As I mentioned in my opening statement, the Queensland Certificate of Education is the end of school bookend that matches the major prep reform at the other end of our school system—these two significant reforms that have been introduced as part of the ETRF reforms. The future success of Queensland students depends on their ability to finish year 12, to achieve high level qualifications and to continue learning throughout their lives, for that matter. The Queensland Certificate of Education, the QCE, is the foundation of these transitions from school to work and the foundation for the future success of every student. It is a new qualification that replaces the traditional senior certificate that students received at the end of year 12. Students graduating from year 12 from the end of last year will be the first young Queenslanders to receive the award.

CHAIR: Minister, you now have 30 seconds to wrap up.

Mr WELFORD: These students have been working towards the new certificate since year 10. The essence of the QCE is that it requires students to complete a significant amount of learning at a set standard and gather points towards this. It includes meeting minimum literacy and numeracy standards. They have to get 20 credit points over a set standard in order to qualify to get the QCE. It is in effect defining what our year 12 attainment level is in terms of that future target that the federal government is setting.

CHAIR: Thank you, Minister. We now move on to non-government questions for 15 minutes. I call the member for Nicklin.

Mr WELLINGTON: Minister, recently I attended the Nambour Special School open day, and I table for your benefit and your senior staff's benefit a snapshot of the Nambour Special School's program, its curriculum and especially a sensational DVD prepared by our students. I ask: after referring to your strategic direction on page 2-2 of the Service Delivery Statement, will you review the current day 8 of term 1 funding formulas used for Queensland special schools so that there is more flexibility available to our special schools to have more appropriate student to teacher and teacher aide ratios during the whole of the school year without the sole reliance on the school student numbers at day 8 of the first term?

Mr WELFORD: Thank you, Mr Wellington. I saw a clip in one of today's papers—it might have been the *Sunshine Coast Daily*—of you saying that you would bring this to my attention.

Mr WELLINGTON: You were forewarned, Minister.

Mr WELFORD: It was very kind of you to let me know.

Mr COPELAND: You had better have a good answer.

Mr WELFORD: I certainly understand the point that you are making. It is an issue not just for special schools but for schools generally which have fluctuating enrolments throughout the year, particularly if those enrolments increase significantly. It is a special challenge for special schools of course because you only need small changes in their enrolment numbers for it to potentially make a significant difference in the challenge or burden that teachers carry in supporting those students in the school.

While I want to ensure that every school is adequately resourced for any changes in student numbers that make a material difference to the teacher load or educational adjustment requirements of a school, I do not think I should go so far as to say that I would review the day 8 assessment entirely. Day 8—which, in effect, is into the second week of the school year—is the appropriate time to make an assessment of how many students are going to be in that school and then allocate teachers accordingly.

Obviously, we make an estimate in collaboration with principals in the final weeks of the previous year or the final term of the previous year, and by and large most principals get it pretty right. We do need to make some adjustments in the first term at the start of each new year based on what the day 8 figures are, but I am prepared to acknowledge that we need to have flexibility around allocating additional resources where there are significant changes in the student load of schools from one year to the next. I think the formula we use to allocate resources currently in terms of day 8 enrolments is adequate, but I should mention to you—and this crossed my mind when I saw the article in the paper this morning—that principals do have the capacity to go to their regional office and alert them to special circumstances that might require additional resources, such as where there has been an influx of students that increases the number of teacher resources or teacher aide resources required.

In relation to Currimundi, we have already this year added the equivalent of another teacher or 0.9 of a teacher load, so some additional resources have already been allocated as well as 22½ hours of teacher aide time provided when the numbers of students grew from 108 students at day 8 this year to 117 this year. So, yes, I did specifically research your Currimundi Special School. There were a couple of students who enrolled from interstate who missed out on day 8 as well, but we now have those additional resources in place and it is covered. So far as I am aware, there has been no growth in

numbers at Nambour Special School since day 8 this year that would require additional resources, but if there are special circumstances about the student cohort that would require additional resources then obviously that is something the principal should take up with the regional office.

Mr WELLINGTON: Thank you. Minister, I refer you to your Service Delivery Statement from which a number of schools in my electorate have received specific funding to respond to the student and teacher needs. How does your department propose to respond to the recent and anticipated continued increase in student numbers for the Palmwoods State School?

Mr WELFORD: With all schools, Mr Wellington, we use the same process. At the end of each year, principals estimate—and I have had schools like this in my electorate in rapidly growing areas—what the growth is likely to be like next year. Obviously, in each of our schools, we promote and encourage parents to register their interest in the school before the end of one year if their child is starting at the school or wants to register in the school for the next year rather than just turning up on the first day out of the blue.

Obviously, according to that growth, we allocate resources, including facilities to meet that growth. So if it requires extra classrooms, that is managed on the basis that we project what additional student numbers there will be. We have identified that at Palmwoods specifically a new administration block is required. This is a priority of the local region there. We have recently purchased an adjacent property near the front of the school which you are probably aware of—

Mr WELLINGTON: Yes.

Mr WELFORD: So we can install a new administration block there. The current enrolment at the school is 458. It has classroom capacity at the moment for 474 students, but obviously we will monitor that in the run-up to the end of this year. If the principal is aware of any additional growth beyond what the school's capacity currently is, we will obviously look at additional classrooms as well.

Mr WELLINGTON: Thank you, Minister. This is perhaps a bit more of a controversial question. At page 2-2 of your Service Delivery Statement, you refer to Queensland currently being in a period of strong economic growth and you acknowledge that the opportunity brings with it social, economic, technological and environmental questions. If parents choose to take their children out of school to support the campaign to save the West Cooroy koala habitat against the logging which commenced on Monday, will there be any recriminations by the education department against those parents or students?

Mr WELFORD: From my perspective, there will be absolutely no recriminations against any parent who wants to engage in peaceful and legitimate protest on any matter. I think it would be entirely inappropriate and improper for any education department official, any school principal or any other school employee to respond in any way adversely towards any student or family who wants to exercise their democratic right to protest about any matter whatsoever.

I would, however, urge parents to think about the implications for their children in terms of missed school time. We try to achieve so many things in our schools these days and there are growing expectations in the community about what children are expected to learn at school. Every day, every hour in school counts these days. In the grand scheme of things, with the amount of things we expect our schools to achieve with students, it is a wonder they fit it in between eight o'clock and three o'clock in the afternoon—and that is an education system designed in the last century, frankly, or perhaps the century before.

To achieve all the things that we expect kids to be able to do these days by the time they leave school, you would almost need to lengthen the school day, but there are all sorts of other challenges in doing that, as you would imagine. That is why we need to reinforce to parents—and every one of us as members of parliament locally, including yourself, ought to encourage those parents—that, while they should be free to exercise their democratic right to protest, they should not do it to the disadvantage of their children. To withhold their children from school is not only in my view an unproductive form of protest and an uncreative form of protest, it is actually a form of protest that backfires against their own family and the potential of their own children. All they are doing is disadvantaging their children in that kind of protest. There must be more creative ways for them to express their democratic displeasure than to deprive their children of precious hours at school when every hour counts.

Mr WELLINGTON: Thank you, Minister. Following on from that response, I note at page 2-2 of your Service Delivery Statement that you refer to how your department 'offers education and training programs which enrich individual lives and community wellbeing'. As the koala is such an important symbol for Queensland and Australia around the world, will you encourage Queensland students to respond to the federal government's invitation to comment on how to improve the conservation outcomes for koalas?

Mr WELFORD: I am aware that in a number of parts of the state—not just the Cooroy area but the Pine Rivers area, the Redlands area on the south side and the Coombabah area—there are koala habitats. Schools in all these areas, both primary and secondary, have educational programs aligned to the unique environmental and wildlife science relevant to their region, and I think that is a great thing. By

all means, if there are federal government initiatives that invite teachers and students to be engaged in thinking about habitat protection, wildlife preservation and the value of wildlife to their area, whether it is koalas or other aspects of biodiversity, then I think it is obviously a valuable thing for students to be engaged in.

Mr WELLINGTON: Thank you. Minister, I also refer you to your Service Delivery Statement at page 2-2 where you refer to the department's 'education and training programs which enrich individual lives and community wellbeing'. What department resources will be made available or are available to support schools which pursue the successful school vegetable garden program developed from over the border

Mr WELFORD: It is not just developed over the border, Mr Wellington; I know a number of schools that are involved in various forms of permaculture food production as well as organic vegetable gardens and other vegetable gardens that are not necessarily chemical free or organically based. Schools right around the state are participating in various activities like this. We have a network of 25 environmental education centres around the state as well as the work that teachers in schools, particularly science teachers, do in the area of environmental sustainability.

A number of schools have programs along those lines that involve vegetable gardens in schools, and I encourage that. There are schools involved in not only the Green and Healthy Schools Program but a range of other environmental programs where food production is part of what students do. We do not have a specific budget for schools undertaking those particular gardening projects, but it is certainly something we promote in terms of profiling the best practice of schools involved in this. Ashgrove State School, for example, is a school that is doing this. I know that a school on the edge of my electorate—my mind has gone blank.

Mr COPELAND: That is not good.

Mr WELFORD: No, that is not good. It is in Geoff Wilson's electorate, actually. But that school on the north-west of Brisbane also has an edible garden project. So there is a number of schools doing it. As I say, there is not a specific budget for it but it is a part of environmental education programs generally for which we allocate recurrent funding of about \$40,000 every year for specific initiatives of this kind. We do support those programs in schools.

Mr COPELAND: Minister, there is reference in the SDS about the PPPs for the proposed school infrastructure. My understanding is that there were four consortia on the short list for those bids, of which one has now withdrawn. Why has that consortia withdrawn and have the others that are still in the bid process expressed similar concerns?

Mr WELFORD: As you know, the government put out an expression of interest inviting consortia to express interest. A couple of weeks ago we then published a variation on that expression of interest to indicate to the partners that they could explore opportunities for the employment of some of the existing staff—for example, cleaning staff. While they would be supervised by the consortium, they would be paid and employed by the government. There has been some reporting on this, as you have no doubt seen, but essentially it is a commercial decision for those participants as to whether they want to continue to participate.

I only have this second hand, so I cannot vouch for it absolutely, but I understand that one of the participants felt that the viability for them to participate was made more difficult by the fact that there are four bidders on the short list now rather than less than four bidders. These are commercial decisions which the individual consortia have to make according to the criteria the government sets.

The government obviously wants to undertake these PPPs to benchmark how we can roll out new schools in comparison to our existing process. We set the social outcomes that we want achieved in terms of how those PPPs are conducted, and really it is up to the consortia to make a commercial decision whether it is worth their while being in it. I do not make any particular adverse comment about their choice to be in it or not be in it, and I do not think there is any particular criticism to be made of the criteria that the government has identified for the consortium to bid against. It is really for each of them to make a commercial decision. I guess for a range of decisions, not all of which have been communicated formally to me, one of them has decided to withdraw at the moment, although I understand that my department is still in discussions with them and they may renew their interest.

CHAIR: The time for non-government questions has expired. It was very good to see non-government members referring to the SDS during that session.

Mr WELFORD: Even if in the most superficial way.

Mr WELLINGTON: I realise that you were a former environment minister.

Mr WELFORD: Mr Wellington, ever the lawyer!

CHAIR: Minister, I refer to page 2-5 of the SDS where it states that the government is continuing to implement the 1 billion-dollar Queensland Skills Plan to help address skills shortages through investment. I was hoping that you could give an overview of the plan's biggest achievements to date to the committee.

Mr WELFORD: The Queensland Skills Plan was launched in March 2006 and it is certainly having a positive impact on addressing our state's challenge in meeting the skills that are needed for fast-growing industries. A range of reforms has been introduced, and we are gradually working towards a more vibrant and robust VET sector.

The Skills Plan has provided a real catalyst for enhancing the VET system's overall capacity. For example, under the plan we have made available in excess of 12,000 additional trade training places since the start of the plan. To think that we have made such huge progress in the space of two years when our overall target by 2010 was 17,000, and we are already at 12,000 and we have another two years to go.

We have established 16 Skilling Solutions Queensland centres and a mobile skilling solutions service which has helped 25,000 Queenslanders with information on training and career options. We have provided specialist business skills training to more than 400 small businesses since we launched the Small Business Solutions program just over 12 months ago in March last year, and we have expanded industry participation—indeed, industry ownership—of the training initiatives in three critical sectors by adding centres of excellence in building and construction, energy and manufacturing and engineering.

We have now developed 25 skills formation strategies across all sectors to encourage business, registered training providers, training organisations and government agencies to work together in addressing factors affecting skill development. We are also restructuring the TAFE system. We have reorganised TAFE training and delivery in the Brisbane metropolitan area by establishing SkillsTech Australia, which is dedicated to the delivery of trade training. We have reviewed TAFE governance such that in April this year Southbank Institute of Technology became the first Queensland TAFE to become a statutory authority, with the Gold Coast Institute of TAFE achieving the same status as of 1 July this year. I congratulate Mr Gray on his appointment to the council of the—

Mr GRAY: The board.

Mr WELFORD: The new board—that is true—of the new statutory body of the Gold Coast Institute of TAFE.

The government has provided increased support to apprentices as well through our apprenticeship hotline which started in February last year. We have doubled the apprentice accommodation subsidies and we have shortened the duration of over 75 apprenticeship areas from 1 January last year and rolled out the \$1,000 early completion incentive to apprentices.

Mrs LAVARCH: My question is in relation to school based apprentices and trainees. Page 2-5 of the SDS details how your department plans to increase the number of commencements of school based apprenticeships and traineeships to 12,400 by 2009. What plans are in place and what growth has there been in the numbers in recent times?

Mr WELFORD: School based apprentices and traineeships offer very good outcomes and lucrative careers for young people these days. Students are much more likely to choose apprenticeships and traineeships after leaving school than ever before, and students who choose apprenticeships and traineeships are more likely to be working full-time than part-time and less likely to be seeking work these days.

We have put in place a communications strategy to give parents and students as well as employers more awareness about school based apprenticeship and traineeship opportunities. We particularly want to focus on getting the word out to employers this year. I have done some recent media on this, encouraging employers to seize the opportunity of taking up apprentices including school based apprentices who are in the system. Schools are key drivers in expanding participation, so my department is increasing our support for schools by developing relationships with local employers, doing more localised marketing and coordinating the program across schools. Next year students will be able to take advantage of an increase in positions in the Public Service, with agencies now working to increase their school based apprenticeship and traineeship opportunities. Steps are in place to ensure that the quality of this program is maintained along with its growth.

The User Choice Program funds will also be adjusted, where necessary, to improve the opportunities for students to take school based apprenticeships and traineeships. In 2006 the target we set to achieve was 12,400 by 2009. There were 8,500 commencements last year, which exceeded last year's target of 8,370. Early data from this year indicates that we are well on track to achieve over 10,000 this year. Our ultimate target of 12,400 by next year is ambitious, of course, but we are steadily growing the numbers and have been since 2006. I think it is another good example of how we are working with industry and with training providers, and our schools are integrally involved in this, in meeting the skills needs of the workforce of tomorrow.

Mr GRAY: Minister, thank you for your comment about the board of the Gold Coast Institute of TAFE. I take a deep interest in it and have since 1992. My interest also is in marine training. Page 2-7 of the SDS refers to the new Coomera marine training precinct, which you opened on the Gold Coast earlier this year. It was a lovely day. How is this training precinct enhancing training partnerships with the marine construction industry?

Mr WELFORD: The Coomera TAFE Marine training precinct, which you mentioned that I opened—and I was pleased to have you there, as well as representatives from the Gold Coast City Council and the industry—is an exciting new phase in industry engagement for our TAFE in Queensland. It places training of boat building and supports skills in mechanical, electrical and fabrication right in the heartland of our boat construction industry on the Gold Coast. It is an excellent example of how the Queensland Skills Plan can ensure that our supply of skilled labour better matches the workforce needs of an industry in the region where they are required.

Partnering with industry provides many benefits including accurately representing industry's requirements in training and employment pathways for successful students. Right from the outset when establishing this purpose-designed facility, TAFE Marine worked in close consultation with key partners in the industry at Coomera, at the marina, to ensure the infrastructure met the latest industry standards. As a lead centre in Queensland for marine construction, TAFE Marine has opened the way for the Gold Coast Institute of TAFE to strengthen the existing partnerships with major businesses in the marine construction industry. Partnerships include Riviera Marine, Maritimo, Gemini Inflatables, Azzura Yachts, Blackline Shipping and Haines Hunter. TAFE Marine has also strengthened its training relationships with motor manufacturers Mercury, Honda and Yamaha.

TAFE Marine has also served a role of providing additional meeting facilities for the local industry at this new facility. It has proved successful and organisations currently use the meeting rooms to hold industry-wide business discussions. Queensland apprentices and international students have started training within the new facility in marine construction related programs. It will provide training and education pathways through high school, TAFE and university sectors, and bring together the important aspects of manufacturing and design.

TAFE Marine has also been forging strong links with the local high schools in this initiative. For example, All Saints Anglican School has a planned future training delivery, as has Keebra Park State High School. This is opening up employment opportunities for students from those schools within the industry, and more schools will join in the future I am sure. New training programs will directly target the skilling of boat builders, and through partnerships with industry we hope that this precinct will provide a skills program that is as good as any in the world for marine industries.

CHAIR: Thank you, Minister. We will now break for 15 minutes.

Proceedings suspended from 10.30 am to 10.47 am

CHAIR: I call the member for Cunningham.

Mr COPELAND: I am going to move to the art section. I have a lot of questions and not much time so I will probably jump around for the last couple of blocks of questions. In the SDS at page 2-8 it refers to the s2m program. There are a number of reports about the funding that has been cut to various organisations, including a report in the *Australian* late last year. It was reported that the Queensland Community Arts Network, the Arts Law Centre, Hands On Art and the Brisbane Multicultural Arts Centre are among 14 organisations that have lost their funding under the Small to Medium Organisations Program. Can the minister advise the committee how many of these 14 Queensland based arts organisations have now closed their doors or are in imminent danger of having to close down as a result of these funding cuts?

Mr WELFORD: I am not aware of any that have actually closed their doors. Some of them have certainly scaled back their activities. There are a number of organisations that have had reductions in funding and some organisations that have had funding withdrawn, at least for the time being, while they reconfigure their future direction.

The Small to Medium Organisations Program is a program that I have deliberately set out to reform. It was a program which, under its previous arrangements, provided for an annual renewal of funding to an existing set of 20-odd organisations that routinely expected to renew their funding regardless of their performance, to be honest. The effect of that was to do two things. The first was to provide no basis upon which government could leverage improved cultural outcomes for the community. The second was to deprive other potentially talented, high-performing organisations of the opportunity to grow their business with the support of government.

I had to decide which was the best way to allocate the government's resources to that program which, as you know, are about \$9.6 million this year. What I decided was that we would open up the program and make it more competitive. It would not be a case of just the existing players continuing to renew their funding. They would have to compete openly for a combination of either triennial, annual or rolling annual funding. The effect of that was that some organisations were outcompeted and a number of new organisations have been able to be introduced.

Some 21 outstanding organisations received triennial funding, 22 have now received annual or annual rolling funding over two years and seven organisations have been introduced for the first time. These new companies include Clocked Out Productions, Topology, Zen Zen Zo performance theatre company, Multimedia Art Asia Pacific, the Queensland Centre for Photography, the Brisbane Cabaret Festival and the Swell Currumbin Sculpture Festival.

The flexibility that has been introduced to this program has allowed us to introduce some new, innovative players as well as work with existing organisations to identify ways in which they can strengthen the quality of the artistic product that they are involved in, promote emerging artists, increase their business and leverage government funds better and expand the audience that benefit from their cultural product.

Mr COPELAND: You said in your answer you cut funding to some organisations that were not performing. An organisation like the Queensland Arts Council leverages enormously the amount of funding it gets from government through the use of literally thousands of volunteers delivering hundreds of performances right around Queensland. In a lot of cases, the Queensland Arts Council is the only organisation to deliver live artistic product to many Queenslanders and yet its funding has been cut by \$500,000, a third of its funding from government. That will drastically affect the way that it can deliver its programs. It provides employment for around 500 artists in Queensland. Can you advise the committee what companies have received that \$500,000 in funding? Will you be ensuring that the same number or more performances will be delivered by those companies as have been delivered by the Queensland Arts Council?

Mr WELFORD: Let me give you a bit more detail in one second. I am advised that there are two small organisations that more recently have ceased to operate. One is Outback Arts which was based in Mount Isa. I met with the operators of that service. It was a small service organisation that basically assisted artists in the west to apply for funding from various sources. I have met with the operators of that service. Their concern was not that they would not continue operating but that they wanted western artists to continue to be represented in some way. We are working to make sure that there are representative bodies in place to ensure that artists get support and advice on how to apply for funding and indeed look at all financial options for growing their artistic business.

The Queensland Community Arts Network is a Brisbane based organisation performing a similar kind of role. Again, we are developing a new coordinated service delivery model throughout the state that will assist artists so that a representative body like that is not really needed. We can provide that service directly. We are providing industry development funding specifically to develop a new service delivery strategy. In other words, what we are in the process of doing is looking at the best way to support artists across the state rather than having small, underresourced organisations fragmenting bits of government funding to provide advisory services or support services to artists. What we want is to have a statewide model that will support artists better. That is why we withdrew funding from those two organisations.

In relation to the Queensland Arts Council, I do not for one minute doubt or underestimate their value in terms of their touring product for the state. That is why we will continue to provide \$1.94 million this year for its touring programs. We have not reduced funding whatsoever to the programs for touring artistic product that the Queensland Arts Council provides.

It is true that last year we provided \$2.4 million all up. I was concerned that a growing proportion of the funding provided to that organisation was being allocated to administrative costs. My focus is not on growing arts bureaucracies—I have a big enough one myself—but the product that is actually delivered. That is why we have guaranteed their funding for the touring arts program. I have again recently met with members of their board to look at how they can best meet our need for touring artistic product around the state. In fact, they will be working with us on developing our new regional touring arts strategy which will ensure that regional Queensland gets access to good quality artistic performances.

Mr COPELAND: You said that \$500,000 has gone. While it may have been supporting administration that administration supports the product that is delivered by the Queensland Arts Council. Will you be ensuring that the companies that have now been funded will deliver more product into those areas than has been delivered in the past? Is there some sort of indicator to make sure that the government is not getting less for the money expended by redirecting that money to different organisations?

Mr WELFORD: As I just said, we are developing a touring arts strategy that will focus specifically on ensuring that we get as much artistic activity occurring in regional Queensland as possible. The Queensland Arts Council is not the only organisation with the capacity or potential to do that. They currently do the lion's share of it. They will continue to do the lion's share of it. Unless they can expand the depth and breadth of audience that they can reach then they will have to compete, like anyone else, with those who can maximise the outcomes that I want to achieve.

My focus is on maximising the number of Queenslanders who are engaged in or benefiting from cultural activity in their area. I have absolutely no doubt that the collection of organisations that are now receiving funding are delivering more artistic product to more people in more parts of Queensland than we had two years ago.

Mr COPELAND: Minister, you said that there are two organisations, I think from memory, that have closed down and there may be a number of others that are facing the same decisions in the future that have had other cuts or complete funding taken from them. What would be the impact of the closure of, for example, the Arts Law Centre of Queensland, Hands On Art, the Brisbane Multicultural Arts

Centre and Queensland Community Arts Network on Queensland's state based creative and performance arts industries? Will you do anything to help those Queensland arts organisations to continue?

Mr WELFORD: Not all of those organisations you mentioned have in fact ceased operating and the ones that have will have their work assumed by other ways of achieving the same task. There is a national Arts Law Centre that provides effectively the same sort of information that the Queensland Arts Law Centre did. That is not to say that the Queensland Arts Law Centre is not valuable, but it is also receiving funding from the Department of Justice and Attorney-General as one of a range of legal services that that department funds. I think that is entirely appropriate. It will continue to operate; it has not ceased to operate. As I say, what I hope to do is cultivate more regional organisations that will develop artistic activity at a regional level using local people—developing the creative talents of local people rather than just touring people out of Brisbane all of the time.

Mr COPELAND: Minister, I understand that you have established a new ministerial fund of \$1 million that is to be allocated at your discretion. What are the application processes going to be for access to that \$1 million? What are the probity arrangements that will be in place for the administration of that fund? What do you see the funding going towards?

Mr WELFORD: It is not entirely at my discretion. This is the \$1 million industry development initiative. What we did was of the total \$9.6 million we allocated all but \$1 million, and we kept that \$1 million for organisations that had potential for serious growth—that is, emerging organisations or new organisations that we could kick-start, organisations that exist but just need to be supported into the next level of their business growth. That could include, for example, one of the organisations that had reduced funding or had its funding removed, but it was about identifying areas where we currently did not have any initiative to support artist activity—finding gaps, for example, across the arts sectors where some government incentive was justified such as the centre Topology that I mentioned earlier. It is one example of where there was no mechanism for government support.

By opening it up and having an industry development initiative, they might not necessarily get a triennial funding grant in the first round if their business is not well enough developed for that but they could get a grant out of the industry development initiative, which was to kick-start new players in the arts marketplace and to create opportunities for new entrants, even in the regions, to start new arts business.

Mr COPELAND: So how is the application process going to work?

Mr WELFORD: Sorry, yes. Submissions come into my department, Arts Queensland. Arts Queensland assesses those submissions and, as it does using expert panels for the rest of the small to medium program, identifies on a competitive basis which ones have the most potential to have the most impact.

Mr COPELAND: Minister, another company that has had its funding cut—and I think quite disappointingly—is the Expressions Dance Co., and this has received quite a bit of reporting. Minister, it is an internationally renowned company. It has delivered projects in Queensland and right around the world, in Europe and the US. Can you explain the circumstances around the resignations of the two founding directors of that company, because it certainly appears as if there has been some sort of vendetta against them?

Mr WELFORD: There is no vendetta against either the general manager or the artistic director of that company. I met with the artistic director of the company, Maggie Sietsma. I indicated to her what I was seeking to achieve from the small to medium funding program and what I expected of companies that competitively bid for that program. They were provided with annual funding. Although the funding was reduced, they have the opportunity to rebuild their application in future years to achieve triennial funding. In the interim, after meeting with the artistic director I directed that they be given rolling annual funding so they were guaranteed for at least two years so they could start to plan and build their business.

They had been receiving funding for more than 20 years. For something like 23 or 24 years they have been receiving funding from government. This year they will still receive \$395,000 for their company. It is not a drop in the ocean. In a sense, the fact that they have some reduction in funding and that they are on rolling annual funding rather than triennial funding is a function of the fact that, compared to other bids in the funding program, they do not have the same level of business growth and they do not have the same level of audience reach that other growing arts organisations are achieving. What they need to do is to focus on what their business is, the quality of their product and get more people through the door so that they are leveraging our funding better, in which case they will get a better run-up to future allocations of funding in the program.

Mr COPELAND: Minister, it is one of the few internationally renowned companies in Queensland. Surely the quality of the product that it is delivering is of the highest level.

Mr WELFORD: You say that it is internationally renowned. I would invite you to walk down Queen Street and ask how many people know about Expressions Dance Co.

Mr COPELAND: The same question could be asked of any of the other organisations. We could ask who recognises the Queensland Arts Council, but you have cut its funding as well.

Mr WELFORD: Well, lots of people know about the Queensland Arts Council.

Mr COPELAND: Exactly, but you have still cut it.

Mr WELFORD: But that is not the point. You just made the point that it is internationally renowned. The fact that a company actually performs overseas does not mean that it deserves more or less money, per se. The issue is this: is their business growing? Are they attracting more and more people locally to their performances? Are they leveraging government resources effectively compared to the other competitors bidding for the program? The simple fact is: what some of the organisations are struggling to adjust to is the fact that we have moved from a non-competitive, rolling renewal to a select group of people who have been on the government teat for more than 20 years to a situation where we now have a competitive funding round.

Frankly, Expressions Dance Co. and other companies need to recognise that and achieve growth in their business accordingly and focus on product. There are other companies such as Dancenorth in northern Queensland that have achieved the target—have achieved the benchmarks—that have been set for this funding round. Expressions Dance Co. can still do it. I have seen some of its performance that I think is world class—no question. But there is no point in government continuing to pour hundreds of thousands of dollars every year into a business that has a flatlining audience locally. What benefit is that to the people of Queensland? My interest in our investments is to see them as investments—not handouts but investments in leveraging government resources in arts organisations that have a business model and a quality of product that grows the audience reach and maximises the public benefit of artistic activity in the state. Expressions Dance Co. has the capacity to do it. Future months and years will show whether it achieves it.

CHAIR: Thank you, Minister. We will now move to government questions. I refer to the SDS at page 2-4 where you talk about \$150 million as part of the \$850 million five-year State Schools of Tomorrow initiative to deliver new and renewed facilities that support modern teaching methods to some of the older schools in the state. Minister, last August you came out to Inala in my electorate and announced that the Inala cluster of schools would be one of the first to be renewed, and at that stage you announced \$49 million. I am hoping that you will be able to update me on the plan for the rollout of this program during the next year.

Mr WELFORD: Thank you, Chair. Yes, the Tomorrow's Schools program is a very exciting program of capital works. Some \$850 million has been earmarked for the State Schools of Tomorrow initiative. There is no doubt that we have to make some hard decisions along the way about how we renew and modernise our stock of school facilities. As a result of this program, in four regions there are now schools poised to benefit from amazing transformations in the quality of their facilities. New schools will be built, existing schools will be upgraded and, yes, some schools will close and the proceeds of those school closures will benefit other schools in the Tomorrow's Schools program.

Extensive consultation has been carried out in Inala, as in the other three areas, with members of the schools' P&Cs and their principals playing a key role in identifying the best options for us to reconfigure how these schools will be located in their area. The new schools, of course, will have not only more modern facilities but also larger classrooms and more practical indoor/outdoor learning areas to support new curricula in science, technology and in secondary schools engineering and maths as well. The Innisfail project I announced earlier this year, on 25 May, will have a budget of \$36.7 million and in the near future I will be announcing the outcomes of our deliberations in relation to the Brisbane bayside cluster of schools and the eastern Ipswich projects.

But I am pleased today to announce that six schools in the Inala-Durack area will receive a multimillion-dollar makeover as part of this Tomorrow's Schools initiative. More than previously advised, I am pleased to announce that \$69½ million is to be earmarked for projects like the renewal of Glenala State High School, which will benefit from new and remodelled buildings and renewed industrial technology and design facilities to enhance the vocational education and training opportunities for students. The school hall at Glenala will be transformed into a modern multipurpose performance centre available for use by other schools and the community.

CHAIR: Excellent.

Mr WELFORD: Durack, Inala, Richlands East and Serviceton South state schools will each receive a new Learning for Life centre to foster the life skills and learning of students. This was one of the innovative new initiatives that specifically came out of the consultation with those school communities. They will be equipped with facilities such as a kitchen and laundry and will be used for not only teaching but also other activities such as breakfast clubs. They will have attractive undercover play and assembly areas, all to be completed by the end of 2009. The Western Suburbs State Special School will also receive an upgrade to teaching areas and improved life skills areas.

As a result of the project, two schools—Inala West and Richlands state schools—will close at the end of 2009 and 2010 respectively, but the extra capacity to be provided at the renewed schools from 2010 will amply accommodate students from those two schools. I am looking forward to significant progress to be made with these round 1 projects and I am sure the Inala-Durack initiative will be one of the shining lights of the program.

CHAIR: Minister, thank you very much for that excellent news. It is something that the community has been wanting for a long time. It is the largest injection of Education money to go into Inala, so we are very grateful for that. I just want to ask a question in relation to Glenala State High School. You mentioned that there was going to be a vocational educational stream which we are linking in with TAFE, which is excellent. But I still think we need to have a strong educational stream there as well. Can I just get an assurance from you that we will be able to offer both of those at Glenala?

Mr WELFORD: The renewal of Glenala State High School will make sure that Glenala State High is able to offer the very best in secondary education across all educational pathways—both vocational education and of course an outstanding academic curriculum in maths, science and the other learning areas.

CHAIR: Thank you very much.

Mr BOMBOLAS: In line with the government's significant investment in the Cultural Centre via the new Gallery of Modern Art—which I say proudly I will be visiting tonight to check out the Picasso exhibition for cultural enhancement—and the redevelopment of the State Library, I note on page 2-6 of the SDS that the government is investing \$34 million at the Queensland Performing Arts Centre. I ask: how will this funding improve the centre's facilities?

Mr WELFORD: Sorry, page 2-6? How much did you mention?

Mr BOMBOLAS: \$34 million.

Mr WELFORD: Yes, \$34 million is being invested in the Queensland Performing Arts Centre—that aspect of the Cultural Centre. Sorry, I was a bit confused about which part of the Cultural Centre you were talking about. QPAC plays a vital role in bringing the best of the world's performing arts experiences to Queensland audiences. We are going to invest this \$34 million in a range of upgrades. We are going to refurbish the Lyric Theatre and the Concert Hall as well as public spaces in the Performing Arts Centre. While we are doing it, we are going to improve disability access, which has been a nagging concern there for some time. This is in addition to the \$1.38 million allocated in the last financial year towards disability access improvements.

We are going to provide more seating choices for people with disabilities—in wheelchairs and so forth—and easier access for those people and their guests. This will include installing a new lift and upgrading existing lifts, additional positions for wheelchair seating in the stalls and balconies of the Lyric Theatre and the Concert Hall, additional toilet facilities, including four new toilets for people with disabilities, and the main entrance lobby and catering facilities in the Melbourne Street courtyards and the theatre foyers will be upgraded. We will also be replacing the original seating in both venues to bring them up to date. We have been liaising with the Brisbane City Council in relation to a covered drop-off zone in Grey Street. Other works will include improvements to technical and acoustic performance of the venues as well as general maintenance of the Lyric Theatre and the Concert Hall.

The construction contract for these works has now been awarded to the Abigroup Contractors Pty Ltd under a managing contractor arrangement. The final scope of the work is currently being finalised in conjunction with that contractor. The Department of Public Works will manage the project with design and documentation undertaken by Cox Rayner Architects and Planners.

QPAC will remain open throughout the works. Only the two main theatres will be closed. There will be two other theatres, the Playhouse and the Cremorne Theatre, still open. So there will still be activity at the centre. Of course, I am hoping that when the centre reopens it will be well and truly attracting more and more people to the centre. It is very heavily booked up until the closure and we know that after it reopens it will be heavily booked as well.

Mrs LAVARCH: I note on page 2-6 of the SDS that the Cultural Centre auditorium is being transformed into a creative ideas and technology centre for young people. Can you update us on The Edge and tell us what other arts initiatives are specifically targeted at children and young people?

Mr WELFORD: This is one of the new initiatives that I am undertaking as part of the upgrades of the cultural precinct. All of us have already experienced the benefits of the upgraded State Library, the new northern entrance to the Queensland Art Gallery and leading across to the magnificent new Gallery of Modern Art. The next phase is an exciting initiative that we are launching for young people. Today's creative young Queenslanders will play a key role in building and shaping our state's economy. They are our future designers, architects, engineers, performing artists, filmmakers and writers, and they will lead the charge into the new technology-rich emerging industries.

In April this year I launched the 'arts culture + me' Children and Young People in the Arts Action Plan during a high celebration at the Cultural Centre. It took place in a space which I am pleased to announce today will become known as The Edge. We have allocated \$7.9 million for the design and

construction of The Edge. An amount of \$2.3 million was allocated last year and a further \$5.4 million is allocated this year. When it opens next year, The Edge will be an interactive ideas and technology centre focused on exploring and developing the creativity of young people in the age range from about 12 or 13 through to 25.

A Brisbane based company, m3architecture, has been appointed as designers that will deliver this exciting project. Over the coming weeks and months they will develop and finetune the plans for The Edge. The Abigroup has been appointed to manage the contract as the managing contractor for Cultural Centre projects at the moment. The Edge will be a state-of-the-art facility with spaces for performances and workshops, media labs and outdoor areas.

As part of that 'arts culture + me' strategy for young people we have also implemented some innovative initiatives to help children and young people employ their creativity. There is a Starburst mentoring program, which will connect young people and artists to provide online and face-to-face career support. So whether the young person lives in Caboolture or Julia Creek, they will be able to access support from professional artists through that mentoring program.

There are a number of other initiatives in the action plan that will support children and young people, but the hub of all of these strategies will flow out of The Edge, which will be a very exciting space for young people 365 days of the year.

Mr GRAY: With respect to the government's capital works commitment, I note on page 2-5 of the SDS that the government is making a significant commitment to capital works in the training sector this year. Can you provide some detail about these major projects and how these new facilities will help improve trade training?

Mr WELFORD: Our trade training capital program this year is a major initiative as part of the Queensland Skills Plan. We are going to invest \$190 million in our capital program for training this year. An amount of \$120 million will be used for the continued construction and refurbishment of TAFE facilities across Queensland. The remaining \$70 million will allow for investment in information and communication technologies, maintenance and minor works programs.

We are going to invest \$37.4 million of this \$70 million to continue the modernisation of ICT architecture across TAFE institutes. That incorporates networks, security, servers and desktops, enhanced internet service and other ICT infrastructure. Within the construction and refurbishment program, significant projects include the creation of SkillsTech Australia as a dedicated trade and technicians skills institute, with four main campuses being developed around the state: two in south-east Queensland and two in the key regional cities of Townsville and Mackay. So in this coming year there be \$30.6 million invested in the development of the SkillsTech Australia trade training centre at Acacia Ridge. It is part of an overall \$112 million investment over five years.

An amount of \$24.1 million will be allocated for construction and facilities for the new Townsville and Mackay trade training centres, which is part of an \$82.9 million investment over five years for those two facilities. An amount of \$5 million will be invested in establishing dedicated trade facilities on the northern side of Brisbane as part of SkillsTech Australia. That is part of an overall investment of \$51 million over five years. An amount of \$10.2 million will be provided to continue works to modernise the Mount Gravatt campus of the Metropolitan South Institute of TAFE.

The Coomera campus of the Gold Coast institute, which will be a campus for the creative industries, has been allocated up to \$12 million in this coming year. Overall, it is a \$31.7 million project. That will result in the construction of a purpose-built training facility focusing on building and interior design, film and television, entertainment, music and recording, stage lighting and sound as well as information technology. So the Gold Coast institute will be at the forefront of the creative industries with that new facility.

An amount of \$6.5 million will also go towards the construction of facilities at the Cairns campus of the Tropical North Queensland Institute of TAFE to upgrade its trade and non-trade facilities, being part of \$29 million over four years.

Mr BOMBOLAS: I note the government's investment in the new public art fund art+place on page 2-6 of the SDS. Since the fund was set up last year, what has been the response? Can you give us an indication of the range of projects being supported?

Mr WELFORD: Yes, our government is recognising that activating creative public spaces will enhance community wellbeing, enhance social interaction and improve the quality of life of communities right throughout Queensland. Our government was a trailblazer in establishing the two per cent for public art initiative a number of years ago. Now, we have reshaped and revised the program to what is now called art+place. This is a \$12 million, three-year public art fund, which was established last year. We have had 64 applications in the first round of funding grants, with requests for funding totalling \$14.3 million.

Twenty-six projects worth \$1.57 million were approved for the first round of projects. These include 10 projects by state government departments totalling \$915,000, eight projects by local government totalling \$313,500 and six projects by arts and cultural organisations and festivals valued at

\$300,000. Two other projects by private developers worth \$45,000 were also in this mix. Projects that have been approved to date include both temporary and permanent public art, public art in precinct developments, sculptural works for public buildings and public art for gardens and festivals.

Of the approved applications in the first round a total of 11 projects, or 42 per cent, will benefit regional areas. These include artworks commemorating the history of rail at Townsville's railway precinct, a temporary artwork exploring drought and the environment to coincide with Toowoomba's Carnival of Flowers, elevated street art at the Gold Coast skate park, themed shade structures and water features and seating at the redeveloped Nambour Town Centre and a striking feature artwork for the redeveloped Woody Point jetty and foreshore at Redcliffe.

The next call for expressions of interest has been advertised and closes on 31 July 2008. In the next financial year we estimate a further \$6,430,000 will be available to fund public art around the state.

Mrs LAVARCH: Thank you, Minister. I am very interested in the number of visitors to our cultural facilities in Queensland. I note on pages 2-66, 2-72, 2-79 and 2-85 of the SDS that attendance figures in 2007-08 at the State Library, the Queensland Museum, the Queensland Performing Arts Centre and in particular the Queensland Art Gallery were all above the target set by the statutory authorities last year. What cooperative methods have been used by the statutory authorities to increase attendance at the Cultural Centre?

Mr WELFORD: The redeveloped Cultural Centre was a \$291 million investment. Since we celebrated its first birthday in November last year it has well and truly exceeded our expectations. Visitor numbers speak for themselves, with more than 3.7 million visits in the past 12 months. The recent school holidays were a busy time for the Cultural Centre. Over 281,000 visits occurred across the cultural precinct during the holidays just finished.

Backing up these strong attendance figures is market research conducted in January that showed that 91 per cent of Cultural Centre visitors described their experience as fantastic or enjoyable. Visitors are drawn to the centre by our exclusive exhibitions: the Warhol exhibition that ran from December to April and *Picasso and His Collection*, which has already attracted more than 82,400 visitors. On average, that is nearly 2,500 a day.

Mr BOMBOLAS: Another one tonight.

Mr WELFORD: And another one tonight. The director of the Queensland Art Gallery and Gallery of Modern Art informed me that during the school holidays the Picasso collection was pulling just over 2,000 people every day, including weekdays, and then on weekends more than 3,000 a day. It is just extraordinary. There were queues right out the front door as people had to wait for people to leave because the insurance regulations around keeping that artwork in that space limited the number of people you could have circulating amongst the art at any one time. It is just an extraordinary experience. Of course, the exhibitions at the Gallery of Modern Art have underpinned the huge growth in the international and national reputation that we are developing here for our cultural precinct, which, of course, is now by far the best in Australia.

Then, of course, there has been the biennial Out of the Box festival recently for three-to eight-year-olds which took place across the cultural centre last month cementing its reputation as Australia's leading event for young children with large crowds and sell-out shows. Over the six days we attracted a bumper crowd of something like 60,000 children, parents and teachers through that festival. The State Library, in the meantime, has been named Australia's top public building by the Royal Australian Institute of Architects and received the 2007 Sir Zelman Cowan Award for public architecture. It won the award nationally for the best public building in the country built in the last year.

CHAIR: It is now back to the member for Cunningham.

Mr COPELAND: During your answer to one of the questions from the member for Inala regarding the State Schools of Tomorrow you said that there would be a number of schools close. How many schools are planned for closure under the current round of the State Schools of Tomorrow and over the life of the project how many schools are expected to close around Queensland?

Mr WELFORD: I cannot speculate on what will happen over the life of the project because the life of the project has not been fully mapped out yet. As I indicated, two schools will close in 2009 and 2010 respectively in this first round announced today. I will be making the other announcements in due course. The determination around which schools will close and which schools will stay open is a determination based on the community being consulted and around what the best way would be to configure schools in their community as if we were starting from scratch. So, for example, what I have said to each of the areas that are engaged in this activity is: assume that we had all the existing sites but none of the buildings and if you wanted to get the best investment in locating brand-new schools on the sites that we currently have which of them would you choose and where would you aggregate your resources to get the best schools with large enough student numbers to provide a comprehensive program. The school communities have come up with this.

There will be individual people in individual schools who will feel some sadness about their school not continuing. Generally they are the oldest schools with the least numbers of students who simply do not have the benefit of the resources and the economies of scale that larger schools have. Students from those schools that will close will, in fact, get a better education and better school facilities than they have at the moment by far as a result of this reconfiguration which, as I say, has largely been directed by the responses that I have received from the school communities. We asked them: if there were any schools to close which ones are the least sustainable in your community. I did not identify them; they have been identified by the school communities working collaboratively together. That is not to say there will be some people who will not be disappointed. There will be. But overall they will see, once the new facilities are complete, that collectively that community will be vastly better off in terms of the quality of education that we are able to deliver.

Mr COPELAND: In the Brisbane bayside consultation round, the models that were put up actually excluded at least one school that the community did not have a say on. That was the school at Hemmant. There may be others. If the communities in those instances do not have any choice in the consultation round, will you take notice of those school communities if they want their school to continue?

Mr WELFORD: With respect, your premise is not entirely accurate. The Hemmant school community were involved with all the other school communities in the consultation process. It is true that the Hemmant school community, like other school communities, would prefer their school to remain open regardless of the outcome. Ultimately we need to make decisions around these issues; decisions that are never easy decisions but which need to be made in the best interests of the cluster of schools involved in the project. To simply continue going the way we are going, despite the fact that the world has dramatically changed, population shifts have dramatically changed, where the demand is and what facilities we are able to offer at these schools, to simply say we will keep all schools open right across the state regardless of whether they are declining in numbers or not is irrational, to be honest.

Part of the reason this has been difficult is that every time government looks at closing a school, unless everyone walks out and there are no students there, people complain about schools closing. What we actually need as a community to get into the habit of understanding is that we actually need to shift schools around according to where the demand is and where we can best put new facilities. In fact, if we as a community could be more flexible in our acceptance that we should close older schools and build new ones more frequently, this would not be so much of an issue. We have actually got to get into the habit of accepting that we need to shift schools around or aggregate them where the populations are so that we can actually invest our dollars in better schools rather than fragmenting our resources across schools that have declining numbers.

The cost of maintaining some of our older schools is more than twice the cost of maintaining our new schools. To waste resources on century-old school facilities with tiny classrooms that cannot include computers, that are not wired for the 21st century, is a squandering of public resources when we have the opportunity to reconfigure our facilities in this way.

Mr COPELAND: There is a high-profile public inquiry being undertaken at the moment about the actions of a former director-general of the department of training. When were you first advised of the allegations and can you assure the committee that there are no other activities in a similar vein happening within the department?

Mr WELFORD: Just before I answer that question, while we are on the issue of behaviour, in answer to your question about the number of behaviour incidents involving students that resulted in referral to the police, I have to report that while there undoubtedly were some incidents, we do not keep a central record of those. If there is a local incident where a teacher or some other person is assaulted by a student, the complaint to police is a complaint of that individual. We do not necessarily record every matter that is referred to the police.

Mr COPELAND: Do you think you should, Minister?

Mr WELFORD: No, not necessarily. Principals will refer matters to the police if it relates to significant harm to the student. We would have records of how many matters are referred by principals where some harm or risk of harm has been alleged concerning a student. But where a student is involved in an incident that might result in someone referring a matter to the police, we do not keep central records of that because it is not a school or systemic referral; it is an individual complaint that might be laid.

Mr COPELAND: Can you provide the records that you do keep about the harm to the student? You said you keep those records.

Mr WELFORD: I think we have done that before. It is in the annual report. I am pretty sure you have asked a question on notice in the parliament about that. If not, I am sure that those details are in the annual report—that is, the number of cases of suspected harm to students that have been reported. If I may, I will also just table my response to the question about the growth in numbers of students in state and non-state schools. I will provide that to the committee.

In relation to the current CMC inquiry into allegations of misconduct by a former director-general of the department of employment and training, a complaint was first made to the Crime and Misconduct Commission on 29 May last year. I became aware of it obviously at about that time. I am advised by the director-general that it was later than that time that I was first notified of the complaint. The precise determination of the facts involved in that case obviously has to await the assessment of the current hearings of the CMC. Suffice to say that to the extent that Mr Flavell has made admissions, as I understand it according to the latest reports, of having provided information from the department to a business in which he was anticipating gaining employment, I think that is a gross conflict of interest, whatever view Mr Flavell himself might have of it.

This is an improper disclosure of confidential information which in any other employment circumstance would justify summary dismissal. It is an essential part of every employee's contract, no matter who their employer is, government or private, that in relation to the confidential information they acquire in the course of their employment, that confidentiality is not to be breached. By any measure, the handing over of lists of companies in the private training market—not just a general list of companies which may well have been published publicly but lists according to what may be profitable acquisitions—was a breach of confidentiality not only in relation to the government but potentially each of those companies. I do not think there is any doubt in my mind that that conduct is reprehensible.

Mr COPELAND: The second part of the question was: are you aware of any other incidents within the department of similar sorts of activities since those allegations have been made?

Mr WELFORD: No. The only thing I would say—again I am relying on reports of the current hearings in the CMC—is that there are suggestions that Mr Flavell was not the only staff member of the department or one of its agencies who may have released confidential information to non-government sources. As I say, the same principle would apply to anyone in any TAFE or any business unit or unit of administration of the department. The disclosure of confidential information of the department, beyond what is required for public accountability, to any person is a breach of confidentiality owed under the normal laws of employment in relation to any employee. I think the public hearing being held by the CMC at the present time is a timely reminder to all public servants that their responsibility first and foremost is to their employer—that is, the government and the minister of the department in which they work—and that all intellectual property, including confidential information relating to private businesses or private individuals, is absolutely the private information of their agency and not to be disclosed to any outside person.

CHAIR: Minister and member for Cunningham, I will just draw everyone's attention to the fact that these matters are before the CMC. I do think the minister has addressed the issues that the member has raised.

Mr COPELAND: How many teaching vacancies are there currently within the Queensland TAFE sector?

Mr WELFORD: That is a good question—more data. As the Deputy Premier would say, they are all asking about this at the Wynnum IGA.

Mr COPELAND: They are actually asking about it in Toowoomba because it is proving difficult to do some of the block training because of the lack of teachers.

Mr WELFORD: If you make the question more specific, we might be able to answer the question more specifically.

Mr COPELAND: I might just get more specific, but the first question is: how many vacancies are there?

Mr WELFORD: It may be that I need to take on notice the specific number of vacancies at this point in time. Of course it would change every week as people are employed.

Mr COPELAND: A snapshot would give an indication of the difficulties facing the TAFE sector in attracting staff.

Mr WELFORD: Yes. There is no question that in general terms we are challenged at a time when industries, especially the mining industry, are soaking up many skilled tradespeople. We are challenged in finding people to fill our places. We have a new Teach Your Trade recruitment and retention program. We piloted this program last financial year. The idea was to target trade teachers in critical trade areas. We had a number of successful applicants out of that start in September last year. What we did as part of that initiative was develop a pool of people so that as vacancies become available we are able to draw on that pool by identifying suitable candidates. At the moment I am not sure of the actual number of unoccupied positions, but we can come back to you on notice with that if you like.

Mr COPELAND: Yes.

Mr WELFORD: But the number is relatively small. So far we are managing, by and large, to get the people we need, but there are some areas where obviously it is pretty difficult. We have had 60 contractors successfully complete training under that Teach Your Trade recruitment and planning program so that people can transition from being a tradesperson to being a trainer. I will come back to you if there are more specific details on the numbers.

Mr COPELAND: If you could, Minister. While we are talking about taking things on notice, the answer you have just tabled includes the school enrolments prep to year 12, but I actually asked for the new enrolments for secondary schools, state and non-state.

Mr WELFORD: Secondary specifically?

Mr COPELAND: Yes.

Mr WELFORD: We will get that for you.

Mr COPELAND: Thank you. Minister, page 2-53 of the SDS relates to the Australian Agricultural College Corporation. Minister, do you have any plans for the sale of any of the facilities that are currently operated by the AACC and, if so, where and how?

Mr WELFORD: I do not have any plans at this stage. Recently I have been in discussions with the Minister for Primary Industries and Fisheries. DPIF have in fact negotiated with my portfolio to take over responsibility for that college and integrate it into the training programs that the Department of Primary Industries and Fisheries undertake as part of their training and research.

Mr COPELAND: Which college was that? Did you specify which college it was?

Mr WELFORD: The Australian Agricultural College Corporation—the whole lot.

Mr COPELAND: Okay.

Mr WELFORD: You were aware of that?

Mr COPELAND: Yes.

Mr WELFORD: That is going over to DPIF. I am not aware of whether they have any plans. It is best that I do not answer because I do not know. It has gone to DPIF. They are now, as I say, integrating it into their research and training programs. They saw a much better opportunity to achieve synergies by using the college as part of their ongoing work with rural communities rather than having the college stand alone as part of the training suite of organisations in my portfolio. They may want to review at some future time whether they need all of the campuses, but my understanding is that there are no current plans to dispose of any.

Mr COPELAND: Minister, I just want to go back a step regarding the vacancies in the TAFE system. You have taken that on notice. But I would like to ask: do you know how many TAFE students are currently waiting to do their block training, because I know it is a significant issue?

Mr WELFORD: Yes, we do have figures on that. I have seen them. We are managing to meet 97.8 per cent of our demand for trade training at TAFE at the moment. So we are well and truly up there. But that does not mean that there are not several hundred at any one time waiting for block training. Let me give you some details on that. I put a particular strategy in place earlier this year to address that issue. It was a matter that was drawn to my attention by some young tradespeople I met somewhere around the ridges.

In January this year there were 1,055 students awaiting unmet apprentice training demand. As I said, I put in place a strategy to deal with this with TAFE and my department. As a result of that, as at end of April, which is the latest figures I have here—we can get an update on that, possibly as at 30 June—we had achieved a reduction of 434. So it was down to 621. So you could safely say that we would be below that further now as a result of the specific initiatives we have put in place to clear that backlog. It was challenging for a while because there was a huge influx of new apprentices. As I said earlier today, we have over 10,000 now out of our 17,000 target. Because we have had so many take-ups in apprentice training, there was a period when demand was not able to be met but we are clawing that back now.

Mr COPELAND: That is good. I hope it continues, Minister. With reference to page 2-18 of the SDS, I want to refer to the mining industry. As we all know, they are suffering severe skill shortages and the greatest demand will be in the skilled trades, with an additional 31,000 people required, and demand for semi-skilled operators will increase by 30,000. Demand for mining professionals is about 9,000, or a 70 per cent increase on the current numbers, which is what the Mining Council of Australia is quoting. Can you advise how much funding the government is investing in training for the mining industry in the 2008-09 budget and what percentage of the overall state training budget this represents?

Mr WELFORD: The way we do this in this sector is one of our lead initiatives in skills planning. The way we do that is through one of the centres of excellence, the Mining Industry Skills Centre. I am just awaiting some specific information on our budget allocations to that centre. I met with the Mining Industry Skills Centre Board recently. They are making good progress as an industry in preparing and providing training. We have allocated \$9 million over three years to the Mining Industry Skills Centre, which is the government and industry joint centre of excellence with an industry board, supported by my department, to roll out the training to meet the demand in that industry.

The way it works is that the industry effectively identifies its future demand of the kind that you mentioned in your question and then the strategies are set out and put in place to address that demand. We have been supporting that with funding. In the future I would hope that there would be greater industry buy-in so that industry also contributes more to that funding requirement. We initially kicked off

the Mining Industry Skills Centre with \$2.2 million over three years. We also provided them with a specific one-off grant of \$3.2 million two years ago to purchase training simulators—huge truck and dragline video simulators. It is like an airline flight simulator. It is pretty swish technology, actually. Those three years were up at the end of June, and we have allocated \$9 million over the next three years.

Mr COPELAND: Minister, the federal government has announced that it will not be continuing funding for the Australian technical colleges. I recently visited the Australian technical college in Townsville where there are I think 305 students across the two year levels. Currently, most of them are in apprenticeships. Minister, what is the state government planning to do to ensure the future for those 300-odd students and students like them in the other ATCs?

Mr WELFORD: That is still a matter for discussion between us and the federal government—more particularly between the federal government and the colleges. As you know, those ATCs, particularly in Townsville and the Gold Coast, are independent companies. They are not state government schools. They are not state government organisations, although we do fund them from state government funds as non-government schools. So the extent of our commitment is the same as we would provide to any non-government school, non-state school, and we will continue to support them in that way.

What arrangements are made between the federal government and the technical colleges is really something that they will have to work out. We are looking at how they might reconfigure their business to get not only funding from our non-state school grants as a school but also User Choice funds as training organisations. Some of them already are able to access User Choice contracts from my training division for vocational training that they undertake at those technical colleges.

The Gladstone technical college started its operation as a campus of the Gladstone State High School. We are better able to accommodate it because it was developed as a component of the high school at the outset as a result of the industry links we had already established with the high school there. But the others will obviously need over time to remodel their business strategy in order to tap into the combinations of funding that we are able to provide and potentially alternative sources of federal government funding if the federal government does not maintain its direct funding for ATCs as such.

CHAIR: Thank you, Minister.

Mr GRAY: Minister, the member for Cunningham is not alone in his interest in arts funding. I refer to the government's strong commitment of \$9.6 million in investment in Queensland's small to medium arts sector as reflected on page 2-5 of the SDS. How does this funding scheme ensure that we have a balance of diverse and strong organisations that are committed to engaging with all Queenslanders?

Mr WELFORD: Thank you, Mr Gray. The small to medium arts sector program introduced last year signalled an era of renewal and sustainability, as I mentioned earlier, in terms of how we allocate funding to small to medium arts and cultural organisations. The new program aims to create a more focused group of high-quality, financially sound organisations with greater specialisation and less duplication of services and programs. A high level of youth and community engagement was also an essential element of the selection criteria, along with a capacity to demonstrate innovation and a track record of sound management and financial viability. The top performing 21 companies have been awarded triennial funding, seven have received annual rolling funding and 14 have received annual funding. We have allocated \$8.462 million between these 42 companies.

Of particular interest to you, as the member for Gaven, is the Swell Currumbin Sculpture Festival which is a major festival now on the Gold Coast; it has been funded for the first time, as I mentioned earlier. Dance and music received 21 per cent of the funding; theatre, writing and new media, 26 per cent; visual arts, craft and design, 21 per cent; and creative communities and multiarts companies, 32 per cent.

At least half of the organisations that have been funded will service regional Queensland, 11 of them are based in regional centres and 13 organisations will service regional areas directly through touring and activities like artist professional development and youth arts workshops. I also mentioned the other \$1 million which has been allocated to target industry development initiatives such as multicultural arts programs.

Mr BOMBOLAS: Minister, I refer to page 2-6 of the SDS and the additional \$1.3 million a year being given to the state's signature arts and cultural festivals. Despite being comprehensively beaten in a media debate on arts versus sport—and I just remind you of that—what role do our festivals play in promoting arts and culture in Queensland?

Mr WELFORD: I am surprised that you want to revisit your failure in that debate. I think festivals are increasingly recognised as a vital contribution to Queensland's cultural life. They have the potential to reach large and diverse audiences, stimulate local artistic production, engage our community in new forms of cultural activity and of course raise our profile here in Queensland as a part of the world that presents works of national and international quality.

Tomorrow night, for example, is the official opening of the biennial Brisbane Festival. Highlights of this year's festival will be the free opening night concert by Black Arm Band at the Riverstage and performances in the Spiegeltent by Big Square Eye, which is a multimedia artwork by talented young people from around Queensland. I will be attending Deep Blue, an orchestral production by the Queensland Orchestra at the Performing Arts Centre. As well, tomorrow morning I will be launching the program for this year's 2008 St George Brisbane International Film Festival, and earlier this month I opened the 18th annual Australian Festival of Chamber Music in Townsville, which attracted over 10,000 people to Townsville, including people from interstate and overseas. It is fast developing a great reputation.

In the coming year, we will increase our investment in signature festivals allowing organisers to improve the quality and broaden the scope of the programs as well as boost opportunities for more community participation. A total of \$12.2 million is being invested in aggregate last year and this year towards our festivals. We have increased festival funding for both the Brisbane Festival and the Queensland Music Festival by \$600,000 each. This brings the total funding to \$5.08 million for the Brisbane Festival and \$3.2 million for the Music Festival. The biennial Out of the Box festival also received an increase of \$200,000 to extend the event across the Cultural Centre. This year was the first year that not just the Performing Arts Centre but all of our agencies across the Cultural Centre were involved in the Out of the Box festival.

Other festivals of note which I might quickly mention are the Dreaming Festival at Woodford, which is Australia's international Indigenous festival. We invested \$300,000 in that this year. I also mention the Woodford Folk Festival, the major festival at Christmas time, where we invested \$100,000. You should go to that, Mr Copeland. You would really enjoy that, wandering around in your hippie clothes. I can just see you dancing in the mud. There is \$385,000 for the Brisbane International Film Festival, \$70,000 for the Laura Aboriginal Dance and Cultural Festival and \$40,000 for artists to attend this year's biennial Festival of Pacific Arts in American Samoa.

CHAIR: I note on page 2-5 of the SDS that an extra \$2.7 million will be invested in the four-year Backing Indigenous Arts program in 2008-09. How will this funding support the economic, social and creative opportunities for Aboriginal and Torres Strait Islander artists in far-north Queensland?

Mr WELFORD: This is a particularly exciting initiative which I launched in Cairns early this year. It is a four-year program whereby we will invest \$10.7 million to support economic, social and creative opportunities for Aboriginal and Torres Strait Islander artists. The Backing Indigenous Arts program provided significant investment in the year just finished in Indigenous communities. For example, we put \$1.225 million in operational funds and capital works to support an Indigenous arts centre network comprising 15 art centres and hubs and the peak body which coordinates them called UMI Arts. There was \$805,000 invested in 25 Indigenous arts projects to develop skills and training in music, dance, writing, visual arts, festivals and digital story telling. There was \$250,000 invested in establishing the Cairns Indigenous Arts Marketplace which will happen for the first time next year. We hope to build it into an international expo for Indigenous art as it grows in significance and profile around the world. There is \$500,000 towards the development of the Cairns Printmaking Centre.

Indigenous art centres are going to play a very strong role in the future economic opportunities that are available to Indigenous communities in far-north Queensland. As well as being a workplace for artists, they are a meeting place for elders to share their knowledge and dreaming stories. We will invest a further \$850,000 in the Indigenous arts centre network this financial year to ensure the centres have access to business planning and government training. In addition, \$125,000 will be invested in establishing the Weipa arts hub to service the western cape. As well, we will invest another \$425,000 towards the operation of the Cairns Printmaking Centre once it is up and running.

The Cairns Indigenous Arts Marketplace will, as I said, officially open next year and on top of the \$250,000 we invested last year in getting it planned, we will invest another \$250,000 this financial year in making it happen. We will also have a specific set of projects around building skills and opportunities. These are training projects which this year we will invest \$857,000 in.

Mrs LAVARCH: Minister, if we could move from the arts back to education and in particular Indigenous education. I refer you to page 2-4 of the SDS where the second last dot point lists major investments being made in Indigenous education by the state government. Would you be able to outline some of the major initiatives that have been undertaken to improve outcomes for Indigenous students?

Mr WELFORD: We have recognised as a government that achievement levels for Indigenous students still remain well below that of the student population as a whole and clearly this is unacceptable. We cannot put it in the too-hard basket. We actually have to try to tackle this issue head-on, so we are committing \$40.7 million over the next two years between 2008 and 2010 to improve the quality and consistency of pre prep services to 35 discrete Indigenous communities. We are going to invest \$10 million over four years to establish five school cluster teams to work with Indigenous students, their families and teachers in classrooms to improve their attendance, achievement and school completion rates. We are also implementing regional Indigenous education plans in each

education region to focus on the school attendance of Indigenous students, literacy and numeracy achievement, school retention or completion, as well as developing the capacity of our teaching workforce to specifically support the literacy and numeracy needs of Indigenous students.

We are consolidating the multicampus colleges in the Torres Strait—that is, Tagai State College and the Western Cape College. We are continuing to support the Spinifex residential college in Mount Isa which enables students from remote locations to gain access to secondary schooling. We are supporting the uptake and completion of school based apprenticeships and traineeships for Indigenous students because this is a particular opportunity for them to get into the workforce. We are working with the Commonwealth on funding for a Spinifex-style residential hostel in Weipa and hopefully also future similar hostels in other places such as Townsville.

We are working with the Cape York reform trials of course, with an improvement in educational outcomes and school attendance being a key element of that. This will particularly apply to communities in Coen, Hope Vale, Mossman and Aurukun. Starting with attendance and moving through a focus on literacy and numeracy and also opportunities for school based apprenticeships and traineeships, we have a very comprehensive program of initiatives to improve the educational opportunities and employment outcomes of Indigenous students.

Mr GRAY: Minister, you are aware of my long-term interest in the provision for students with disabilities, so I was pleased to see in this year's budget on page 2-4 of the SDS the \$37.9 million four-year commitment for specialist assistance to students with disabilities. How has this funding been allocated to support these students?

Mr WELFORD: Like you, member for Gaven, I have a strong interest in making sure our most disadvantaged students are given every opportunity to access a good education. In 2009 we will provide \$10.9 million as the third year allocation of a four-year \$37.9 million commitment, as you mentioned. This will fund more specialist teachers and teacher aides in addition to other funds provided through enrolment increases. This year we have 3,041 teaching positions and 76,299 teacher aide hours allocated to support students with disabilities in our state schools. It includes children from birth to prep who access early childhood development programs and services. This was an increase of 97 equivalent full-time teachers and 2,507 teacher aide hours a week from 2007.

With this additional support, students with disabilities are able to access educational programs that are adjusted to their learning needs, achieve a range of learning outcomes and participate in the school community alongside their peers. Specialist staff including visiting teachers will continue to assist students to develop specific skills, such as fine motor activities, communication and life skills, and they will work with small groups of students to develop their social and interaction skills as well as support teachers in the classroom.

A total of 163 full-time therapist positions are supporting students with disabilities now, an increase of six positions on last year. Occupational therapists, physiotherapists and speech language pathologists will be assisting teachers to incorporate specific therapeutic goals, such as developing gross or fine motor skills or oral language skills, into the classroom curriculum. An additional three nursing positions will also be established in 2008, providing a total of 23 nurse positions. These nurses support school staff with training in the management of routine and emergency health needs of students.

In addition to the \$37.9 million commitment you mentioned, more than \$600,000 was spent on the acquisition of specialised equipment to support students with disabilities. So \$400,000 worth of equipment was delivered directly to schools for their permanent use, and an additional \$200,000 was spent on enhancing the range of equipment available for schools to take on loan.

CHAIR: There being no further questions, that concludes the examination of the expenditure estimates for the portfolio of the Minister for Education and Training and the Minister for the Arts. I thank the minister, his advisers and all departmental officers for their attendance here today. Minister, do you have any closing remarks?

Mr WELFORD: Yes, can I just finish on two things. I just want to clarify something because there seems to be quite a bit of confusion about what is reported and what is not reported in relation to these assaults that were talked about and what is reported to the police and who gets reported what. Can I make one further attempt to get the record straight on this. I think I mentioned that referrals to police would be in the annual report. That is not correct. What is in the annual report is the information on student disciplinary absences for physical misconduct—in other words, the number of suspensions and exclusions of students for physical misconduct.

The definition of 'physical misconduct' is broad so it could include misbehaviour in the playground towards other students that does not necessarily result in a reportable assault as such. I apologise for the ambiguity around that. So we do keep data on information relating to reports of harm or suspected harm. We are required to do that under the child protection legislation. Where that suspected harm involves a criminal offence, obviously that is reported to the police. But for general assaults per se, as I mentioned before, records are not kept specifically of assaults. Complaints in relation to those assaults, if they are made to the police, are made by the individual victim of the alleged assault.

I also have updated information on secondary school enrolment growth. We have the enrolments for last year for years 8 to 12 and the estimated enrolments for this year, because of course they are changing. They increased from 169,150 in 2007 to 170,850 in 2008. The non-state school component of that over the same period increased from 99,600—sorry, the first one was all state.

Mr COPELAND: Sorry, all state schools?

Mr WELFORD: Yes. So 169,150 in 2007 to 170,850 in 2008. Sorry, I thought that was all schools; it is state schools. The non-state school numbers increased—so this is a separate, additional set of numbers—from 99,600 in 2007 to 103,750 approximately in 2008.

CHAIR: The committee will adjourn for lunch and the hearing will resume at 1.15 pm to examine the portfolio of the Minister for Main Roads and Local Government.

Proceedings suspended from 12.18 pm to 1.15 pm

ESTIMATES COMMITTEE C—MAIN ROADS AND LOCAL GOVERNMENT**In Attendance**

Hon. FW Pitt, Minister for Main Roads and Local Government

Mr L Spencer, Senior Policy Adviser

Department of Main Roads

Mr A Tesch, Director-General

Mr L Ford, Deputy Director-General

Mr N Doyle, General Manager, Organisational Positioning and Stakeholder Relations

Ms M Smith, Director, Executive and Cabinet Services

Mr M French, Manager, Business Intergration

Department of Local Government, Sport and Recreation

Mr M Kinnane, Director-General

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

Mr J Marsh, Director, Business and Financial Management

CHAIR: The Estimates Committee C hearing is now resumed and the portfolio of the Minister for Main Roads and Local Government will be examined. I welcome the minister, his advisers and departmental representatives. The time limit for questions is one minute and answers are to be no longer than three minutes. A 15-second warning will be given prior to the expiration of these time limits. An extension of time may be given with the consent of the questioner. In accordance with standing orders, at least half the time available for questions and answers will be allocated to non-government members.

For the benefit of Hansard, I ask agency officers and advisers to identify themselves if the minister refers a question to them to answer. I also ask that all mobile phones and pagers now be switched off. I declare the proposed expenditure for the portfolio of the Minister for Main Roads and Local Government open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, would you like to make an opening statement?

Mr PITT: Yes, thank you, Madam Chair, and committee members. The Bligh government is committed to building tomorrow's Queensland today and the funding allocated to my portfolio for 2008-09 is a glowing endorsement of this commitment. I have been the Minister for Main Roads and Local Government for about 10 months and have now had a chance to see the significant progress that the government is making in relation to my portfolio areas.

As I said during the budget sitting of parliament, this is a budget that truly looks to the future. On the Main Roads side of the portfolio, I am responsible for a department that will deliver a record Capital Works Program this financial year of \$3.25 billion. A major focus of this expenditure, which equates to more than \$60 million each week, will be projects that will help tackle urban traffic congestion. These projects include work on the \$1.88 billion Gateway upgrade project, the first stages of the long-awaited Ipswich Motorway upgrade, the construction of new interchanges on the Pacific Motorway at the Gold Coast, the completion of the Sunshine Motorway upgrade on the Sunshine Coast, the extension of the Centenary Highway from Springfield to Yamanto, and the duplication of the Houghton Highway bridge to Redcliffe.

While on the topic of the Ipswich Motorway, I can advise the committee that we are on the verge of finalising the team of road designers and contractors that will form the alliance to upgrade the Goodna to Dinmore section of the motorway. This team will be responsible for getting rid of a congestion hot spot and delivering a much-needed road upgrade for the residents of Ipswich.

Of course, our plan for tackling urban traffic congestion is not confined to new and upgraded roads. We are also pursuing innovative solutions to help ease congestion and keep traffic flowing smoothly. Two such innovations involve synchronising the 1,400 sets of traffic signals throughout Brisbane as well as replacing all of our old lights with energy efficient, low-maintenance, light-emitting diodes, or LEDs. By synchronising the Main Roads controlled traffic signals with Brisbane City Council's signals, we can improve traffic flows and reduce trip times for motorists. The new LEDs are far more reliable than the old incandescent bulbs and will last longer, which will mean less disruption due to bulb failure and fewer road closures for maintenance.

We will also spend significant funds on vital regional projects such as the Forgan Bridge duplication in Mackay, North Ward Road in Townsville, and the Bundaberg Ring Road. There are other significant projects to start next year, one of which is the special \$150 million funding package to improve roads servicing central Queensland. It is worth noting that we will spend about 42 per cent of the entire Main Roads budget outside the south-east corner, an area that has about 35 per cent of the state's population. This funding, along with the other works underway across the state, will form part of a road network that provides safer, more efficient and more convenient transport to Queenslanders.

As I said in my opening remarks, this is a budget that looks to the future. This applies equally to the local government aspect of my portfolio. Last financial year the state government undertook a major reform of local government and that reform process will continue in 2008-09. In looking back on the reforms passed by this parliament which culminated in the 15 March elections, it should be noted that the sky has not fallen in, like opponents of amalgamation said it would. In fact, I am pleased to report that the amalgamations have gone quite smoothly and that councils are now getting on with the job of delivering better services to their ratepayers. This has been confirmed by independent research that I commissioned in the wake of the local government elections in March. At the time, various issues were raised about the conduct of elections which were run statewide for the first time by the Electoral Commission, and I want to determine the extent of these problems.

The research has found that any problems were isolated and that criticism about the management of the elections was unfounded. In fact, 99 per cent of the 1,000 people surveyed who voted in person had no problems with lodging their vote, and 95 per cent of respondents who lodged pre-poll votes got their ballot papers on time. These results clearly show that the Electoral Commission did a good job running the elections and was at least on a par if not better than comparable council hosted elections.

There is more good news in relation to the election, too. The Electoral Commission's cost of running the election has come in 20 per cent, or \$3 million, below its estimate. This means that councils will pay less than expected as part of sharing the cost of elections. The local government budget contains significant funding for the many programs that support the third sphere of government in this state including ongoing support for the Blueprint for the Bush. I look forward to discussing further with the committee the many highlights in this budget for Main Roads and local government.

CHAIR: I now call the member for Warrego to ask non-government questions for a period of 20 minutes.

Mr HOBBS: Minister, I refer on page 2-171 of the SDS to 'Payments for investments'. Can you advise how much rent is being paid for the main roads department house at Carbrook which Dennis Ferguson is living in? And which department, if any, is paying this rent?

Mr PITT: We would not have that figure directly to hand. My understanding is that that property was acquired by Main Roads but the allocation of the property is with the department of public works and housing. We will endeavour to get that figure for you.

Mr HOBBS: I understand that about \$350 a week was being paid in rent prior to this.

Mr PITT: Perhaps I should refer to my director-general, who may give you further information on this.

Mr Tesch: Main Roads adopts a policy with all of its rental properties of charging market based rents. This property would be no different. It would be a market based rent that would have been paid for this particular property. We will ascertain the precise amount of that rent for you and bring that back.

Mr HOBBS: So you do not know who is paying that now, whether it is another government department or Mr Ferguson himself?

CHAIR: The question should be directed through me and then to the minister, member for Warrego, but I think the director-general said that he would get that information for you.

Mr HOBBS: Okay. Thanks for that. We look forward to that information. Minister, I refer to 2-159 of the SDS and the Dinmore to Goodna six-lane upgrade of the Ipswich Motorway. Can you advise the committee if the long-advertised alignment of the new motorway will have to be moved or slightly moved to avoid coalmine subsidence?

Mr PITT: I thank the member for the question. This is an issue that arose several weeks ago, of course, with the Collingwood Park issue. As the minister, I requested information from my department on that and was given an indication that the corridor that we have set aside would cope with any necessity to remove the alignment slightly in case of that. The federal government, as you know, is funding the progressive upgrade of the Ipswich Motorway. The Granard Road upgrade was completed in 2006 and the Ipswich-Logan interchange is expected to be completed by 2009.

As you know, we have set the alignment. The new federal government has been very forthcoming in getting on with this job. When it comes to the actual alignment within the corridor, as each section is rolled out for our alliance partners to commence construction, those matters are attended to. At this point in time I have no indication that there is any necessity for the corridor to be changed. The alignment is always something that is subject to movement as construction commences.

Mr HOBBS: Therefore, the alignment probably is going to move. As you say, the corridor may be wide enough to carry the road. However, have there been, or will there be, any estimates done of any additional costs over and above what has already been estimated if, one, the road has to be constructed under traffic conditions or, two, you have to fill the coalmine subsidence areas?

Mr PITT: I think the member is making an assumption that the alignment will have to be moved, and that may not necessarily be the case. As you know, with your experience now as shadow minister for main roads, the department does carry out drilling tests to ensure that the area over which any road is being constructed is in such condition that it is the right place to place that road. Those things will be done as a natural matter of course. It would be premature for me to even contemplate whether there be costs involved.

Mr HOBBS: He is probably a teacher, is he? His writing is pretty bad, is it?

Mr PITT: Actually, he should have been a doctor. That is how bad his writing is. I have been informed that there are early indications that there will be little or no impact expected on the corridor or even the alignment. I think it is hypothetical for me to be talking about costs et cetera.

Mr HOBBS: Thank you, Minister. I refer to 2-158 of the SDS, which covers a fair few areas in relation to roadworks. I refer to the \$37.285 billion value of the state controlled road network. I also note on 2-169 of the SDS under 'Statement of Change in Equity' there is no change in equity of the asset revaluation reserve, which has remained at \$684.622 million for the last three years. That is extraordinary when you consider the cost of road construction is going up dramatically from year to year. Minister, why is it that the 2007-08 figure has not increased to reflect the true valuation of the road network?

Mr PITT: For road asset valuation, there was a review and a comprehensive revaluation done in 2007-08. We need to do this to comply with the Australian accounting standards and ensure Main Roads' annual financial statements are not qualified. We need to do it to reliably inform government of future roads, capital and maintenance funding needs, and we need to do it to assist decision makers to optimise allocation of available road funds to areas of highest priority to ensure cost-effective management of Queensland's road asset.

Following the briefing on the outcomes of the 2006-07 Edgerton review, which acknowledged that the Main Roads valuation and depreciation methodology complies with accounting standards, and was in fact deemed leading practice, the director-general hosted a road network future strategy workshop on 21 August 2007. This workshop addressed the need for development of a robust, transparent and reliable road asset valuation and depreciation methodology process which not only ensures Main Roads complies with the Australian accounting standards but also supports the department's future funding submissions and options analysis of various funding scenarios including reallocation of resources in rehabilitation and renewal of the existing road network.

At this workshop the following issues were identified—and this may help you. The current methodology does not produce an augmented replacement cost of the road network. Rather, it is focused on producing gross replacement and fair value costs as defined in the Australian accounting standards.

There is a need to enhance the current valuation methodology so it is more robust. This is endorsed by Queensland Treasury and continues to be endorsed by the Queensland Audit Office. Rising depreciations are impacting on the whole-of-government income profit and loss statement. The Australian Bureau of Statistics indices have not kept pace with actual costs in today's construction market. There is a need to benchmark Main Roads' valuations with other state road authorities.

There are some iconic structures such as the Riverside Expressway that need to be separately valued. The existing valuation assumptions are being challenged and need to be independently reviewed. I hope that enlightens you a little bit. What it does say is that valuations are an ongoing process and the methodology is subject to reconsideration from time to time.

Mr HOBBS: I think it has probably confused me more. There is gross value and fair value. You talked about the fact that the cost of road construction has increased and yet the figures for the estimate and other budget and the actual and estimate has remained the same for two years. Would it be possible to take that on notice? That might be simpler for you.

Mr PITT: I am happy to do that. I think it is important to note that valuation is never an exact science no matter where you do it. But I think it is important to the people of Queensland that we are able to tell them what our assets are worth because, remember, it is their investment. We are going through a process of getting the best possible valuation processes in place. I would like to be able to give you, as soon as I can, an accurate figure.

Mr Tesch: Mr Neil Doyle will be able to elaborate on the answer, Mr Hobbs.

Mr Doyle: There is a review done every year which essentially just adjusts the prices in relation to what is almost a published ABS index. It is clearly our view that there are some limitations in that. There is a fundamental review that is being done this year and is almost complete that takes into

account what the replacement cost would be on a like-for-like basis using current costs. That matter is currently with the Auditor-General for confirmation of the process we are going through. The change will be reflected in this year's financial statements.

Mr HOBBS: Thank you for that. That is good. In the SDS at page 2-158 I note your department has stated that failing to invest at appropriate times to maintain the road network will result in a less safe road system, possibly leading to an increase in deaths and serious injury crashes. The cost of maintenance and construction is escalating. When are you going to stop throwing out press releases and throw some real money into the road network before more people are killed on the roads?

Mr PITT: I am not too sure whether that is a question or a political statement. I take the issue of road maintenance and rehabilitation very seriously. The member would be well and truly aware that, as far as roads are concerned, Queensland is a construction site. There are things happening the length and breadth of the state.

One of the challenges for a department like mine is that, as we build new infrastructure, we have to ensure that the existing infrastructure does not deteriorate to an extent where it is going to cost far too much to bring it back up to standard. Heaven forbid, we do not want the asset to deteriorate to an extent where it causes some safety issues. We must also remember that there are two broad areas of the road network. One is the road network that is the responsibility of local authorities. We do assist them where we can through a program called TIDS. There is 33,550 kilometres of state controlled road which includes about 5,000 kilometres of federally funded road.

I honestly believe that the state government is doing a far better job in attending to those roads that are our sole responsibility than has the Commonwealth over a period of years. I do not want to get too political about this. From material I have read and from my understanding, over the period of the previous coalition government the amount given to the state for the most used part of the road network, the National Highway system, had not changed at all and was set at about \$66 million a year. Lo and behold, in the last year of the previous government they chopped \$3 million off that. It actually went backwards.

The current federal government in its first budget—remembering it has only been in place a very short time—has reinstated the existing figure. I must say to the member that I do not think that is sufficient. Queensland will be pressing the case to the federal government for further maintenance dollars so at least that part of the state controlled network is brought up to scratch. The state itself has this year made a commitment to maintenance and preservation of some \$274 million. That has been allocated for routine and program maintenance to maintain safety and extend the life span of the road pavement. This represents a 19.6 per cent increase over the previous year. We are taking it seriously and I do thank you for the question.

Mr HOBBS: I think the big issue with road construction and most building these days is the increase in the costs. The CPI increase in building costs is so high. I refer to the SDS at page 2-163. I note you have another 5,435 kilometres of road seal that exceeds the optimal seal. If we use the same percentage increase from last year to this year, in 10 years time we will have 7,246 kilometres of road which exceeds the optimal seal age. Do you agree this is unsatisfactory—I am sure you do—and how do you intend to reduce the optimal seal age of these roads?

Mr PITT: I think we need to be clear about the term 'optimal seal age'. It does not mean that those roads are not safe. It means that that is the expected life before you start experiencing some deterioration. You are right, I do not think it is acceptable. That is why the government is working hard to improve that situation.

Each year Main Roads carries out substantial resealing or resurfacing works or builds new sections of sealed road—that is, between 5,000 and 6,000 lane kilometres of road annually. At 33,550 kilometres the Queensland state controlled road network is the longest of any state or territory in Australia. It includes Queensland's component of the AusLink network. The purpose of this measure is to enable Main Roads to assess the risk of moisture accessing the road structure through cracks in the road surfacing which results in pavement damage. The difference between the 15.6 per cent target estimate in 2007-08 and the 16.2 per cent estimated actual in 2008 represents only 329 lane kilometres of road of this 33,550 kilometre network. The 2007-08 target estimate represents the 2006-07 estimated actual figure as provided for comparison purposes only.

Striking the right balance between capital and maintenance funding will always be a complex task. The road network is characterised by relatively old pavement age—a product of the first major extension to the state's roads that occurred during the 1960s and 1970s. Climatic impacts such as the widespread flooding of the state that occurred earlier this year further increase the vulnerability of the network's pavements and the demands on maintenance resources. It is clear that increased funding will be needed in the future. I will be doing my best to secure that. However, Main Roads is doing a good job with the available funding. For example, there has been a focus on efficiency in contracts and better management systems. The department has adopted a statewide planning process to target maintenance towards the highest priorities, keeping the network safe and reliable.

I go back to what I said at the beginning of the answer. Being optimal does not mean it is unsafe. It means that is what we would like to have happen. If we do not improve our capacity to address this situation the situation could deteriorate from an optimal level, that is correct. But I must say to the shadow minister that matters of safety are always given absolute top priority. Safety will never be compromised. We will ensure that those areas of the road network that may have deteriorated due to age, climatic conditions, natural disaster or whatever will be attended to first and attended to promptly because it is part of my job to ensure that safety on the network is paramount.

Mr HOBBS: I refer to the current indexation rate used by Treasury for the non-discretionary road budget. This comes from the FOI briefing note from your department. Can you advise what the figure was for 2006-07, what it was for 2007-08 and what it is for 2008-09? It says that presently it does not reflect a true annual cost escalation base. I am interested to see whether Treasury has picked that up.

Mr PITT: This is part of the difficulty we face with cost escalation generally. By 2026 south-east Queensland will be home to around four million people. This will approximate the current total population of Queensland within one per cent of the state's total land area. The government's response is a record road program of \$16.2 billion over the next five years with 2,300 projects. Growth and the record program have led to a significant increase in construction and price increases for labour and materials. Price increases plus higher costs of land acquisition and planning and design have led to an average project cost escalation of 15 per cent to 20 per cent a year over the past three years.

For your information, some examples of road material price increases in the 12-month period from June 2007 to May 2008 is a 41 per cent increase in the cost of bulk cement up from \$205 to \$290 per tonne and the cost of steel reinforcing bars up 47 per cent from \$1,100 to \$1,620 a tonne. I will ask my director-general to massage those figures for you.

Mr Tesch: Treasury provide the Department of Main Roads with access to the motor vehicle registration revenue. That is the primary revenue source that the state receives for construction projects et cetera that has any escalation factor built in. That motor vehicle registration is escalated in accordance with the consumer price index each year in terms of the individual component parts of that. The full amount of motor vehicle registration total revenue, which represents both CPI growth and volume growth in terms of the number of vehicles that are actually registered, is fully allocated to the Department of Main Roads for allocation across the road network. That is the impact in terms of cost escalation that is included in the funding the department receives from Queensland Treasury.

CHAIR: We will now move on to government questions. I draw your attention to page 2-159 of the SDS where it talks about anticongestion measures. I note it says—

A number of projects and other initiatives directly target South East Queensland population growth demands and urban congestion.

Could you please outline what measures this budget contains to address the congestion in south-east Queensland?

Mr PITT: I thank the member for the question. Tackling traffic congestion in south-east Queensland is a key priority of the government. Main Roads is working with a range of other agencies to keep our urban road network moving. I think we need to remember that fighting congestion is not just about building roads.

Firstly, capital funding has increased to a record \$3.235 billion this year alone. As I said in my opening remarks, that is \$60 million each and every week. Over the next five years we will spend \$7.9 billion in the south-east corner, including \$4 billion in state funding from SEQIPP projects. As well, we are delivering Queensland's largest bridge project, the \$1.88 billion Gateway duplication and motorway upgrade, and the nation's largest road infrastructure project, the combined \$4.8 billion Airport Link tunnel, Northern Busway and airport roundabout upgrade.

With regard to the state budget as it applies to the south-east corner, I will give you a bit of a tour around if you do not mind. In the western corridor there is \$200 million going towards the federally funded Ipswich Motorway upgrade between Wacol and Darra. We are applying \$168.7 million towards the Centenary Highway duplication between Springfield and Darra in conjunction with the Darra to Springfield rail extension. Some \$100 million will go towards the completion of the federally funded Ipswich-Logan Motorway interchange. In the south, there is \$70.7 million in joint funding to upgrade the Pacific Motorway between the Gateway Motorway and the Logan Motorway between Nerang and Tugun. To the north, there is \$150 million towards the new Houghton Highway Bridge between Brighton and Redcliffe.

Main Roads is also working with partners like the RACQ and the Brisbane City Council to respond to and clear crashes and vehicle breakdowns on the road network. Some \$19.2 million will be spent on traffic management, \$5.5 million on incident management and \$600,000 on traveller information. This includes about \$4 million a year for traffic recovery units. At the beginning of 2007 we established the joint Brisbane Metropolitan Transport Management Centre. An independent assessment has estimated that this coordinated approach alone has reduced congestion costs by as much as \$27 million a year through faster response and clearance of incidents.

Delays caused by traffic signals are a significant part of this, and I am pleased by the collaborative approach Main Roads is employing with the Brisbane City Council to address this issue. We will spend \$6 million over three years so that Brisbane motorists can benefit from a single intelligent transport system platform. Whereas Brisbane's 1,400 plus sites with traffic lights are now managed by a combination of state and council systems, they will in future all be controlled by a single system based on Main Roads's patented STREAMS technology. The result will be improved traffic flows, reduced travel times for Brisbane drivers and also some very real environmental benefits. Also in 2009-10 we will allocate \$1.1 million a year over three years in the Brisbane urban metropolitan area for specialised services to right heavy vehicles and move their cargo and loads following any incident.

Mrs LAVARCH: Good afternoon, Minister. I take you to Budget Paper No. 3, the Capital Statement, and in particular on page 99 reference is made to the Gateway upgrade project. As a frequent user of the Gateway, I note that works are progressing very well. The upgrade and the new Gateway deviation are expected to substantially improve access to the airport precinct. Can you give details on how and when this will be accomplished and detail the success or otherwise of the Brisbane Airport roundabout task force?

Mr PITT: The vexed Brisbane Airport roundabout has, I must say, been the bane of my life since coming into the portfolio. It is one of those issues that in many ways is a product out of the control of the state government and the Brisbane City Council. We are both in the same boat together. With regard to the Brisbane Airport Corporation—and I am not trying to denigrate the great work it is doing—and the fact that it is federal land and there is no requirement for either the state or the council to be involved in approvals, the BAC has gone ahead and created a precinct there which is absolutely wonderful but which is putting enormous pressure on what is now a choke point in the airport roundabout. Some 52,000 vehicles a day use the airport roundabout to access the airport or the Gateway Motorway, and that is an unprecedented increase. It just grows exponentially. Like yourself—probably even more so—I am a frequent user of the airport and have to go through the Gateway Motorway.

The roundabout itself will get some relief very shortly. By the middle of next year with the Gateway upgrade project four lanes will be available to bypass, so to speak, the airport roundabout from the south to the north. The estimation is that there will be some 40 per cent reduction in traffic through the airport roundabout. If we add to that the recently announced \$4.8 billion Airport Link Northern Busway extension and a new four-lane flyover, I think that will solve one of our worst bottlenecks. We will end up with three levels. We will end up with not a traditional roundabout but a fast diamond roundabout at ground level. We will have the existing structure including the new extension from the Gateway upgrade project. When the Airport Link Northern Busway extension is brought into place, we will have a third level. That will take traffic directly from that side of the city straight onto Airport Drive. Figures are not fully to hand, but I have heard from people who have a far better knowledge of this sort of thing than myself that that could reduce the amount of traffic actually going through the ground level by a further 70 per cent. If that were to be the case—and I believe that they would be accurate in that respect—this issue will be resolved to a large extent within a few years. But there will be some substantial relief by the middle of next year with the work being done with the Gateway upgrade project.

But we have not been sitting idle. I did inaugurate a task force consisting of a whole range of experts including BCC, Main Roads and others. We have put in place measures on that airport precinct that have assisted. BAC has come to the party. With the Brisbane City Council, we are upgrading Sugarmill Road and the lights there with Kingsford Smith Drive. Lomandra Drive has had a makeover and it has opened up the throat of the intersection between it and Sugarmill Road. There has been a lot of work done on busing and access to the Airtrain. I just have to compliment all players involved for the work that they have done to try to alleviate this situation.

Mr GRAY: Minister, I also refer you to page 99 of the Capital Statement and the concept of free-flow tolling.

Mr PITT: Say that fast please!

Mr GRAY: Free-flow tolling; thank you for that. Could you please inform the committee of the benefits of free-flow tolling?

Mr PITT: Thank you very much. I, too, find that a bit of a tongue twister. This is another congestion-busting move, and I was pleased to announce in February that free-flow tolling would be introduced in the Logan and Gateway motorways by mid-2009, and that is two years ahead of schedule. Free-flow tolling is accepted nationally and internationally as leading practice in planning and operating toll roads. This will be a new era for motorists on the Queensland Motorways Ltd network, removing the bottlenecks at toll plazas. Free-flow tolling is a cashless, fully electronic, no stopping tolling system that improves reliability of travel times and reduces congestion. Motorists will benefit from improvements in predictability and reliability of travel time, simplicity and safety. Free-flow tolling will also deliver savings through lower vehicle operating costs as stop/start traffic will be reduced and will support the environment by cutting greenhouse gas emissions. No toll booths means less congestion and improved safety at the tolling booth by removing the need for motorists to slow down, weave and diverge to the desired lane to pay the toll and then accelerate and merge again. Motorists using the Logan Motorway

will experience more reliable travel times from free-flow tolling. The benefits of free-flow tolling on the Gateway Bridge will be fully realised with the increased capacity of the second Gateway Bridge in mid-2011.

Free-flow tolling will be simple to use and will offer a range of payment options to suit all motorists. The removal of cash lanes and toll booths on both the Gateway Bridge and the Logan Motorway will require motorists who currently pay their tolls in cash to adopt a different payment method. A range of payment options to cater for both regular and less frequent users is currently being investigated. The preferred options will be simple to use, they will be fully market tested, and they will be affordably priced and widely available. Any fees and charges associated with the various payment methods will be clarified when the payment options are launched. A community campaign will be conducted to inform motorists of their payment options for free-flow tolling.

All new toll roads expected to begin operation in south-east Queensland in the next few years will employ free-flow tolling. These toll roads include the Clem Jones Tunnel expected to open in 2010, Airport Link scheduled for 2012 and potentially the Hale Street link and the northern link tunnel. Following the transition to free-flow tolling, QML will no longer need to employ staff to act as manual toll operators. However, there will be an increased need for staff in the call centre and the numberplate recognition areas of QML. QML is developing a change management plan to assist staff throughout the organisation in the transition to free-flow tolling. QML has discussed the plans for the transition to free-flow tolling with its staff. There will be no forced redundancies for employees affected by the transition. Where possible, QML will retrain employees to take on the roles created by the transition to free-flow tolling.

Mr BOMBOLAS: I want to ask the minister about maintenance, and you may have touched on this after questions from the member for Warrego. With reference to page 2-164 of the SDS, what actions are Main Roads taking to maintain the existing road network which is stated to be worth in excess of \$37 billion?

Mr PITT: That assessment is correct; it is valued in excess of \$37 billion. As I said previously in answer to an opposition question, we maintain and manage 33,550 kilometres of state controlled roads, and that is by far and away the largest state controlled road network in Australia. These roads carry the bulk of Queensland's traffic and they service many diverse regions of the state, and it is vitally important in this great decentralised state of ours that our road network be maintained and managed effectively. As I have indicated before, striking the right balance between capital and maintenance funding is always going to be a very complex task, but I am absolutely determined that safety will be our top priority. It always has been and always should be. When you consider the research from the United States and the United Kingdom that shows that actual road conditions cause only a small percentage of crashes—the figure was about three per cent, and that is where the road conditions themselves are the prime cause or the sole cause of a crash—it is important for motorists to drive to conditions. I must say that if you drive to conditions your chance of having an accident are much reduced.

In 2008-09 Main Roads will spend over \$384 million to maintain the road network. The government has also instigated programs such as the Regional Bridge Renewal Program to replace timber and older concrete bridges. Another example is the Accelerated Road Rehabilitation Program to rehabilitate sections of pavement and replace timber bridges in southern and central regions. As the network ages and with the increasing traffic growth, larger freight vehicles and significant climatic impacts, maintenance needs on the road network will have to be prioritised. To best target available funding, the department has a statewide system to identify areas of the highest need and allocate funding to address safety issues across the state.

Main Roads also has one of Australia's most sophisticated management systems for pavements, bridges and other structures, and this includes detailed assessments and development of individual management plans for our bridges, and that is a pretty big task in itself. The Rudd government has, as I said before, restored the previous level of funding for maintenance which was cut by the Howard government in 2007, announcing \$67.76 million worth of maintenance funding for the AusLink networks in 2008-09. During the five-year period in AusLink 2 from 2009-10 to 2013-14, the Australian government has committed \$280 million for maintenance on the Bruce Highway. At this stage there is yet to be a commitment for maintenance for the rest of the network under AusLink 2.

The AusLink network remains significantly underfunded, as I have previously indicated, and my department will continue discussing a maintenance funding proposal with the Australian government to begin eliminating the maintenance backlog on the national network. We will continue to use available funding for both the AusLink and state funded networks to invest in maintenance in a way that maximises road user safety and the current and future performance of the state controlled road network.

CHAIR: Minister, I draw your attention to page 2-161 of the SDS which discusses road stewardship. With the increasing amount of freight being transported around the state, what contribution is Main Roads making to the safety of truck drivers on our major freight routes?

Mr PITT: I am pleased to say that we are doing a good job in this respect and we realise how important it is for those people who use the road network artery to be able to do so in safety. Truck drivers have access to around 200 heavy vehicle rest areas or stopping places as well as service stations and cafe truck stops. Heavy vehicle rest areas come under the umbrella term 'driver fatigue management' in the Roads Implementation Program. This description also involves activities such as signage and audio tactile line marking. It is all designed to make our roads safer. On the Cunningham Highway Main Roads is upgrading an existing truck rest area 13 kilometres east of Inglewood and building a new truck rest area five kilometres west of Inglewood and on both sides of the road at Mundah 30 kilometres east of Goondiwindi.

Other locations are along the Warrego Highway in Murweh shire and on the Mitchell Highway in the Barringun to Cunnamulla and Cunnamulla to Charleville sections in the Paroo and Murweh shires as well. Heavy vehicle rest areas will also be provided on the Peak Downs Highway 30 kilometres west of the Fitzroy Development Road intersection in the Isaac Regional Council area and on the Kennedy Development Road in the Poddy Creek area in Winton shire.

Recently completed heavy vehicle rest areas include on the Dingo to Mount Flora section of the Fitzroy Development Road and on the Peak Downs Highway between Clermont and Nebo. In the past two years, four new heavy vehicle rest areas have been constructed and four existing sites upgraded on the Carnarvon Highway between St George and Roma. Work is nearing completion on a heavy vehicle rest area at the Murri Murri on the Leichhardt Highway. In the previous five years, 29 heavy vehicle rest areas have been added to Queensland's road network.

Main Roads has also allocated another \$14.99 million for driver fatigue management, which covers four countermeasures: rest areas, heavy vehicle rest areas, audible edge lines and signage. Of this allocation, \$3 million has been dedicated to the construction and upgrading of heavy vehicle rest areas. The federal government has committed \$30 million for rest areas for both light and heavy vehicles, stopping places and audible edges on the AusLink network through their recent AusLink 2 election commitments. This comprises \$25 million for rest areas, stopping places and audible edges on the Bruce Highway and \$5 million for new upgraded rest areas and heavy vehicle stopping places on the Warrego Highway.

I am very pleased to say that Queensland is getting on with the job. We take the need for fatigue management and keeping our trucking network drivers as safe as we can very seriously. It is very pleasing to note that we are able to work in cooperation with the federal government. The Prime Minister also announced \$40 million towards the upgrade of the Warrego Highway—Roma to Mitchell—to allow type 2 road train access west of Roma. This funding will allow targeted sections of the road to be upgraded to extend the type 2 road trains—they are the ones that have three trailers—on that route closer to Roma.

Mrs LAVARCH: Minister, I do not think anyone could be in any doubt at all that there is an infrastructure boom in Queensland. On page 2-158 of the SDS there are a number of challenges listed there for the Department of Main Roads. Could you advise the committee of some ways Main Roads is dealing with the challenges of the infrastructure boom to ensure that projects are completed on time and on—and perhaps some may be under—budget.

Mr PITT: Of course, that is the aim, is it not, to get on with the job of building tomorrow's Queensland today. Infrastructure provision has become a key element in the Bligh government. I am pleased to say that Main Roads is doing its share in respect of this. But there are severe challenges in this. The cost escalation pressures make it very, very difficult to fund with surety at times. I think the department is doing a very, very good job under tough circumstances.

The Tugun bypass, which opened to traffic in early June of this year, was six months head of schedule and within the \$543 million budget. It is the most recent example of Main Roads being right on the money. An analysis of 10 major projects delivered since 2000, with a combined value of \$1.4 billion, showed that 90 per cent were delivered within pre-tender budget or ahead of time.

CHAIR: We move back to the member for Warrego.

Mr HOBBS: Minister, can you update us on any further progress on the Dennis Ferguson figures?

Mr PITT: My friend, you must have ESP.

Mr HOBBS: I have.

Mr PITT: The department has just handed me this information. With reference to the question you asked before regarding Main Roads—the property we have at Carbrook—I am advised that rent paid for that property at Carbrook is \$360 per week. The Department of Housing arranged rental of the property from Main Roads earlier this month. The Queensland Police Service is paying this rent, which will be remitted to Main Roads in accordance with our market based rental policy for properties in Main Roads corridors that are not immediately required for road purposes. So I hope that satisfies the question you had.

Mr HOBBS: Thank you for that. I refer to a briefing note from your department that recommended that you consider a change of policy to allow state funding to be invested in the maintenance of the AusLink network. Can you advise the committee if you are considering or you have made a decision on this matter? Do you want me to table this briefing note?

Mr PITT: I think we might be right.

Mr HOBBS: You probably have it anyway. It is yours.

CHAIR: Could you just briefly repeat that question while we are just waiting?

Mr HOBBS: Can the minister advise if he has considered a change of policy to allow state funding to be invested in the maintenance of the AusLink network? This was a recommendation of your department.

Mr PITT: The answer to this will have to be reasonably brief. The previous federal government had already indicated that it wanted to change the arrangements. I think originally, with the cost sharing—it started out as 100 per cent years ago that anything on the federally funded road network—

Mr HOBBS: This is the maintenance on it.

Mr PITT: Yes. That had changed. We are working very closely with the new government as to what those arrangements should be. We have not reached a determination as yet, but it is very important we do so because, as we have already indicated in answer to a couple of questions—one from you and one from a government member—that maintenance of the road network is absolutely paramount. We have to reach an agreement with the Commonwealth as to what our cost share will be in respect of this. Of course, I would be looking for as big a contribution as I can from the federal government, because we have enough challenges of our own on the remainder of the network and our capacity to assist local government on their road network as well.

While we are discussing this, can I say something about the local government road network, which is about 156,000 kilometres. The maintenance on that is an absolute nightmare for them. We assist where possible, and we would like to be able to do more. But whilst we still have this cost pressure in respect of the federally funded network, that is always going to be a difficulty for us. So the short answer is that we have not reached an agreement as yet, but we are working on it. We understand the urgency of it.

As I stated previously in parliament, I have welcomed the Rudd government's infrastructure funding boost to Queensland, which includes more than \$826 million for roads in Queensland in 2008-09. That is a 7.8 per cent boost over the Howard government's 2007-08 allocation. Funding for maintenance has also, as I said before, returned to previous levels—from 2007-08 levels—with \$67.76 million in 2008-09. That is up from the \$63.1 million allocated the year before.

Unfortunately, maintenance funding for AusLink 2 has been allocated for only the Bruce Highway at this stage. We still need a commitment for maintenance funding for other highways in the AusLink national network in Queensland. In conclusion, in response to your question, it is difficult, we have to get it right and we have to do as best we can to make sure that Queensland is able to meet all of its commitments not just on the National Highway network. If do you not mind, my director-general will just add one more thing.

Mr Tesch: Sorry, Mr Hobbs, I provided my minister with advice regarding the length of local authority roads. That number should be 148,000 kilometres, not 156,000, for the record.

Mr HOBBS: Thank you for that. I want to go back to the current indexation rate by Treasury that I mentioned a while ago. The director-general, Mr Tesch, said that it is a Treasury formula based on vehicle registration CPI, but the briefing note here says that this non-discretionary road budget does not reflect the true annual cost escalation faced by Main Roads and that you support Main Roads in negotiating with Treasury to increase the indexation rate. Clearly, the construction CPI is far higher than the CPI, obviously, they are using for Main Roads registrations and so forth. That is the point I am getting at. Has there been any success with Treasury to get that up to a high rate, as your department recommended you do?

Mr PITT: I will ask the director-general to comment on that for you.

Mr Tesch: As I understand it, the department of Treasury has recognised the cost pressures that are facing the infrastructure sector. An example of that is that the South East Queensland Infrastructure Plan and Program has a cost escalation built into it that is greater than the current CPI and the CPI forecast. So I think that, yes, they understand that cost pressures in this area do exceed that of standard CPI and have built those sorts of escalations into their estimates, for example, for the SEQIPP projects.

Mr PITT: For the members' information, I might make it known that prior to becoming the director-general for Main Roads my director-general worked within Treasury. It is only wise for me to defer to someone who knows what they are talking about in respect of those things.

CHAIR: Just for the purposes of the committee, we do not have a copy of that briefing note that you are referring to. Would you be prepared to table that?

Mr HOBBS: Yes, I will. I refer to the Wacol-Darra upgrade of the Ipswich Motorway. Can you advise when this is expected to start, the completion date and at what cost? I know it is a bit early, but I am sure you have some figures there somewhere.

Mr PITT: The next major project, to upgrade the Ipswich Motorway, has now moved to the starting grid. We are ready to hit the ground running on the long-overdue Ipswich Motorway upgrade between Dinmore and Goodna. We are also on the verge of finalising the road designers and contractors that will form an alliance and be able to then get on and get the job done.

Main Roads has received some 22 formal proposals from companies that want to be involved in this alliance. They have been assessed by a selection panel. I should be in a position very shortly to indicate who the alliance project partners are going to be. There will be something a little bit different about this one, though. In the past quite often we have selected a major partner and they have pulled the thing together themselves. Main Roads on this occasion is trying a system whereby we pull the partners together. We are the key—I guess the glue—for the project.

The project demonstrates that both the Queensland government and the federal government are going to work together very closely to deliver this sort of infrastructure. The \$700 million funding of stage 1 works east of the Progress Road interchange is part of the federal government's and the state government's commitment to south-east Queensland. Those works include transforming the current roundabout into a multilevel modern interchange and the upgrading of approximately three kilometres of the Ipswich Motorway section between Jarvis Street, Darra to Sandy Creek, Wacol to a minimum of six lanes with the provision of eight lanes in the future. Construction works commenced on 31 March 2008 and the anticipated completion date is December 2010. We have had a few issues that we have had to resolve. The relocation of the Darra football fields to the Westgate precinct at Wacol is complete. The first game, I might add, on the new fields was played on Friday, 11 July, and an official opening ceremony of the new sporting fields is planned for Saturday, 26 July. In this case, I am referring specifically to the Wacol to Darra section.

We have had a number of other challenges on this section at Bullockhead Street. I remember the shadow minister speaking with me on this issue. I must thank the chair of the committee, Anastacia Palaszczuk, and Julie Attwood, the member for Mount Ommaney, for the role which they played. But I think due credit also has to be given to the business owners in that area and the alliance partners, because we have come up with a very good result at Bullockhead Street. All partners were desirous of getting a good outcome. As a matter of fact, the alliance partners found \$4 million out of their money to assist us to give a temporary solution that will enable us to provide a medium- and long-term solution.

Mr HOBBS: A while ago you answered a question in relation to vehicle rest areas. You said there are 29 more added and that there is \$5 million from the federal government for the Warrego Highway. There is a real issue here with rest areas, particularly with livestock carriers. I know the Bruce Highway is important as well. But we have a real issue here in relation to drivers having to take rest breaks that often occur in the middle of a journey. There is a fundamental shortage of rest areas. They are often full. Combined with road rule 200, which prevents heavy vehicles from parking around towns or cities for longer than an hour, heavy vehicle drivers are being forced to drive in contravention of the law and whilst fatigued due to the insufficient places to take quality rest breaks. Minister, how can you say that you are satisfied with the funding of these when, in fact, we are so far behind in relation to these areas?

Mr PITT: I think the member would accept that this is a mammoth task. Over the last few years the use of our trucking industry to move goods around the nation has dramatically increased. As a consequence of the larger number of heavy vehicles on the road network there have been some pieces of legislation that have been put in place at both Commonwealth and state level that have placed requirements upon drivers and owners to ensure driver safety and the safety of other motorists on the road.

As I said to you earlier, there are currently 200 heavy vehicle rest areas or stopping places in addition to service stations and cafe truck stops in Queensland. That is not sufficient. I think that is accepted by everyone. It is a matter of how fast you can move towards getting towards the optimal level of facilities. In my previous answer to you I detailed a large number of those on the Cunningham Highway, the Warrego Highway and the Peak Downs Highway. Also Main Roads, as an interim measure and I guess a supplementary measure, is looking at what you would call informal truck stopping places. This is something that I became acutely aware of.

I will just give you an example from an untrained eye. As I was inspecting one of our lengths of road which is used heavily by heavy vehicles, it became apparent to me that Main Roads or our construction partners quite often establish sites where we store materials et cetera and for whatever reason we seem to return them to nature when we are finished. We site them purely for the commercial reason of access for materials to the project. Now, it appears to me that we could be a little smarter about this and, whether it be RoadTek, ourselves or our private sector partners, we should be siting those at points that can actually serve a dual purpose. Upon completion of their use for the project itself they could provide some informal stopping places for vehicles. That is only a minor measure. It just goes to show that there is more than one way to resolve this. Full truck stops can be one. The private sector

can be encouraged to assist in many ways. We can provide our own dedicated pull-over areas and amenities to go with that. I think this will be an issue that will bedevil us as a government for some time to come, but it is an issue that I am determined to face squarely up to.

The federal government has committed \$30 million for rest areas for both light and heavy vehicles, stopping places and audible edges on the AusLink network through the recent AusLink 2 election commitments. I am looking forward to working with the department and industry to ensure that we roll it out in the best interests of the trucking industry and Queensland's motorists

Mr GRAY: I refer the minister to page 2-168 of the SDS in respect of state-federal relationships. Can you advise what impact the change of federal government has had on the flow of funding to Queensland roads under AusLink of which we have talked this afternoon on many occasions which is referenced on that page of the SDS?

Mr PITT: We have very good relations with the Rudd Labor government, but I am wont to say that we come from Queensland and they come from Canberra so it will not always be perfect, I am sure. But whilst we can, we should ensure that we are able to get good outcomes for our joint constituency. I am pleased to say that Minister Albanese is an excellent minister to deal with. He cuts through all the nonsense and looks for outcomes. That certainly suits my style of operation.

These good relations we have with the Rudd Labor government are already delivering for Queensland. Most recently funding was announced towards the Eaton Range section of the Peak Downs Highway following a federal cabinet meeting in Mackay. The Rudd government's infrastructure funding boost includes more than \$826 million for roads in Queensland in 2008-09. That is a 7.8 per cent boost over 2007-08 allocations. The amount of \$63.2 million will bring forward nine key AusLink election commitment projects and these early start projects include: \$22.5 million for the Pacific Motorway Nerang South interchange; \$20 million to start construction on the Townsville port access road; \$5 million for planning the Dinmore to Goodna upgrade of the Ipswich Motorway; \$4 million towards upgrading the Burdekin Bridge; \$4.5 million towards sealing 15 kilometres of the Peninsula Development Road; \$4.5 million to provide more sealed roads, gravel roads and creek crossings in the Cape York region; \$2 million to complete design work for the Cardwell Range realignment; \$500,000 for the Yeppoon floodplain study at Rockhampton; and \$200,000 to start a major reconstruction of the Bruce Highway near Nambour.

The Rudd government has also allocated \$23 million in early AusLink planning funding to speed up key projects that will address urban congestion. We will go on with the planning of the Gateway Motorway north and south links; the southern motorway into Cairns; the Douglas Arterial duplication into Townsville; the southern approach to Mackay; and the Calliope Crossroads on the Bruce Highway. Funding for maintenance has also returned to pre 2007-08 levels, as I indicated earlier. As well, this year's federal budget confirms \$22.3 billion from 2009-10 to 2013-14 that was committed nationally under AusLink 2 in 2007.

A total of \$4.335 billion or 26 per cent of the national funding has been committed to roads in Queensland over the five-year period. Of this, \$30 million is to improve local roads in the cape region, such as the Peninsula Development Road and the roads connecting Indigenous communities, \$9 million of which will be delivered in this coming 2008-09. The amount of \$500 million was committed to reduce tolls in the Brisbane City Council's northern link tunnel, though much of this funding may follow after 2014. The Bligh and the Rudd governments are working very closely together to develop a funding agreement and program to deliver on this massive level of roadworks in Queensland.

CHAIR: I refer you to an earlier answer you gave when the member for Warrego was asking you about the Wacol to Darra expansion of the Ipswich Motorway which is in my electorate. I note that you said that \$700 million has been allocated to this project of which \$200 million will be spent this financial year. My question is more in relation to travel time for motorists travelling on that Goodna to Darra stretch. What will be the saving in time for motorists heading into the city? Are you going to be looking at the Wacol section where it intersects with the train station? That is a bit of a bottleneck as well.

Mr PITT: Thank you for the question. When people elected the Rudd government, I believe that they voted for progress on fully upgrading the Ipswich Motorway to provide the community with a complete congestion-busting transport solution and improved safety. That is after four years of delay. When people talk about projects in Queensland taking a long time, we only need to refer to that project to indicate that that was well and truly outside our control. While people played politics with an obsession people had to suffer.

The upgrade between Goodna and Dinmore is on schedule to start construction in early 2009. We are on the verge of finalising the road designers and contractors who will form the alliance to get the Goodna to Dinmore job done. Main Roads received, as I have indicated, 22 formal proposals. They have been assessed and we will be putting this alliance together as soon as possible. I hope to make an announcement in the near future. This project demonstrates how the Queensland and Australian governments can work closely together on issues such as this and bring good results for the long-suffering motorists.

It is also timely to provide an update for you on the Goodna bypass. I can inform the committee that the Queensland and Australian governments have decided to preserve land that has been acquired for the Goodna bypass for potential future use in the long term as an insurance policy to cater for the region's continuing growth. I must stress, however, that this does not mean that the bypass project as proposed by the former federal coalition will proceed at some future date. The Goodna bypass proposal as an alternative to upgrading the existing motorway has been scrapped. It is dead and buried. The proof of that is the fact that we are proceeding full steam with the Goodna to Dinmore section.

The Ipswich Logan interchange is on track. It is to be completed in the first half of 2009. Eight of the project's 10 bridges are well underway. A substantial amount of permanent works are finished. On the Wacol to Darra section, work started on the section east of Progress Road, Wacol in early 2008. It is expected to be finished by late 2010. Progress is clearly visible on the road. Works to date include relocating public utility services, bulk earthworks along both sides of the Centenary Highway and Ipswich Motorway, major drainage work on the Centenary Highway interchange and constructing bridges along the Centenary Highway and Ipswich Motorway.

There will be benefits to motorists travelling to the city. These upgrades will improve travel times for motorists heading in and out of the city by providing a minimum of six lanes plus auxiliary lanes on the motorway. There will be fewer on and off ramps to improve traffic flow. The right-side ramps on the Ipswich and Logan Motorways will be replaced with free-flowing, high-standard, left-side ramps. New service roads and new cross-motorway connections for the local community will help keep local traffic off the motorway. The existing Centenary Highway roundabout will be replaced with a multilevel system interchange that will provide free-flowing designated lanes between the Ipswich Motorway and the Centenary Highway. Ipswich motorists can look forward to improved traffic flow and less congestion for many years.

Mr BOMBOLAS: I would like to quiz the minister over the Main Roads capital budget. I refer the minister to page 2-158 of the Capital Statement. I note the increase in the Main Roads capital budget over the past five years from \$610 million to \$2.4 billion this year. What proportion of this funding is made up of vehicle registration and what is the increase in the number of vehicles on our roads over this time?

Mr PITT: I thank the member for the question. Motor vehicle registration revenue is a major component of Main Roads' base funding. Each year Queensland Treasury includes a 4 per cent increase in forecast motor vehicle registration revenue to allow for CPI and growth in the number of vehicles. For 2008-09 Main Roads anticipates vehicle registration revenues of \$921 million from Treasury. This represents 51 per cent of Main Roads' state funded capital budget of \$1.8 billion. In other words, we are spending almost twice the vehicle registration revenue on building and improving our roads. When comparing that to the 2003-04 actual capital expenditure, registration revenue has increased by 38 per cent over this period while the department's capital budget, both state and federal, has increased by 304 per cent. Vehicle numbers over the corresponding period have increased by 27 per cent, bringing the number of vehicles paying registration fees to just over four million as of May 2008.

We are planning for and managing growth with a massive \$16.2 billion five-year program to deliver better roads for the Pacific Motorway on the Gold Coast to the Peninsula Development Road in far-north Queensland. The increase in Main Roads' capital budget reflects funding in recent years over and above base funding sources. For example, the capital budget in 2008-09 includes funding provided under SEQIPP of \$651 million; regional and rural funding initiatives of \$165 million; a regional bridge renewal strategy of \$35 million; and funding for works to be progressed in the Bowen Basin coalfields area of about \$45 million.

Major infrastructure projects to be programmed in the 2008-09 capital program, which is funded by special allocations outside of Main Roads base funding, are the Centenary Highway duplication between Springfield and Darra, in conjunction with the Darra to Springfield rail extension, at a total estimated cost of \$414.6 million; the new \$315 million Houghton Highway bridge between Brighton and Redcliffe; an upgrade of the Pacific Motorway between the Gateway Motorway and the Logan Motorway and between Nerang and Tugun at a total estimated cost of \$910 million funded equally by the Australian and the Queensland governments; the new Forgan Bridge in Mackay at a total estimated cost of \$128 million; the Bundaberg ring-road at a total estimated cost of \$92 million; construction of the Pacific Paradise interchange and access to David Low Way on the Sunshine Motorway west of Pacific Paradise at a total estimated cost of \$85 million; widening of the Caloundra Road to four lanes between the Bruce Highway and Pearce Avenue west of Caloundra at a total estimated cost of \$80 million; widening the Gold Coast Highway to four lanes between Government Road and Robert Street at a total estimated cost of \$128 million; widening to four lanes in sections between Santa Barbara Road and Columbus Drive and Hope Island Road at a total estimated cost of \$109 million; Hospital Bridge in Mackay at a total estimated cost of \$33.6 million; and realignment of the Dawson Highway at the Calliope Range at a total estimated cost of \$70 million. It is no embellishment to say that Queensland is a construction site.

Mrs LAVARCH: On page 2-160 of the SDS there is a list of the 2007-08 achievements. I was interested to see that under the Safer Roads Sooner program there have been 57 projects completed. I was just wondering whether you could detail some of those projects that have been completed for the committee.

Mr PITT: I am not one to encourage people to break the law, but when they do break the law the revenue from red light and speed camera fines goes directly into improving our roads under the Safer Roads Sooner program. During 2007-08, 57 projects, as you indicated, were scheduled to be completed. Overall, as at the end of June 2008, approximately \$47.78 million has been expended on Safer Roads Sooner in 2007-08. This is a record level of expenditure for the Safer Roads Sooner program. It can be announced here today that Main Roads has been able to deliver 63 projects by the end of June 2008, six more than was initially scheduled. Having this flexibility in dealing with delivery of projects ensures that the SOS program is delivered in an efficient and timely manner, ensuring that the state funded portion of the state controlled road network achieves the highest safety return possible within the levels of funding available.

As well, the audio tactile line marking, or ATLM, program has continued to be rolled out over 2007-08. These raised tactile lines, both the centre and outside lines, are an important antifatigue measure. An \$8 million funding commitment has enabled approximately 1,700 kilometres of state and national roads to be treated in that manner.

The member asked for examples of projects completed in 2007-08. The Department of Main Roads installed guardrail and extra signage, improved drainage and removed hazards along various sections of the popular Mount Glorious Road at Samford at a cost of \$1.5 million. Along Beaudesert-Nerang Road near Riverglen Court, there was a \$500,000 project to install guardrail and do intersection upgrades. Along the Rockhampton-Emu Park Road, Main Roads improved the intersection, put in more overtaking opportunities, removed hazards and installed warning signage at a total cost of \$3.8 million.

A six-kilometre section of the Birdsville Development Road was paved and sealed to provide overtaking opportunities at a total cost of \$1.2 million. Along the Goodwood Road, 8.7 kilometres of that road in the Bundaberg Regional Council area was widened at a cost of \$2 million. At the Bunya Highway and Burnett Highway intersection, Main Roads realigned and widened the road, reshaped the T-intersection, resurfaced the road and installed new lighting at a total cost of \$1.3 million. At the Tallebudgera Creek Road and the Tallebudgera Connection Road on the Gold Coast, \$500,000 worth of improvements were completed. So the Safer Roads Sooner project is delivering right across the state.

As I said in my opening comments, I do not encourage people to break the law but, when people do and the funds that are accrued from the fines or penalties placed upon them are put back into making our roads safer, I think that is a very appropriate connection.

CHAIR: Thank you, Minister. We now move back to non-government questions. I believe that the member for Nicklin has some questions.

Mr WELLINGTON: Minister, I refer you to page 2-164 of your Service Delivery Statement where you identify the number of timber bridges rehabilitated and/or replaced. What grant money is available to support the Sunshine Coast Regional Council in replacing local government timber bridges and what are the eligibility criteria?

Mr PITT: The replacement of timber bridges across the state started before I became the minister and is in many ways part of the Blueprint for the Bush program. I have not got the details of exactly what is required in the circumstances that you find yourself in in the Sunshine Coast. I will endeavour to get that information for you.

Mr WELLINGTON: You can take it on notice.

Mr PITT: I think it is important at this hearing that the people of Queensland should be made aware of the effort that the government is making in respect of replacing old bridges, whether they be timber or concrete but particularly timber bridges, which in many ways have no place in this modern world.

Our Regional Bridge Renewal Program is accelerating the replacement of timber bridges and older concrete and steel structures that are in poor condition across the state. The government announced the program on 9 August 2005 to the total value of \$350 million over five years. A total of 104 bridges have been identified for replacement by December 2010—I have to find out which of those are in the area you represent—with new structures designed to current standards including better approaches, alignment and flood immunity. A further five bridges will be rehabilitated. When we talk about the replacement of bridges, we are not talking about replacing like with like. We replace it with something that is going to provide better flood immunity and construction standards that will stand the test of time.

At the end of June 2008, 54 bridges have been replaced to date including bridges at Miva Creek on the Bauple-Woolooga Road, Running Creek on the Sarina-Homebush Road, Sandy Creek on Homebush Road and the David Burgess Bridge on the Mackay-Eungella Road. The remaining bridges

are either already under construction or being planned and designed to enable replacement work to commence. The regional councils are in a position to make direct application for funds for specific bridges under the TIDS program. As I said, under Blueprint for the Bush we made a commitment in that respect as well. I would suggest to the member that you liaise very closely with your council and get them to put in an application to us under the TIDS program.

I do have some information that may be of some use to you. The amount of \$1.5 million has been allocated to replace the Ferntree Creek culverts on the Nambour Connection Road. Construction is scheduled to start late this year with completion expected in mid-2009. The amount of \$3.1 million will be put towards the rehabilitation and widening of the Nambour-Mapleton Road between Willandra Place and Mapleton in 2010-11 to 2012-13. But if there are additional bridges that your regional council believe are in need of attention I would encourage them to bring them to our attention and make a submission for funding. I would prefer to see that work carried out under the TIDS program and for the local council workforce to benefit from some of that construction work.

Mr WELLINGTON: Thank you, Minister. Minister, I also refer you to page 2-165 of your Service Delivery Statement where you specifically refer to \$4.3 million being available for bikeway grants. How soon can the Sunshine Coast Regional Council apply for access to some of this grant money for bikeways and what are the limits and eligibility criteria that the council has to satisfy to be able to access these grant funds?

Mr PITT: I think each and every one of us knows that modes of transport vary and, in this brave new world of climate change and a tax on obesity and other issues that create poor health situations for our citizens, cycling as well as pedestrian mobility is important. Cycling is very important. I have regular meetings with Bicycle Queensland over this issue. When the department puts in place new roads it factors in the necessity to have cycleways. Where we go about major upgrading of existing roads, that again is taken on board. But there are a lot of roads that are not state roads but are local roads. My understanding is that it is a collaborative effort between local councils, the department of transport and of course the Department of Main Roads.

We as a department are committed to the effective and efficient delivery of all road programs. A key outcome of this delivery is the provision of transport related community amenities such as pedestrian walkways and bikeways which address the local transport needs of regional and rural communities. Funding is provided under the TIDS program for the development of initial bikeways and shared pedestrian facilities and the extension of existing amenities. The purpose of this measure is to enable Main Roads to manage the level of financial assistance through the TIDS program to local governments for the development of bikeway networks and shared pedestrian facilities in addition to making funding available for dedicated bikeway works managed by Main Roads.

The dedicated base TIDS allocation provided for the development of bikeway networks in south-east Queensland is currently \$4 million per annum and that is ongoing. In addition, funding which is provided under the base TIDS allocation to individual local governments and base TIDS allocation to regional road groups may be directed by local governments towards bikeway related projects. Bikeway facilities are also delivered through inclusion of cycle related works as components of projects in the state controlled network.

The 2007-08 variance between target and actual expenditure reflects a combination of carryover funds from 2006-07 and early commencement of some 2008-09 projects. As I said, the base measures for this are dependent upon a collaborative arrangement between local government, department of transport and state government. Where local governments identify a need, they have the capacity through the TIDS program to apply for funding which is coordinated by the department of transport, but Main Roads is very keen to work with local governments in respect of this. I would encourage the regional council on the Sunshine Coast to put together a master plan of cycleways, not just that council itself but the regional roads group, so that we can establish funding, create priorities and deliver good outcomes.

Mr HOBBS: Minister, I want to refer back to the residents of Carbrook, where the notorious paedophile Dennis Ferguson has rented. Minister, I note that the other day a molotov cocktail was thrown at that place. Do you guys have insurance?

Mr PITT: I will take that question for what it is worth.

CHAIR: I would actually rule relevance here.

Mr PITT: I think it is an interesting question but it really is outside my portfolio responsibilities and the purpose of these hearings.

CHAIR: It is.

Mr PITT: But I thank you very much for your interest.

Mr HOBBS: I would suspect that a lot of government buildings are not. They carry their own insurance.

Mr PITT: I think most government buildings are basically self-insured where you accept the loss and move on. I would hope that it does not degenerate into that.

Mr HOBBS: I think we all do, obviously. Minister, going back to the heavy vehicle rest areas, I am pleased you recognise that it is a mammoth task. We all do. You are probably aware that there is going to be a transport blockade in due course because of the national fatigue laws. Most people are happy to have fatigue laws but there are not enough facilities where the trucks can stop. Would you be prepared to take up with your cabinet colleague the need for the government to not enthusiastically enforce the rules until such time as we have enough heavy vehicle rest areas?

Mr PITT: It is a little bit of a chicken and egg situation. We have to have rules and regulations which drive progress. That is very important. It is also important to be able to find the capacity for the outcomes of such a process to be implemented. It is a balancing act. You would not be surprised to know that I have frequent discussions with the other ministers involved regarding a number of issues in my portfolio. This is one of them. We work as closely together as we can. I am not too sure I can add any more to the information you require other than that we do talk about these things and there is a desire to try to get the balance right.

I hope you are not suggesting that we go easy on safety measures in respect of regulations regarding trucking. On the other hand, I do understand that I have a responsibility and the government does as well to assist them to carry out those new requirements by providing facilities and services where necessary. Enforcement though is not one of those things—I think you have been around the place long enough to know that you enforce where it is needed. You prioritise where it will be enforced. I think that is one of the outcomes.

I expect the industry to obey the law. The law is the law. I also expect that we will have a role to play to work closely with the industry to get good outcomes there. At the end of the day enforcement is necessary. We are not talking about trying to penalise people unnecessarily; we are talking about people who—as I have heard my colleague the minister for transport say—when they wake up in the morning and wave a loved one off to work they would like to think that they are going to come home again either that day, the next day or whenever they are due to come off their shift or in this case come home from their travel as part of their job driving a truck. I am not too sure that I can assist the honourable member any further other than to say that we are always monitoring these things and we always work as closely as we can to get good practical outcomes.

Mr HOBBS: Unfortunately, if there are impossible guidelines it is pretty hard for those people to meet them. Anyway, I want to move on. I refer to the whole-of-government strategy ClimateSmart 2050. Minister, a while ago you mentioned that you can calculate carbon emission figures from traffic lights, and that is very good, but can you please advise us the total amount of greenhouse gas or carbon emissions that were produced by RoadTek in the 2007-08 financial year and the estimate of greenhouse gas emissions for the 2008-09 financial year? How much is it going to cost to offset those emissions?

Mr PITT: I have to tell you, my friend, that if I could answer that question right now I could guarantee you I would win Gold Lotto on Saturday! I think you are asking a little too much in respect of that. It is important that we monitor these things very closely and that as a department we do our bit to ensure the overall battle against greenhouse emissions is carried on. The department will do its share. We will have to develop data that will allow us to benchmark the work we are doing against the overall fight against greenhouse emissions, but I think it is probably a bit premature to expect me to have those details at my disposal right now.

Mr HOBBS: I refer to page 2-158 of the SDS and the RACQ's latest Unroadworthy Roads Survey, in which they list the top five worst state main roads and national highways: the Beechmont Road between Lower Beechmont and Beechmont, the Bruce Highway between Tully and Cairns, the Bruce Highway between Bowen and Townsville, the Warrego Highway between Toowoomba and Chinchilla, and the Bruce Highway between Gympie and Maryborough. I do not see any significant funding in the RIP. What do you have for those sections of road to resolve these issues?

Mr PITT: When the RACQ did that survey, my understanding was they surveyed their one million members—of which I am one, and perhaps you are as well; most Queenslanders belong to the RACQ—and they got just over 800 responses. Those responses varied dramatically. Even the top one, which I understand was the Beechmont Road, had only a limited number of people who responded in respect of that.

I have great respect for the RACQ, but I think this is one of those circumstances where their surveying technique lacked a little bit of scientific rigour. I am not saying that those roads do not need attention, but when you start dissecting those 20 roads you find that only a very limited number really are state controlled roads or fully state funded roads. As a matter of fact, my understanding was that a significant number were local government roads and there were some that were National Highway, and we have already had this discussion about the maintenance dollars being applied to the National Highway.

It is interesting that in many ways that survey—which was a subjective survey; there was very little objective about it—did actually reinforce the fact that Main Roads is right on the money. The roads that are our responsibility directly are already being attended to. In respect of the Beechmont Road, some \$500,000 had already been spent on it or was in the process of being spent on it when the survey came out.

I appreciate the RACQ's constant battle to bring things to my attention. It serves a purpose, but it should not be seen to be definitive to the extent that this was a scientifically based survey. This is just asking people what their gut feelings were, and generally speaking their gut feelings are not too far off the mark.

CHAIR: Thank you, Minister. I call the member for Chatsworth.

Mr BOMBOLAS: I refer the minister to the Cooroy-Curra upgrade, and I am sure the member for Nicklin shares an interest in this. I refer the minister to page 2-159 of the SDS. Could you please update the committee on plans to upgrade the Bruce Highway between Cooroy and Curra?

Mr PITT: I can say that the airport roundabout, the Ipswich Motorway and Cooroy-Curra were the three issues that were placed on my desk very early in the piece.

Mr COPELAND: Do not forget the Toowoomba bypass.

Mr PITT: Let us make it four. I recently announced that Main Roads had finalised a study that was required for submission to the federal government. We have now actually done that. Selecting a corridor to replace this 65-kilometre section of the road has been a challenging task, and the study team has worked hard with all the community stakeholders to select a proposed corridor. I particularly acknowledge the efforts of the committee focus groups in this respect.

The significance of the Bruce Highway for both freight movements and travel between major east coast towns and cities requires that the proposed corridor has an ultimate six-lane capacity, has no direct access other than planned interchanges, provides for safe, high-speed travel and provides a high level of flood immunity. An important aspect of this strategy is to leave the existing highway in place for local travel patterns and access to properties. The existing highway would also be available in times of emergency and for slower tourist travel—and of course there are plenty of spots along that highway that tourists still want to have a look at, so just building a new road on a new alignment does not mean people do not want to see some of the things that are on the existing alignment. The proposed corridor takes into account the location and expected stage 2 levels of the Traveston Crossing Dam. The corridor is largely within the buffer zone on the eastern edge of the dam.

Main Roads has submitted a project proposal report and funding application to the federal government for preconstruction activities. I am confident that the Rudd government will give favourable consideration to bringing funding forward so that preconstruction can proceed in 2008-09. Warren Truss, the local federal member and former minister for transport, could not and I must say did not deliver on this for his electorate. However, in the dying days of the Howard government, miraculously a figure of \$700 million was placed on this project. Now, \$700 million is only a drop in the ocean compared to what this project will cost over a period of years.

In the meantime, to make the road safer for motorists, Main Roads will also be installing \$2.8 million of smart technology between Cooroy and Gympie. The joint federal-state project will assist drivers to recognise existing road conditions and make necessary adjustments to their behaviour. A number of electronic variable message signs and cameras will be installed along the highway and then connected via computer. The technology will be capable of recognising particular types of driver behaviour and automated messages can then be displayed—for example, warning against speeding or tailgating. The new electronic signs and cameras will be installed by Christmas, with more advanced warning technology scheduled to come on line in the following year. Main Roads is also underway with stage 2 of the \$70.8 million federally funded four-lane upgrade of the Bruce Highway through Gympie.

Mr GRAY: I refer you to the Tugun bypass, which is a magnificent piece of road infrastructure, and my congratulations go to all involved. With its recent opening, as referenced on page 2-160 of the SDS, what has been the impact on congestion? Can the minister advise of the improvement to travel times for motorists travelling between the Gold Coast and Tweed Heads?

Mr PITT: The Tugun bypass is a magnificent piece of transport infrastructure recognised across Australia as being on the cutting edge of technology, particularly the tunnel itself. As the minister responsible, I have had the enviable task of wrapping the project up, coming in at the tail end and standing there if not to bask in the glory then to be able to say what a wonderful project it is. Those who have gone before me are the real heroes in this respect, and I pay due credit to Minister Lucas, who did a wonderful job over a period of years regarding this bypass. I must say that he did it in opposition to the lack of interest by the previous federal government, which could provide only \$120 million out of the total cost of \$543 million.

This bypass will potentially save \$1.9 billion in reduced travel times and \$59 million in avoided accidents over 30 years and reduce carbon dioxide emissions by 3.5 per cent by 2017. In just under a month of opening—it might be on a month now—the bypass carried its one millionth vehicle, with more

than 10 per cent of those vehicles being trucks. If you do a bit of simple maths, that means that 100,000 fewer heavy vehicles have travelled through the middle of Tugun since the bypass opened, and I have to say that the locals are loving that. The department estimated it would carry about 40,000 vehicles a day, with daily traffic set to rise to 60,000 vehicles by 2017. If you just look at the reduction, for a start, in the number of heavy vehicles going through there, that will grow as well. Traffic statistics from the bypass's first full day of operation on Wednesday, 4 June 2008 show that in the 24-hour period starting at midnight, a total of 20,370 vehicles travelled northbound on the bypass and 22,252 vehicles travelled southbound. That gives a combined daily total of 42,622 vehicles.

With less congestion on the Gold Coast Highway, consistent speed and 10 per cent shorter distance for traffic using the Tugun bypass, this will have a number of benefits. It will again not only reduce congestion but also have a dramatic impact in a small way on the carbon emission difficulties we face as a nation. It is estimated that the bypass is generating savings in CO₂ emissions of some 30 tonnes per day or 11,000 tonnes a year. The congestion-busting, emission-busting Tugun bypass is well and truly open for business.

I must say that this has been a win all around, but on a sadder note we have already had one death on the Tugun bypass. A motorcyclist was killed. I do not know the full circumstances, but no-one could blame the road or road conditions. It had to be some other factor, but it just goes to show that, with the best technology in the world and the best constructed roads in the world, motorist behaviour is a key factor in road safety generally.

CHAIR: Minister, earlier you talked about the expansion of the Ipswich Motorway. I now want to discuss the Centenary Highway extension, which is also in my electorate. I refer to page 2-160 of the SDS where it states that 2007-08 will see the 'commencement of construction of the Centenary Highway duplication between Springfield and Darra, in conjunction with the Darra to Springfield rail extension'. This is a really important project out my way, especially for the families living at Forest Lake, Inala and further out to Springfield. Can you tell the committee exactly how it will improve the standard of living for families who live out there?

Mr PITT: We have 89 members of parliament in this House and sooner or later someone will do the maths on you and find out how much money is being spent in your electorate!

CHAIR: It is pretty good. I think I am getting close to the \$1 billion mark now.

Mr PITT: The Centenary Highway extension is a brand-new road and is a great example of how the government is planning for and managing growth. This is planning for the future. This is us getting in ahead of the game to make sure that we have the road infrastructure ready for population movement, which is going to happen. It is a \$366 million project. It is fully funded by the state government to connect and service the future growth areas of the Springfield, Swanbank, South Deebing, Ripley and Yamanto town centres well into the future. Main Roads is working ahead of the demand on infrastructure to meet the needs of these growing communities.

The road links the Centenary Highway and the Cunningham Highway and offers a future dedicated public transport facility that will move people between key centres. The project will improve the standard of living for communities in the western corridor in several ways. It will provide the necessary infrastructure to service the growth and future transport needs of one of Australia's fastest growing regions, including Springfield and other southern Ipswich areas. It will support the major developments proposed in the corridor, including the Ripley Valley. The new communities of Springfield and Ripley Valley will be linked with the proposed industrial precincts of Swanbank New Chum industrial park and Ebenezer. It will provide better connectivity from Springfield to Yamanto. It will establish a vital link from the Centenary Highway through the future growth areas of Ripley, Swanbank and South Deebing to the Cunningham Highway.

It will also provide capacity for extra lanes to be built to support growth in the greater Ipswich region. These lanes may not be required for years to come, but the lanes have been taken into account in the initial design to meet the community's future needs. It will link the two key Ipswich urban centres of Springfield and Yamanto with the future urban centre of Ripley Valley. The project will connect to the local road network via interchanges at Springfield and Yamanto plus roundabouts at the Swanbank enterprise park, Ripley Road and South Deebing Creek Road. Lastly, it will provide an alternative route to the Cunningham-Ipswich Motorway. As well, a new bridge over the Cunningham Highway will form part of the new interchange at Yamanto and will carry traffic from the Ipswich Boonah Road and the Cunningham Highway on to the new Centenary Highway extension.

The project is being constructed in three major packages—Springfield to Ripley, 10 kilometres; Ripley to South Deebing, three kilometres; and South Deebing to Yamanto, five kilometres. When completed, the Centenary Highway extension will become the primary transport corridor for communities in southern Ipswich, including Springfield, Ripley Valley and the Swanbank industrial area. As I said at the outset, this is an example of a state government getting in ahead of the game, ensuring that where we are able to identify future growth we are able to put in place the transport corridors and networks that are necessary to assist both commuters and economic growth in those areas.

Mrs LAVARCH: Minister, we have heard about so many very welcome and exciting projects this afternoon so I thought I would save the best until last—the Houghton Highway duplication. Could you advise the committee on how it is progressing? Is it on time and on budget?

Mr PITT: This is a project that will join the Redcliffe Peninsula with Brighton, and the members for Sandgate and Redcliffe are a little like serial pests—they are on my back all the time about this.

Mrs LAVARCH: And surrounding members.

Mr PITT: As a young child I travelled over the original Hornibrook Highway and marvelled at this piece of engineering.

Mrs LAVARCH: How much was the toll?

Mr PITT: I did not have to pay the toll. I was not even getting pocket money in those days. The Houghton Highway bridge duplication is another key congestion-busting project. It is important as a piece of infrastructure, and it will greatly reduce travel times in the area and improve road safety of one-way traffic flow on each of the bridges.

The bridge's construction follows extensive community engagement in the northern suburbs from late 2005 to 2007 which provided opportunity for progressive feedback on the project's design. That is the way Main Roads goes about its business. We try to involve the community. I am always very mindful that it is not my money I am spending. Money comes from people and they should have a say in what they are getting for their money.

The overall project includes the new 2.7-kilometre bridge designed to withstand a one-in-2000-year storm, demolishing of the old Hornibrook bridge while reconstructing 100 metres at the northern end and resurfacing the existing Houghton Highway bridge. The new bridge is due to be completed in mid-2010 and opened to traffic. Resurfacing of the existing Houghton Highway will then proceed, with all traffic temporarily on the new bridge. The whole project is expected to be completed by mid-2011 weather permitting. We have to say that all the time here in Queensland.

The \$315 million Houghton Highway duplication project will reduce peak hour travel times between Redcliffe and Brighton by providing three lanes in each direction. One of these will be a bus and transit lane. This will effectively double the traffic-carrying capacity in both directions and ease traffic congestion for the 36,000 or so motorists who use the current bridge each day. Not only will motorists get more reliable travel times during peak hour but those who car-pool or use public transport will be rewarded by being able to use the transit lanes. Buses will be given priority at the northern intersection, using a dedicated bus lane, and the new T2 transit lanes will be introduced in both directions.

Apart from its capacity to carry traffic, the new bridge will become a central point for community activity, with new fishing platforms and a pedestrian and bicycle pathway. The 4.5 metre-wide path includes wheelchair access and rest stops, and will be integrated with the road bridge. For safety, the path will be separated from traffic by a barrier and will include underpasses along the foreshores. The project will also provide better incident management using intelligent transport systems including closed-circuit television, which allows Main Roads to monitor traffic and send emergency response vehicles as required.

As I said, the two members I mentioned are very keen to have this come about, and I am sure that you are as well, because if any of your constituents use this particular piece of infrastructure that exists now they will welcome the new infrastructure, too.

Mrs LAVARCH: Absolutely.

CHAIR: The committee will now take a short break.

Proceedings suspended from 3.03 pm to 3.21 pm

CHAIR: We will open with non-government questions. I call the member for Warrego.

Mr HOBBS: Minister, on 2-185 of the SDS it states—

The historic reform of Queensland's local government system will deliver a stronger, more financially viable system of local government for Queensland and better equip this sector to meet the challenges of growth and grasp the economic opportunities it presents.

Can you advise how many councils are now financially weaker as a consequence of forced amalgamations?

Mr PITT: This could only go on report from councils, and only three months have elapsed and no-one has reported anyone who is financially weaker.

Mr HOBBS: Minister, does your department have a list of eight councils under close watch because of their financial vulnerability? Also, will you release the Orion report into the Cassowary Coast council?

Mr PITT: With regard to the eight councils that you refer to, we will get that information to you. I will check with the Cassowary Coast Regional Council regarding the release of the Orion report, but as far as I am concerned we have had an opportunity now to go through it and I see no reason why that cannot be released.

Mr HOBBS: So you are going to come back to me with a list of those eight councils?

Mr PITT: We will do that, yes.

Mr HOBBS: Minister, I refer to your answer to a question on notice in relation to grants and subsidies. Your answer states that there is no money in 2008-09 for local government reform. How do you propose to help councils with extraordinary costs of the flawed amalgamation model, especially in view of your invitation to councils to submit applications to cover these costs?

Mr PITT: How come I did not see this one coming! For a start, I do not accept your premise that there are going to be extraordinary costs, and I do not accept any premise that those costs would far exceed the \$27.1 million that has been made available to council. Let me put something to rest here. In the last couple of days there have been a number of opposition members making media comments about a backflip on the part of the government after suddenly realising that there were extraordinary costs involved in amalgamation that councils would need to bear. That is not true. In March when we had the summit of mayors the Premier on that occasion said that she believed, as do I and as does the government, that the financial package of assistance to assist with amalgamation transition was sufficient. We still hold to that view. But she did say that if any particular council was able to provide direct evidence of amalgamation costs above and beyond (a) what was provided for in the transition process and (b) the accrued efficiency savings through amalgamation they would be given due consideration.

The cost of amalgamation historically, as people have had these occur throughout Australia, has been in the order of one per cent of an annual budget. That is a one-off cost of one per cent. Historically, the savings through amalgamation are between two and five per cent annually year after year after year after year. The government maintains that within the first term it is anticipated that, if well handled, this situation will result in a set of circumstances whereby any amalgamation costs that may accrue to councils can be well and truly covered by the savings. You have only got to look at what has happened so far. I will give you one example of the Moreton regional council, where the mayor is on record as saying that without amalgamation a rate rise of a higher order may have been necessary. It has been announced recently in the 2008-09 budget that it intends to make operational savings of \$6.5 million and to follow that up with further savings in 2009-10 and beyond. Over the course of the first term, the new council's operational savings could total \$34 million.

I am going to make it quite clear—and I hope you ask questions about this, because I would love to expand on it—that we are convinced there is little call for additional funds. If additional funds were to be required—we have not budgeted for them; that is how confident we are that they are not required—it would be a matter of approaching the Cabinet Budget Review Committee. But I do not see that happening.

Mr HOBBS: Minister, if you are really sincere about it, why did you reject a proposal to set up a formula to gather data and analyse the cost of forced amalgamations? You have refused local government the opportunity to put together a model that you would accept if they can show that the cost of amalgamations is hurting them. You cannot have it both ways. You are saying on the one hand that there are no costs to local government but on the other hand you will not allow them to put a submission in under your guidelines. It is not very fair, is it?

Mr PITT: I am glad you said that you cannot have it both ways because I would say the same to you. You cannot have the cost of amalgamation being one per cent for one year only and the returns and efficiencies in the order of two to five per cent year after year after year and say that we should be providing councils with their all-up, front-up costs and, 'By the way, you can pocket forever and a day the efficiencies.' I think the gist of your question is that we refused to allow councils to develop a methodology.

Mr HOBBS: That is right.

Mr PITT: Let us take ourselves back a bit. The Local Government Association of Queensland provided the government with its estimation of the costs of amalgamation, which was \$26 million. The Treasury then had a look at this and how the association arrived at it and suggested that it should be just a little higher, at \$27.1 million. Since that time we have had some wild figures thrown around—and I have to say in all honesty that you have been part of this—figures as high as \$200 million. When told quite bluntly that was out of the universe, it was adjusted to \$100 million. Again, when I said 'please provide further detail' it was readjusted down to \$77 million. This is a moving feast. This is whatever numbers people can make up on any particular day to justify wrapping up under the umbrella of amalgamation a whole lot of costs or services that they may wish to provide for their communities without having to even look at the core rating processes that they may have. I do not for one moment accept that the government is doing anything but being prudent with the public purse.

I will give you an example. I get a bill in the mail. It is an invoice. I do not rush out and pay the bill because someone sends me an invoice. I am going to be the same way with local government. An invoice without any backup data, without any credibility as to how it was arrived at and being able to withstand the test of scrutiny, is just a Nigerian loan scam, and I am not going to be involved in that.

Mr HOBBS: It seems as though you continually verbal the LGAQ on these matters. They have never said that that would be the ongoing cost. They said that the \$26 million would be for the transition phase. They have made continued representations to you personally, in the media and to departmental people along the same lines that it will cost a lot more than that. I think it is a bit unfair to go out and verbal them. I will give you an example. You said in your answer to the question on notice that the expenses reimbursement policy will be in the vicinity of \$5 million. Say half the councils have to provide a motor vehicle for half their elected councillors. That will cost nearly \$17 million. That is one issue alone.

CHAIR: Member for Warrego, you are making a broad statement. Can you please just ask the minister the question.

Mr HOBBS: This is without even putting fuel in the car. Don't you think you should recast the real cost of your amalgamation policy and report back to this committee truthfully?

Mr PITT: The LGAQ did say that the cost of transition was \$26 million. I have said to you, and I hope you have heard it clearly, that any ongoing costs of amalgamation are, generally speaking, in the order of one per cent of one year's budget, but the returns to council through efficiencies—and I have already indicated to you that the Moreton regional council has been able to achieve that even in its first year—would pay that cost back time and time again, year after year.

The LGAQ's most recent correspondence with us talks about costs of \$77 million but they do not really mention that this cost, if it were to be incurred, would be recouped through the savings. In their brief the LGAQ outlined an estimate of the likely costs of reforms at \$167 million and gave an estimate of the potential savings of about \$90 million. This was the basis for the claim of \$77 million in initial funding.

You will not accept, and nor will some people in local government accept, that the savings—the cost efficiencies—are ongoing. The sooner people stop living in fairyland and stop trying to claim that amalgamation is the bogeyman that it is not, the sooner they can all get on with the business of running regional councils the way we know, they know and the community expects they should be run.

Mr HOBBS: You are again verballing the LGAQ on this matter because they have never said that. What they have said is that they were using your estimates. They were saying what you were saying—that they are going to have efficiency gains of three to five per cent and that if that happens this is the figure. The figure was not \$70 million; it was \$170 million. That is what they said it would cost. That is documentation that they have given out. I do think it is fair that you go out and misrepresent the industry organisation.

Mr PITT: I know that you are going to continue with this, but I am just going to give you a sample of amalgamation costs which have been provided in an LGAQ report. I am not verballing the LGAQ; I am going to give you the figures that they provided to us. Let us have a look at the Fraser Coast. The direct cost to council over the transition phase, per their report No. 3 of April 2008, was \$7,168,500. The total annual operating expenses based on the 2005-06 costs, again per LGAQ report No. 3 of April 2008, were \$113,047,000. The annual benefit of 3.5 per cent, per the LGAQ report No. 3 of April 2008, was \$3,956,645. In year 1, the percentage of benefit at a rate of 3.5 per cent they say is zero. In year 2, 50 per cent of the benefit at a rate of 3.5 per cent is \$1,978,323. In year 3, 75 per cent of the benefit at a rate of 3.5 per cent is \$2,967,484. In year 4, 100 per cent of the benefit at a rate of 3.5 per cent is \$3,966,645. The total benefit over the four-year term of council is \$8,902,451. The initial direct cost to council over the transition phase as indicated by the LGAQ was \$7,168,500. In my books, that is just shy of \$2 million in front in their first term.

If you want me to, I will go through the other examples they use—Gladstone, Longreach, Moreton, Southern Downs, Townsville and Whitsunday. Each and every one of them is well in advance. For Townsville they say over the four-year term there will be savings of \$19,333,416 but the actual cost to them will be \$9,650,000. That is almost \$10 million in front.

I do not know how long people are going to persist with this furphy. It does those people who promote it, whether they be local governments or members of the opposition, no credit to persist with the voodoo economics that they are engaging in now.

Mr HOBBS: Can you confirm that your government has formally advised councils to borrow from the Queensland Treasury Corporation to meet the cost of amalgamations?

Mr PITT: That, I understand, was not in the letter from the Treasurer to the councils. But you know as well as I do that one of the great benefits of the local government sector in Queensland being part of a state act is that they can borrow at Treasury rates. They can borrow at the AAA rates we have. If they were to exist outside the sphere of the state government they would not get those rates, especially some of them that are very much financially stressed.

If there are capital works that need to be put in place, they have the capacity to borrow from QTC after engaging them in the normal round of applications et cetera. I think it is only fair to indicate to you that councils should not be thinking that so-called amalgamation costs should cover capital expenditure

that they would be engaged in anyhow. It has nothing to do with amalgamation, most of this. Some of the direct savings will be not just operational but in better utilisation and better prioritisation of capital expenditure.

Mr HOBBS: You say in relation to your achievements for 2007-08 that you are protecting local government employees. Can you advise the committee why you have agreed to a request from the ASU to legislate to ban non-union representatives on enterprise bargaining negotiating teams when 70 per cent of council workers are not union members?

Mr PITT: You are being a little bit tricky in respect of this. My understanding of the way in which councils arrive at an EB with their workforce goes something like this. You have on the one hand employees who are covered by unions. You have on the other hand employees who are not covered by unions and choose not to be members of a union.

Mr HOBBS: Some 70 per cent of the council workforce.

Mr PITT: That is irrelevant to the question you asked.

Mr HOBBS: It is very important; it is a majority.

CHAIR: Member for Warrego, can we let the minister answer your question.

Mr PITT: There are two phases in the EB process. There is the phase of consultation, debate and discussion backwards and forwards. Then there is the formal phase. The formal phase is that phase whereby someone must sign with someone else. Under state law, the Industrial Relations Act—this is not me not allowing or someone not allowing—the agreement must be negotiated with representatives of the workforce.

What this means in practice is that management and unions negotiate an agreement based on feedback from staff, including non-unionised staff. Councils and unions deny staff involvement in the agreement making at their own peril because the final agreement has to be ratified by the majority of the workforce. Even when the workforce agreement is signed off between the council and the unions representing the workforce everyone gets a vote. The non-unionised staff—and you claim that figure is 70 per cent—get a vote as well. No-one is frozen out. No-one misses out.

I am going to tell you something quite clearly. People who are non-unionised ride on the coat-tails of those who pay their dump and battle for these wages and conditions. If they were left to their own resources in your pre-Rudd government WorkChoices world we would have people out there struggling against a council that did not want to pay them fair wages and conditions. Thank God for unions.

Mr HOBBS: How can it be, then, that, prior to now, non-union members were able to participate in the formal process of EB negotiation? It was done across-the-board. We have had non-union members say that they were told to nick off because they are not wanted anymore. What you are saying is incorrect. How many times have you or your ministerial staff met with union officials and the Local Government Association since the amalgamation to discuss enterprise bargaining agreement arrangements? Most specifically I refer to the non-union representation in negotiating bargaining agreements.

Mr PITT: You asked two questions. What was the first part?

CHAIR: Let us deal with them one at a time. Can you ask the first question, member for Warrego.

Mr HOBBS: How many times have you negotiated with the union movement in relation to enterprise bargaining?

Mr PITT: There was something else in the earlier part of your question. The way you put things, it could be a question or a statement requiring it to be a question. But I will answer this.

A practice I have had in every portfolio I have had is that I like to have quarterly meetings—February, May, August and November; I am creature of habit—with stakeholders. Since I have been minister I have met with the LGAQ, the LGMA and the unions representing the local government workforce on each of those occasions. We have an agenda that is agreed to by the LGMA or the workforce or the LGAQ and me. There are issues that I want to put on the table and there are issues that they want to put on the table. We discuss the issues there.

If the LGAQ wants to talk about the EB we discuss it. If the local government workforce wants to talk about the EB—as you could imagine they probably would—we discuss it. That is how regularly I meet with them. It is as regular as clockwork.

Mr HOBBS: So what you are saying is that you have met equally with the LGAQ and the union movement in relation to EB arrangements?

Mr PITT: Those issues are raised, but to have a meeting specifically regarding EBs is really out of my area of responsibility. That is a matter for the minister for industrial relations when it comes down to government ministries. For me to say that the term 'EB' or the words 'enterprise bargaining' or the general flavour surrounding EB has never been raised in private conversation or in any of these formal meetings is silly, but they have never formed part of the agenda either in the formal quarterly meetings

that I have or on the occasions I have met with the LGAQ separately to discuss some issue that they have raised. They have never formed part of an agenda because they cannot form part of an agenda because I have no responsibility directly in terms of negotiating the EB. That is a matter between the council and its workforce in this case and it is oversighted in the final analysis by the Industrial Relations Act and we have a minister who administers that act.

Mr HOBBS: A while ago you said that you talked to the union movement about EB arrangements. You said if they wanted to talk about it they could.

Mr PITT: As I said to you—and I hope you have heard it correctly but I will say it again—I am not going to deny that discussions were had where those terms came up. People have been told quite clearly what I am telling you right now: I have no capacity to negotiate. If someone stands up in a formal or informal setting and talks about something, it does not mean that that constitutes negotiations or some backwards and forwards with respect to getting an outcome, because I cannot. I do not have that responsibility.

Mr HOBBS: Minister, the appointment of the Electoral Commission to run the 15 March elections—and I note that you said that they cost \$3 million less than what it thought, but it was still nearly double the price of what it cost councils—was done to try to get some efficiency back in the election process. Would you be happy if councils put together a strong submission to actually run their own elections, or will you dismiss that out of hand?

Mr PITT: First of all, I have issued a press release today on that very matter and in my opening remarks you heard me make some statements as to the savings that have occurred beyond the original estimates, and I think it was about \$3 million.

Mr HOBBS: Yes, on \$15 million.

Mr PITT: That was a saving of which we provided, I think, the \$1.2 million and the rest was to be picked up by the local government. The Electoral Commission anticipated as a preliminary estimate that it would cost \$14.998 million to conduct all of the local government elections across Queensland. The actual cost was \$11.97 million. We provided \$1.2 million and the saving from the, I guess, overestimation by ECQ was some \$3 million and every council has an opportunity to make some savings there. I will give you an example of some of the savings, and let us take Banana where the estimate we made was \$67,118 and it only cost \$60,189. In Cairns we estimated \$601,349 when in reality it cost \$480,450. But I have to tell you that I have here in front of me the research report from the Department of Local Government, Planning, Sport and Recreation regarding the local government elections in 2008 and its evaluation. I will table that for your information. I would suggest that you read it.

Can I tell you also that it came through loud and clear in the reform process that the people of Queensland wanted local government elections to be run the same way as state and federal elections. Given the time constraints, given the fact that we had a federal election and given the fact that we had the referendums that we did not have to have, we had to engage the ECQ to oversight the elections. But I can give you a guarantee that I as minister will be in the new Local Government Act or its companion act administered by the Attorney-General insisting that the ECQ control all future local government elections and that they be run on similar lines to state and federal elections regarding prepolling, stand-up voting, postal ballots and whatever you may have.

CHAIR: Thank you, Minister. We will now move on to government questions and the member for Kurwongbah will ask the first question.

Mrs LAVARCH: Minister, I refer to the 2008-09 highlights set out on page 2-186 of the SDS and in particular I am interested in the revenue replacement package of \$14.1 million over four years to Indigenous councils as part of the government's alcohol reform initiative. I was wondering if you could advise the committee on what your department will be doing to assist those Indigenous councils that currently have liquor licences which will have to divest themselves of those licences by 31 December this year.

Mr PITT: A key initiative in the government's alcohol reform package is that Indigenous councils will no longer be permitted to hold a general liquor licence. As a matter of fact, I understand that regulations have changed through Licensing Commission responsibilities that no council—Indigenous or otherwise—can hold a general liquor licence. As I said, legislation has been introduced into parliament to amend the Liquor Act 1992 that will prohibit any local government from holding a general liquor licence after 1 July 2008. Licences held by mainland Aboriginal shire councils must be divested or surrendered by 31 December 2008. There are eight mainland Aboriginal councils where the local government holds or has held a general liquor licence. These include Aurukun and Mornington shire councils and the Aboriginal shire councils of Kowanyama, Lockhart River, Palm Island and Pormpuraaw. Yarrabah Aboriginal Shire Council surrendered its licence on 1 February 2008.

The profits derived from the sale of alcohol being used by those councils support the provision of various social and other local government services in these communities. I recognise that in divesting or surrendering the liquor licences there will be a negative financial impact for those councils that will affect their ability to maintain the provision of certain local government services. However, it removes councils

from a conflict of interest situation where they have been using revenue from alcohol sales to provide services to people harmed by alcohol—for example, mother and baby services. In communities where a liquor licence is or has been held by a mainland Aboriginal shire council, the government is providing a total \$14.1 million over the next four years to replace the profits—not the revenue but the profits—once derived from the sale of alcohol.

In 2008-09 a total of \$3.5 million will be available to the Aurukun, Kowanyama, Lockhart, Mornington, Palm Island, Pormpuraaw, Northern Peninsula Area and Yarrabah councils where licences have been divested or surrendered. This funding must be used by councils to provide a benefit to the community and could range from enhancing municipal or essential services to providing additional social services in their communities. The maximum amount available to each council will be the average profit from the last three years of operation. This is because of the large variations in profit from year to year and the impact of lengthy closures for breaches of licence conditions.

The department of local government wrote to affected councils in mid-May 2008 requesting details of those local government and social services that were subsidised by profits made from the sale of alcohol. Submissions were requested by the end of May 2008. Based on these responses, the department is providing profit replacement through the state government financial aid program, with profit replacement to be paid in quarterly instalments. The government working with Indigenous mayors in the crackdown on alcohol and alcohol related harm and removing control of the sale of alcohol from councils, I believe, is a step in the right direction. I have to tell you: how did we end up with this mess of alcohol on Aboriginal councils? It was the Bjelke-Petersen government that saw it as a sure way of not having to actually meet its financial responsibilities and having people fund their council and municipal activities by doing harm to themselves and their constituents.

Mr GRAY: Minister, I refer you to the question of regionalisation in respect of the department. You have stated that you are committed to serving all Queenslanders, not just those who live in the south-east corner. Can you give an example of how you are working to provide a better quality service to regional local government in Queensland?

Mr PITT: The department of local government is currently undergoing significant organisational change in order to move from a predominantly Brisbane based organisation to a regional service delivery model. This will ensure full support for local governments at the regional and the local level. The organisational change was publicly announced by the Premier at the March 2008 mayors summit and the move is being embraced by local governments across the state. The department has introduced five regions—the far-northern, northern, central, south-west and south-east regions. The new regional structures will enable better services to be delivered to clients locally.

Each region will have a regional director leading an integrated departmental team consisting of local government, sport and recreation, and rural and regional community staff. Community engagement and business support staff will round out the teams. Local government staff in regions will broker and facilitate solutions to local and regional issues and assist councils to work more collaboratively and with other spheres of government. The regional approach will be backed by an integrated funding model to streamline funding processes and there will be an increase in the on-the-ground assistance for councils in the development of funding submissions. Interim regional directors and the regional director of the far-northern region have developed transition action plans to move the agencies to a regional service delivery model. In developing the plans, they consulted with clients and stakeholders who identified service delivery priorities for the regions. Regional arrangements became operational on 1 July 2008.

I invited councils to tell us where they think regional offices and staff should be located. The department has already established a far-northern regional office in Cairns and plans are underway to establish an Ipswich office in the south-east region. Other locations are being identified as we progress through the transition process. It is anticipated that most, if not all, offices will have local government staff to better service local government clients. The department's organisational change is a tangible example of how the government is continuing to support the local government reform agenda to ensure that councils have the capacity and resources to meet their community's expectations and deliver quality services. As a regional minister, I am particularly committed to strengthening rural and regional communities, and regionalising the department's services will make a significant contribution to this outcome.

Regionalisation is being undertaken in a considered and managed way by the department, with the transition of positions out of Brisbane's central business district into the regions occurring through to 30 June 2009. Additional staff at each region will ensure more face-to-face contact with clients. The department has for a long time been very much a regulator, but I see us now having a very much complementary role as a facilitator and a collaborator with assisting local government to get outcomes on the ground itself. All of the discussions that I have had with individual councils and with the LGAQ have indicated that they welcome this and look forward to us getting it right. We have no set model. This is going to be tailored to suit the needs of local government as they are newly empowered to deliver services to their constituents.

Mr BOMBOLAS: Minister, I draw your attention to the SDS at page 2-187 and the review of elections. Minister, the local government elections did have some teething problems—I am sure you will admit to that—including ballot papers being sent to the wrong place. What steps have you taken to ensure that this does not happen again?

Mr PITT: The 2008 local government elections were conducted for the first time, as I have indicated, on a statewide basis by the Electoral Commission of Queensland for those elections that occurred on 15 March of this year. After the elections concluded there were claims made publicly that the performance of the Electoral Commission of Queensland was inadequate, with some segments of the local government sector particularly vocal. At the summit of mayors hosted by the Premier on 27 March 2008 the Premier announced that the government would undertake an independent analysis of voters' perceptions of the 2008 local elections. The department of local government engaged the services of a private market research company, Market Facts, to conduct this research, and I am pleased to say that the results of this research are now available and I have tabled those today for the information of the committee.

The research was based on a data set of 1,000 respondents across all local government areas in Queensland. The survey results clearly dispel the notion that the elections were adversely affected by amalgamations and demonstrate that the criticism of the management of the 15 March elections by opponents of amalgamation were thoroughly unjustified. This research proves conclusively that by and large the running of the elections was no different in the eyes of Queensland residents from any other previous local, state or federal election. While there were some initial teething problems which can be understood given the scope and complexity of the elections, the survey results confirmed that the ECQ's handling of the elections was excellent.

Key findings from the survey, as I have indicated to other members of the committee, is that 99 per cent of people who voted in person did not experience any difficulties in lodging their vote; 95 per cent of respondents who lodged a pre-poll vote said they received their ballot paper on time; only four people—that is, 0.4 per cent of the people surveyed—claimed that they did not receive enough information to place their pre-poll vote; and only one per cent of all people surveyed had difficulties accessing the ECQ web site. The survey results did highlight some inconsistencies with some of the voting procedures and we will work with the ECQ to ensure that in future the local government election process aligns with state and federal electoral processes.

As I said to the shadow minister, ECQ oversighted the elections based on the way in which they have been done previously—a hotchpotch of methodology right across Queensland. If there is going to be any confusion, let us blame the way it was allowed to happen in the past rather than try to point the finger at the ECQ and say that somehow it has not done the right thing. For example, we know that 28 of the 73 council elections were run by postal ballot only, meaning that voters could not engage in attendance voting at a local school or hall. I do not see any reason why attendance voting cannot apply across-the-board to local government elections in the same way that it does for federal and state elections. It is pleasing to see that ECQ's actual costs for conducting the elections have come in \$3 million lower than original estimates. So all of the negative hype around the electoral process has been shown to be largely that—hype. I advise the committee today that I intend making legislative changes, as I have indicated before, to bring the whole local government election process under the banner of the ECQ.

CHAIR: I refer to the SDS at page 2-186 and in particular where it says in the budget highlights 'supporting local governments through the reform years'. I refer to the dot point that says that the government will establish a skills bank to provide skilled personnel who are available to train, mentor and develop skills of Indigenous councillors and administrative staff. Minister, I was hoping that you could explain to the committee the purpose and advantages of establishing this skills bank, which I actually think is a very good initiative.

Mr PITT: It is a great idea. I pay due credit to my predecessor, the former minister for local government, the Hon. Andrew Fraser, who in 2007 endorsed the establishment of a skills bank designed to address the challenges of building the technical, administrative and management skills of staff in Indigenous councils. I must say this is one of the great issues facing Indigenous councils as they come into the mainstream local government arena. We have some wonderful administrators out there, but there are not enough of them. A lot of work needs to be done to ensure that they have an administration capacity that compares favourably with what we would term the traditional mainstream councils.

The annual reports by the Queensland Auditor-General and numerous government reports have identified that a critical problem affecting the performance of Indigenous councils is their inability to attract and retain high-quality management and financial staff. These reports often note there is a correlation between the remoteness of these councils, the high turnover in senior council staff and the poor performance of several councils. Deficiencies in financial management have led the department to appoint a number of financial controllers in Indigenous councils in recent years. The Auditor-General has urged the government to develop long-term strategies to build the capacity within councils to improve financial management. Therefore, the central purpose of the skills bank is to help provide

Indigenous councils with high-quality professional, sustainable and accountable management expertise, including financial and human resource management, to address the critical need in building their skills base.

The core function of the skills bank will be to maintain a pool of skilled staff available for Indigenous councils to meet councils' urgent operational needs, undertake skills transfer to local staff and to develop the systems and capacity of the host councils. This will provide practical, operational, hands-on support to councils' chief executive officers and staff at all levels in an Indigenous council.

The need for the establishment of the skills bank is based upon the difficulty most Indigenous councils have in recruiting and retaining professional and specialised staff. Improving skills has been identified as a central challenge in building effective and sustainable Indigenous councils. I am pleased to announce that it is proposed that the skills bank be established in Cairns as a vehicle for intensive, targeted support to tackle skills shortages. It will function as a partnership between the government and Indigenous councils through a company structure or a similar entity. By ensuring that the skills bank is a genuine partnership with Indigenous councils, it will empower these councils to directly influence the support services they receive and to shape the future of member councils within a culturally appropriate environment.

The department has allocated \$2 million per annum for 2008-09 to 2010-11 of a total of \$6 million to support the skills bank's establishment in 2008 and its operational phases. Indigenous councils will pay for skills bank staff and services on a fee-for-service basis at a subsidised cost within these councils' financial capacity.

In the past, Indigenous councils have been required to source expertise from external providers, usually at a very high cost. The concept of councils buying the services of the skills bank will mean they are investing in their own organisations.

Mrs LAVARCH: Minister, I refer to page 2-190 of the SDS and in particular to the Queensland grants commission. Could you advise the committee how effectively the Queensland grants commission operated through your current reform agenda?

Mr PITT: I thank the member for the question. On 9 November last year, the current Queensland Local Government Grants Commission was appointed for a three-year term. That was probably one of the earliest appointments I was required to make as minister. This commission managed the approval of the transfer of employees, liabilities, assets and property for transferring area councils and where a council was affected by boundary changes. In addition, the 2008-09 financial assistance grant has been calculated with a consideration of regional council structures, with all councils receiving an increase in funding.

The current commission members are: Mr Kelvin Spiller, chairperson, a former CEO of the Maroochydore Shire Council; Ms Gabrielle Sinclair, deputy chairperson, an officer of the Department of Local Government, Sport and Recreation; Ms Anne Portess, member, a former mayor of the Herberton Shire Council; Mr Carl Wulff, member, Chief Executive Officer of the Ipswich City Council; Mr Warren Collins, member, Chief Executive Officer, Cherbourg Aboriginal Council; and Councillor Mark O'Brien, member, Mayor of Murweh Shire Council. The commission was responsible for the approval of the transfer of employees—734.3 staff positions—property and assets of \$1.3 billion and liabilities of \$72.1 million for councils that were affected by boundary changes. This was successfully completed by the commission within the necessary time frame, with decisions being gazetted on 7 March 2008.

There were only two instances where there was a disagreement between councils in these transfers. Councillors from the former Taroom Shire Council submitted a different proposal in relation to the split-up of assets to what was submitted through the local transition committee. The grants commission studied all proposals carefully, with the decision to support the submission from the local transition committee that had been agreed to by the councillors and staff from both the former council, Taroom Shire Council, and Dalby Regional Council.

Logan City Council submitted a late objection to a previously agreed upon debt allocation between the two councils, Logan City Council and the former Beaudesert Shire Council. However, after a review of all of the material submitted and from discussions with senior staff from both councils, the grants commission decided to support the original split of debt allocation.

The Queensland Local Government Grants Commission in its recommendations of the 2008-09 financial assistance grant allocations took into account the impact of council amalgamations and boundary changes, with no council receiving less funding than the 2007-08 grant in accordance with the Commonwealth's amalgamation principles. The commission has commenced an annual visit program to councils to explain the financial assistance grant allocation methodology and to provide an opportunity for councils to submit to the commission issues that are particularly relevant to their council.

One of the recommendations of the Local Government Reform Commission was that the Queensland Local Government Grants Commission should undertake a review of the funding methodology to examine the long-term impact of the new local government structure. The commission has begun this review and intends to implement a number of processes whereby councils can provide

input and formal submissions to their deliberations. I must say that I have met on more than one occasion with our grants commission and I must commend them for their diligence and the hard work that they have done so far. I believe Queensland will be well served by their appointment.

Mr GRAY: I refer to the current review of the Local Government Act. You have stated that you are committed to reforming local government in Queensland. Now that the amalgamations are over, what are your plans to improve the standard of performance for councils?

Mr PITT: I am pleased to say that as a result of the amalgamation process, new councils now have the size and the critical mass to play a strong role as a genuine third sphere of government on local and regional development issues. I am strongly committed to completing the government's reform program. To this end I have a three-pronged strategy for helping local government meet these challenges and to improve their standard of performance.

Firstly, we are building a new performance evaluation reporting system for local governments so that we can identify and assist councils to achieve financial sustainability and to provide support where it is most needed. The new performance evaluation reporting system will include the Queensland government's commitment to implement national reporting arrangements for asset management and financial reporting for councils. It will also link council planning, infrastructure development, funding and community engagement to build a stronger link between councils, their communities and the state. It will take a longer-term view—up to 10 years—and allow councils to establish a strong future focus for their communities. Secondly, as a commitment to strengthening rural and regional communities and being an active partner with local governments, my department is establishing a direct presence in regional Queensland to deliver faster and more relevant advisory and capacity building services.

The third important step is to develop a new Local Government Act, which I intend to take to parliament later this year. I have listened to stakeholder concerns about the current act and I intend to make sure that this new act is streamlined, easy to use and understand, and far clearer about roles, powers, obligations and penalties for poor performance. The new act will set high standards for local government service delivery and performance and will specify the consequences of not meeting such standards.

Queenslanders, regardless of where they live, rightly expect their councils to be high performing and responsive. New requirements will ensure that Queensland communities are kept informed of the performance of their council. In this regard, a new principles based act will give all local governments flexibility to make choices about process to suit their size, location and administrative circumstances whilst still maintaining a high standard of performance. Each Queensland community will reap the benefits of a more transparent and accountable local government system that recognises diversity and focuses on financial sustainability and effective service delivery.

Initial discussions with council leaders as I travel around the state are very positive. Mayors and their councillors are looking forward to a brighter future under the new arrangements and are building stronger partnerships with the state government. In partnership with local governments, I believe that we can achieve the best local government sector in Australia. I must add that I think we already have the best local government sector in Australia, but I think by implementing these reforms there will be Queensland first and daylight second.

Mr BOMBOLAS: Let us move from the performance of councils to integrity, accountability and transparency, which are mentioned on page 2-187 of the SDS. Can you explain why the current processes of local governments need to change and what you will do to improve the accountability, integrity and transparency of local governments in the Smart State?

Mr PITT: Let me say that those three words—integrity, transparency and accountability—have been mentioned by me from day one when I addressed the symposium of mayors when the Premier invited them to Parliament House. At every council I have been to I have mentioned those three terms. They are things I have lived by as a public figure. They are not something that is pie in the sky. They are what every Queenslanders expects of elected representatives of elected bodies.

The reason local government processes have to change is very simple: Queensland communities expect and deserve the highest standard of behaviour from those in public office. In 2006-07, 453 complaints against local government officers were made to the Crime and Misconduct Commission for reasons including failure to carry out statutory duties and conflicts of interest. So far this financial year there have been at least 16 matters referred to the Crime and Misconduct Commission from my department in relation to allegations of official misconduct. Although not all allegations are substantiated, these figures indicate that local governments need assistance in raising behavioural standards.

I am personally committed to providing a legal framework that gives clear guidance to councils about what constitutes modern ethical public sector governance. I believe that ethical and exemplary behaviour for public life is guided by three important principles: personal integrity, transparency in all actions and being prepared to be accountable for decisions made in public office.

Let me explain how I intend to enshrine those principles into action. To be accountable for one's actions, one needs to be open and transparent. I will require councils to be far more open about their plans and their decisions. I want to see genuine community engagement and consultation. How individual councils go about doing this will be a matter for them, but I would expect to see evidence of meaningful opportunities being made for community input. I want public council meetings to be the norm and not the exception. I want community reporting to be accessible and in plain English so that all members of the community may understand what is going on and why. I want independent scrutiny of council performance so that communities know where their rates are going.

In terms of personal integrity, I intend to develop a statewide code of conduct for mayors and councillors that will provide tougher penalties for those councillors who are unable or unwilling to abide by these rules. I am also prepared to suspend or dismiss any councillor—singular—who will not act in the public's interest or who brings a council into disrepute. Since the March election, I have been meeting with peak local government bodies and visiting new councils. I believe that the vast majority of mayors and councillors are very supportive of and share my commitment. I have to tell you that anyone who is not sharing of that commitment may be the very person who may find themselves at the wrong end of the stick at the end of the day.

CHAIR: We might move on now to non-government questions. I call the member for Nicklin.

Mr WELLINGTON: Thank you, Madam Chairman.

Mr PITT: With your indulgence, I can give you the answer to those eight councils, if you would like that now.

Mr HOBBS: Yes.

Mr PITT: The Local Government Reform Commission identified eight councils that will potentially require ongoing monitoring. I will list those: North Burnett—

Mr HOBBS: I do not need to know them. Can you give them to me later on?

Mr PITT: I certainly can, if that is satisfactory to the chair.

CHAIR: Yes, that is fine.

Mr WELLINGTON: I refer you to your invitation to the member for Warrego to put more questions to you so you could better clarify the state government's offer of money to recently amalgamated councils. I ask: what is the deadline for the recently amalgamated local governments to submit their applications for funding?

Mr PITT: There is no deadline. I will tell you why. I am confident that there are going to be very few substantiated claims being made for the very reasons I laid out beforehand. I must say to the member for Nicklin that if someone can substantiate that, I have an obligation to assist. But when you listen to all the details I gave before and when you look at the LGAQ's own submission to us—I think report No. 3—I think it is fair to say that if what they believe to be correct is translated into reality by councils, and I believe they have the capacity to do that, the savings are going to far exceed any cost of amalgamation within the term. As far as putting a deadline, I think we have to be practical about this. It cannot be open forever and ever. I would say that within a 12-month period of the elections themselves, I should have that information. Otherwise I think it is getting beyond the pale.

Mr WELLINGTON: I refer you to page 2-185 of your Service Delivery Statements where you refer to your plan to build a modern, contemporary local government system, and I ask: do you intend to make any major change to the Local Government Act to remove local councils' ability to deal with local government planning issues as they currently do?

Mr PITT: Let us just break that into two sections. Am I going to make major changes to the Local Government Act? You bet I am. This will not be a revamped 1993 act; this will be a brand-new act. We are working from ground zero here to get it right and to give councils a modern, contemporary tool for the 21st century. When it comes to the Integrated Planning Act and all those things, perhaps the member is not aware, but those responsibilities transferred across to the Department of Infrastructure and Planning and they rest with Minister Lucas and, as such, the Local Government Act will not cover those matters at all.

Mr HOBBS: I want to go back to the issue of the non-union movement not being part of the formal process. You have been flip-flopping around a bit, but in the end you said it was not the responsibility of your department to make a decision in relation to union or non-union membership. Why was it that a letter was sent out on your behalf, signed by your director-general, to councils putting this position? I remind you of the need for truthfulness in the estimates process.

Mr PITT: I hope that is not some sort of veiled threat, because I am truthful.

Mr HOBBS: You can take it the way you see it.

Mr PITT: The letter you refer to was signed by the Director-General of the Department of Local Government, Sport and Recreation, Michael Kinnane, and countersigned by Peter Henneken, Director-General of the Department of Employment and Industrial Relations. That was a letter of information. I will say what I said before: when it comes to the negotiations regarding enterprise bargaining I have no

role to play there whatsoever. This is a matter between the employer, which is the council, and the employees. I guess, for want of a better term, the referee in this case is the department of industrial relations. That is where the matter rests. I do not know what more I can add to clarify this matter for you.

Mr COPELAND: Can we have that letter tabled, please.

Mr PITT: I am happy to table that.

Leave granted.

Mr HOBBS: I ask again, then, in that case, seeing that you thought you were not involved with it and now you are involved in it: how many times did you meet the LGAQ? Your name is on that letter and it is your department and your director-general. You are part of this whether you like it or not. How many times did you meet with the LGAQ in relation to the non-union membership part of the EB formal arrangements?

CHAIR: I believe that the minister has answered this question on numerous occasions. This will be the last question, otherwise I will rule the others out of order. Please make your question direct and different to that which you have previously asked the minister.

Mr HOBBS: The question I have asked the minister is the one that I need to be answered and I do not think he needs protection. What he needs to do is give us the answer.

CHAIR: Member for Warrego, you do not need to be disruptive or make threats to the chair.

Mr PITT: I note your reflection upon the chair and my incapacity to look after myself. I can assure the member for Warrego that I am very capable of doing that. Recently all affected local government chief executive officers received a letter, jointly signed by the director-general of my department together with the Director-General of the Department of Employment and Industrial Relations, reminding them of the application of the Industrial Relations Act to their negotiations. That was a very appropriate thing to do to ensure that everyone understood the state of play, given people like yourself were running this old anti-union campaign in an attempt to further muddy the waters in the transition process with new local governments.

As a minister I have no direct role to play in this. I will say it one more time. This is a matter between the employer and the employees individually and their collective organisations. That matter will be sorted out at that level, and oversighting this under the Industrial Relations Act will be the department of industrial relations, responsible to their minister. I do not know what you do not understand about this, but I do note a tone in your questioning which would indicate that you are personally and perhaps collectively as an organisation opposed to unionism. I find that to attempt to somehow or other embroil me in a role where I have clearly stated I have no responsibility and have no intention of travelling repugnant.

Mr HOBBS: I note that you did not answer the question in relation to whether you spoke with the LGAQ and how many times.

Mr PITT: You have asked the question and I will go back to that. I will tell you again.

Mr HOBBS: How many times?

Mr PITT: I have spoken with the LGAQ, the LGWF and the LGMA on three or four occasions, depending on how many quarters we have had these meetings, and this issue has never once been part of a formal or developed agenda as we have gone through.

Mr HOBBS: I'm sure it hasn't.

Mr PITT: Of course it has not and nor it should be because they know, unlike you, how these things are done. The LGAQ knows that at the end of the day it represents the councils. As a matter of fact, it is a union. The LGAQ is a union of elected representatives and it knows what its responsibilities are. Unfortunately, you and many like you cannot seem to grasp this concept. It is almost like a separation of powers issue all over again.

Mr HOBBS: I refer to page 2-186 of the SDS at dot point 2. You state under 2008-09 Highlights that you are setting up five new regional offices to improve client services and increase effectiveness and efficiency. Can you advise how many departmental staff have formally indicated that they wish to relocate to a regional office of the department as part of your decentralisation plan?

Mr PITT: This might come as some surprise to you but it does not to me. I think regional Queensland is a wonderful place in which to live and work. On the internal web site within our department we asked for expressions of interest from people who were prepared to relocate to the best part of Queensland—regional Queensland. Lo and behold, within a very short period of time there were 103 applications. We will have 150 positions available for the five regional offices. They may vary from 25 to 35 in each office. I do not know, because some regions are slightly larger and some have more complex issues than others. I will not be bound by a one-size-fits-all approach because you know as well as I do that each of our regions has its own dynamics.

For me as minister it was heartening to not have to attempt to dragoon or push people out into regional Queensland. These are people who wanted to go for the tree change or whatever other reason they saw as being beneficial to live and work in regional Queensland. I would have been faced with a predicament if we had the whole 150 positions filled, because I want to have some local expertise. I want to have people who come from the regions forming part of the department to help us implement this new direction for the department of local government down a more collaborative, advisory and empowering path with the constituent local governments in their particular regions. I hope that has answered your question and I hope it has actually made you feel like I do—very proud that Queenslanders can see the value of living in rural and regional Queensland.

Mr HOBBS: Why has there been a capital works go-slow on 100 council sewerage schemes worth \$1.5 billion totally that had to be completed by 2010? How do you expect councils to complete these schemes on time? That is the STP upgrade.

Mr PITT: I can tell you that there is no go-slow. By saying that you are insinuating somehow that we have put a cap or a dampener on these things.

Mr HOBBS: That is what I have been told.

Mr PITT: I do not know who has told you that, but their information is incorrect. Like all of us who have suffered ill health, I would get a second opinion on this one. The department paid \$400,000 to Local Government Infrastructure Services to conduct the study of this need. In August 2007 in its final report Local Government Infrastructure Services identified 170 sewage treatment plants across the state requiring upgrades. The Environmental Protection Agency has identified 66 of these sewage treatment plants as being a high priority or very high priority for upgrade between now and 2011. In response to this the government has already committed almost \$100 million in subsidies to upgrade 22 of the high and very high priority sewage treatment plants. I consider this to be a down payment on what will be a significant investment in the future of our communities and, furthermore, in coming years the government will work proactively with councils. I have here a list of some of the programs based on meeting Environmental Protection Agency priorities. There are 22 councils identified for upgrade, from Mornington Shire Council and Woorabinda, going all the way down to the Torres Strait Island Regional Council. There are 22 all up who require that priority upgrade.

Recently I had representations from the Flinders Shire Council based in Hughenden when we ran the ministerial forum in Normanton and we have agreed to release funds for that particular program. That involved \$1.2 million. I have to tell you that we are not dragging the chain on this. We are working very closely with the joint organisation set up with the LGAQ and I am determined to roll this money out as quickly as possible. I would love to be able to give you a 100 per cent guarantee that it is all going to be done by a certain date, but you know as well as I do that there are many things between cup and lip that can cause a situation to not work out exactly the way you want. But there is no go-slow—definitely no go-slow.

Mr HOBBS: Will you be able to provide the community with a list detailing the dates of the applications and the dates of approvals for the infrastructure grant subsidy program, then? Can you give us a list of when the applications came in and when the applications were approved?

Mr PITT: Can we take that on notice? We will get that for you.

Mr HOBBS: Thank you for that. Just going back to this letter again. It states—

Further to the letter sent to you dated 1 May 2008 regarding the negotiation process for new enterprise bargaining agreements we write to you again, at the request of the Honourable Warren Pitt MP, Minister for Main Roads and Local Government, to further reiterate the requirements for these negotiation processes.

Mate, you are up to your neck in it, aren't you?

Mr PITT: No, I am not. I must tell you that the president of the LGAQ, Paul Bell, on more than one occasion has indicated to me in meetings that there is an expectation from local government that I would be their friend at court and I would look after their interests. You have been busily going around Queensland with your anti-union hat on, trying to drive a wedge between local governments and their workforces, local governments and the unions that represent many of those workers, and the workforce that is union and non-unionised for your own political purposes. What has happened out of this is that you have created a climate of uncertainty. If I am going to be genuinely the minister for local government and genuinely the friend at court for local government, I have the responsibility to ensure that they receive the correct information and that they fully understand what the situation is and not believe half-baked ideas that are being thrown around for political purposes.

I freely admit that I requested that this matter be made clear to local governments because I was contacted by individuals who said, 'Look, we are concerned. We don't know what's going on. What is the real story?' If you think that is untoward then I am guilty, guilty, guilty. I am guilty of doing my job.

Mr HOBBS: I was going to raise that issue. The letter states—

The issue of non-union membership on the bargaining teams in some councils has now been consistently raised as a concern and barrier to progressing negotiations in good faith.

Who has been consistently raising it as a concern and barrier and why was it raised as a concern and barrier to progressing negotiations in good faith?

Mr PITT: I have just been advised by the DG that this is a matter that has been raised not just with me in conversation; this is a matter that has been raised with the department as well. We have had this situation played out before in the transition committees. This line of questioning boils down to what I have said on more than one occasion here this afternoon: you are opposed to unions and you want to somehow or other use this to muddy the waters for political purposes.

Most unions, most councils and most non-unionised workers want to get on with life. They want to get in place some surety for their future. This is what the enterprise bargaining process is all about. They do not want people like yourself going around trying to undermine the process, throwing grenades where they can so that these people cannot get on with life. I think you would serve the people of Queensland better by standing back and letting due process take its course—this is in the best interests of everyone—and not making cheap political capital out of it for your own purposes.

Mr HOBBS: Thank you, Minister. I certainly have not got any objection to the union movement doing their job. I want to refer to the performance statement on page 2-191 of the SDS. Minister, I note that you were not able to provide 2007-08 figures as a percentage for 'client satisfaction with advices and services provided by the department'. In the previous year, 2007-08, it was 80 per cent. You estimate that in 2008-09 it will be 80 per cent. Quite clearly you were not game to ask local governments what they thought of your department last year. Minister, can you tell the committee what you think the figure that is missing from the budget figures would have been? Why did you not do a client satisfaction survey last year?

Mr PITT: Quite simply, we were in the midst of the most interesting and dynamic situation for local government in this state's history, and the last thing in the world they were interested in was client satisfaction surveys. We will be doing one next March and you will get the client satisfaction survey. After we do our regionalisation exercise and it beds itself down, I think we will be ranking up there with fires and ambos as far as client satisfaction is concerned.

Mr HOBBS: That will be interesting.

Mr PITT: That is a pretty brave and bold prediction, isn't it?

Mr HOBBS: I refer to page 2-194 of the SDS, under the heading 'Non-current liabilities', interest-bearing liabilities and derivatives. I have noted over the last few years there has been an increase in the liabilities in the local government budget in relation to the Queensland Treasury Corporation's borrowing for the Tennyson Riverside Development. I note an increase of \$4.578 million from the adjusted budget to the 2008-09 estimate. Can you advise the total liability of the project and for how much longer these liabilities have to be paid?

Mr PITT: Unfortunately you were not on the estimates committee yesterday as you would have heard the minister responsible for this issue discuss matters relating to the Tennyson centre—that is, the minister for sport and recreation, the Hon. Judy Spence. That is not within my portfolio. I think she is in the process of responding to that question.

Mr HOBBS: Minister, you are paying for it. It is out of your budget. How much longer are you going to pay for it?

Mr PITT: I will ask the director-general to clarify this because it is a matter about which I have no knowledge.

Mr Kinnane: The financial statements of the Department of Local Government, Planning, Sport and Recreation actually integrate the sport and recreation matters with local government. So you will find that in the sport and recreation part of the SDS there is an income statement which does not include all of the financial transactions of sport and recreation. They are consolidated in the one department. So the statements actually include both sections of the portfolio. The Tennyson Riverside Development project is about the State Tennis Centre, which is due to be opened in December this year, and Minister Spence dealt with that at the estimates hearings yesterday afternoon.

Mr HOBBS: Minister, I note that on page 2-194 of the SDS you say that there is \$37.28 million for 2008-09 which reflects the purchase of property, plant and equipment. Can you advise the committee what those items were?

Mr PITT: I will ask the Director of Finance, John Marsh, to answer that question for you.

Mr Marsh: Once again, of that property, plant and property equipment figure only \$321,000 for 2008-09 actually relates to the local government portfolio, and that is generally to meet the planned replacement of departmental computers and other information technology equipment. The rest of it relates to the sport portfolio.

Mr HOBBS: Minister, I want to go back one step. You also mentioned a while ago about the survey in relation to the local government elections. There were only 1,000 people surveyed across Queensland—that is five people per local government. The figures were quite extraordinary. I would have had that many calls to my office with problems in relation to that. I would suggest that you need to re-evaluate the efficiency of the ECQ in relation to the last local government election process.

Mr PITT: Can I say that Market Facts Pty Ltd are a reputable organisation and they know their business of research. I am not a statistician, but I do know that sample sizes are quite reliable, and 1,000 across that particular population in respect of the local government elections is an accurate sample and stands the test of academia. Far be it for me to question those who do surveying and polling. You and I every day of the week look at Newspoll, Galaxy and all of these people and sometimes the number of people involved in the surveys is very small. We have had surveys of 1,000 people across Australia on certain issues and people have come up with what they believe to be statistically relevant conclusions from that. So 1,000 across the 73 councils in respect of this I think was an adequate sample and so would any other statistician.

Mr HOBBS: Minister, would you be prepared to ask councils what it would cost them to run an election? Even the costs of previous council elections have been far less than what the ECQ charged councils.

Mr PITT: I am glad you asked me that question because no-one can tell us accurately what the cost of council elections were in the past because it was all done basically in-house. There are certain things that are up front and you can equate to what the ECQ provided but there are many things that councils did that were done in-house by the workforce—for example, where they did not put their time, if they had time sheets, against the council elections. So there is no data and if they did attempt to provide data it could not be considered accurate because at the time when they conducted the elections they did not keep the figures that in most cases would be necessary to make this statistically correct.

Mr HOBBS: Wouldn't it be more practical to do it that way? The staff are involved.

Mr PITT: You have asked me the question as to whether or not they have figures so that we could work out which is cheaper and which is better. There are two things here. One is that the people of Queensland have quite clearly indicated that the ECQ running these elections was generally what they felt should happen, and I think that is important. The biggest local authority in Queensland, the Brisbane City Council, has been quite happy with the ECQ running these elections. I do not know about you, but I do not think Campbell Newman would waste a cent—if he thought he could do it more cheaply, he would be doing it more cheaply. He understands that there are two imperatives: one is confidence from the public and the second is getting it at a reasonable rate. He must feel that that is what is happening. If you delve into that and we give this a little bit of time, you will find that the ECQ meets both of those criteria including the cost-benefit analysis that may be necessary.

CHAIR: Thank you, Minister. We now move back to government questions. I would like to ask you a question about Blueprint for the Bush. In the Service Delivery Statements you talk about the Office of Rural and Regional Communities continuing to support the Queensland regions through managing some 170 Blueprint for the Bush initiatives across government, which is an extraordinary number. Minister, could you provide the committee with an update on the progress of Blueprint for the Bush and the benefits it is delivering to rural and regional Queensland?

Mr PITT: The chairperson knows the way to this minister's heart: just mention Blueprint for the Bush and you have got me buzzing. There are many things in political life about which we are keen, but in all honesty we do not talk in terms of being passionate about things, but I am. I am passionate about Blueprint for the Bush. This is no reflection on members of the committee who may reside in south-east Queensland, but I am a proud regional Queensland. I was so pleased when Blueprint for the Bush was brought onto the agenda. It was our chance in regional Queensland to have government formally understand what our needs were and have a process of addressing them—very much like SEQIPP provides for south-east Queensland. It is just a shame that the opposition, which had 32 years in government, was never able to grasp that this is what was necessary for regional Queensland. It was all done on a parish pump basis.

I am proud to be able to report on a number of achievements and planned proposals which are supporting our ongoing Blueprint for the Bush program to revitalise bush communities. The capacity for the Queensland government to sharpen its responses to the needs of rural and remote communities has been enhanced considerably. This has been achieved by the elevation of the Blueprint for the Bush associates to the status of Blueprint for the Bush partners. The partners are representatives of key rural and regional stakeholder groups and have a direct role in informing the government about the implementation of the blueprint. In April this year, a workshop for Blueprint for the Bush partners was conducted at Gatton college. This workshop strengthened the focus of the partnership team and provided a strategy for the way forward over the next 12 months.

Just by way of information, the first of three annual rural women symposiums is to be held in Roma later this year. This is groundbreaking. This is the first time women have had a direct say at a specially designed forum about what it is that makes them want to live and remain in rural and regional communities. The event will involve around 100 attendees and include delegates from 40 community organisations and 40 additional invitees representing rural women's stakeholder groups across Queensland. These symposiums will be held each year for three years in various regional centres. They will harness the enthusiasm of rural women and their families as key community drivers and motivators working towards the government's 10-year vision for the Blueprint for the Bush. Some of the key issues

to be explored at the Roma symposium include access to quality education, workforce participation, birth choices, transport options and community welfare. A series of regional forums will be conducted in the lead-up to the symposium to ensure that a wide range of voices representing all sectors can be heard.

A total of \$4.95 million has been committed to grants in 2007-08 through the Strengthening Rural Communities funding program under Blueprint for the Bush. This funding has supported 106 grants for local projects in rural communities across Queensland under the Rural Service Access Initiative, worth \$2.15 million, and under the Our Place, Our Future initiative, worth \$2.3 million.

It is unfortunate that time beats me. But the success of Blueprint for the Bush is being well documented now. It is well received by local communities. I think it is one of the proudest achievements of this government. Madam Chair, I refer you to an answer to a question on notice that was asked of me in which I do list all of the achievements of Blueprint for the Bush.

Mrs LAVARCH: Minister, I know that you personally for a very long time supported increasing the number of women in public office in Queensland. As a supporter of having more women in government, I was wondering whether you were concerned about some of the comments that came out in relation to council amalgamations that that would decrease the number of women in local government. I was wondering if there had been any assessment of what has happened since the council elections this year and how many women there are in local government in Queensland.

Mr PITT: In the lead-up to the local government elections and the hysteria that surrounded those who were anti-amalgamation and wanted to derail the process, I think every trick in the book was used including some wild claims about the role of women and their future in local government. The reform process and council amalgamations resulted in voters at 15 March local government elections deciding the outcome for a total of 73 councils compared to 157 at the 2004 elections. I am pleased to announce that as a result of the recent elections women and experienced councillors were the real winners. For the first time ever 34.8 per cent of the people taking their seats in the 73 council chambers across the state are women.

Women have a key role to play in planning the future of their communities, and their contribution is vitally important to councils throughout Queensland. As a government, we are committed to working hard to increase the number of women involved in our local councils. I am very pleased to see that 177 female mayors and councillors have been elected to represent the people of Queensland for the next four years. Women now hold almost 35 per cent of all councillor positions—an increase of almost five per cent since 2004. This result also means that the proportion of female councillors in Queensland has risen steadily for the past three local government elections—from 28 per cent in 2000, to 30 per cent in 2004 and now to 34.8 per cent. This is a very positive trend, one that we are determined to see continue.

Some of the state's most high-profile local governments are now headed by women mayors. They are: Councillor Jan Ross, from the Blackall-Tambo Regional Council; Councillor Lorraine Pyefinch, from the Bundaberg Regional Council; Councillor Lyn McLaughlin, from the Burdekin Shire Council; Councillor Annie Clarke, from the Burke Shire Council; Councillor Val Schier, from the Cairns Regional Council; Councillor Corrie Pickering, from the Croydon Shire Council; Councillor Pam Parker, from the Logan City Council; Councillor Joy Jensen, from the North Burnett Regional Council; Councillor Jo Sheppard, from the Paroo Shire Council; and Councillor Melva Hobson, from the Redland City Council.

It is pleasing to see that the proportion of women in local government has not decreased, despite the contrary view of some in the lead-up to the elections, including the Local Government Association itself. Women's leadership of local government across the state includes: the Cairns Regional Council, where not only is the city's new mayor Val Schier a woman but so too are six of the 10 councillors; the Fraser Coast Regional Council, where seven out of 10 councillors are women, including the former mayor of the Maryborough City Council, Councillor Barbara Hovard, and the former mayor of the Tiaro Shire Council, Councillor Linda Harris; the Brisbane City Council, where 11 out of 26, or 42 per cent, of councillors are women; the Sunshine Coast Regional Council, where three new councillors elected to office were women; the Toowoomba Regional Council, where Councillor Carol Taylor and Councillor Ros Scotney, former mayors of the Cambooya and Pittsworth shires, now serve as councillors; and Councillor Jan Ross, previously a councillor of the Tambo Shire Council, was successfully elected to mayor of the new Blackall-Tambo Regional Council. I could go on listing those.

This just goes to prove that those attempts to muddy the waters and denigrate the process have ended up with many people having egg on their faces. The fact that women have stepped up to the mark and been elected to councillor positions and taken on some of the high profile mayoralty positions is healthy for local government and healthy for the state of Queensland.

Mr GRAY: Minister, next year as we all know marks the 150th year since Queensland gained independence from New South Wales. What are some of the wonderful projects that Queenslanders are creating to mark this occasion?

Mr PITT: There are a number of projects, and thank goodness we do have a separate state because where would we be without State of Origin? The Queensland government is working with local governments, non-government organisations and the broader community to coordinate a year-long calendar of events to celebrate the state's people, our history, our places and very importantly also our future. The anniversary celebrations will express the vision of 'Reflect on our past, imagine our future'.

The government has allocated \$100 million to the Queensland's 150th Legacy Infrastructure Program which is being administered by the department of local government. The entire \$100 million budget has been allocated to 94 projects throughout Queensland. Of those 94 projects, \$9 million is for projects of statewide significance and includes \$2 million for the completion of the bell tower at St John's Cathedral, Brisbane; \$5 million for the restoration of Old Government House on the Queensland University of Technology campus at Gardens Point; and \$2 million for the Blackwater International Coal Centre.

Other projects include: \$233,675 for the Tablelands Regional Art Gallery in Atherton, which I had the pleasure of opening; \$4.2 million for the revitalisation of the Bullcock Beach Esplanade in Caloundra; \$3.5 million for the construction of Mill Place in Cooroy, and I used to live there once, which incorporates a public library, a community square, a global connect centre and recreation facilities; \$400,000 for renovation of the old general store in Aurukun to house a rural transaction centre; \$150,000 for the restoration of the historic community church in the Hope Vale community; \$163,960 for the revitalisation of community halls in Mitchell, Amby and Mungallala; \$150,000 for the restoration of the historic Powder Magazine in Cooktown; \$580,000 for the upgrade of the Birdsville Visitor and Information Centre incorporating a public library; \$3 million for construction of an Arts and Cultural Centre incorporating a library, art gallery and Queensland Transport Museum in Gatton; \$16 million for the redevelopment of the Southport Broadwater Parklands; \$1.25 million for the establishment of the Queens Park Environmental Education Centre in Ipswich; \$34,000 for the Eungella Community Development Association to repair and renovate the Eungella Memorial Hall; \$200,000 to the Murweh Shire Council for constructing a medical centre in Charleville; \$3 million for a new Woody Point jetty being constructed, along with the renewal of the adjacent foreshore; \$50,000 for the reconstruction of the historic Cambridge Downs Store in Richmond; and \$261,348 for the restoration of the historic Warroo Shire Hall in Surat.

These projects will deliver facilities or structures that will leave an enduring legacy to commemorate the 150th anniversary celebrations. Queensland's 150th celebrations provide a unique opportunity to celebrate and reflect on what it means to be a Queenslander today. The department is working collaboratively with the Q150 Celebrations Office within the Department of the Premier and Cabinet to ensure projects are delivered on time for the Queensland Day celebrations on 6 June 2009.

Mr BOMBOLAS: Unfortunately, we did not get any of those projects up in Chatsworth, but we did get some Q150 money for minor projects and a couple of really worthy organisations within the electorate so I am pleased about that. Let us turn to one of the budgetary highlights for 2008-09 where mention is made of developing a range of best practice processes to build capacity of local governments. As these processes will be designed to particularly help rural, remote and Indigenous communities, can the minister please explain how they will be of benefit to these key groups?

Mr PITT: I thank you very much for the question. The department of local government recognises the specialist needs of rural, remote and Indigenous communities and provides a range of services to assist these councils to build their capacity and achieve local and regional efficiencies. Best practice guidelines have been produced on corporate planning, gender management, meeting procedures and minute recording. This assists councils to meet their statutory obligations and improve their overall performance and accountability to their communities.

These resources and processes are particularly aimed at supporting smaller rural, remote and Indigenous councils which typically do not have the internal expertise to improve their performance in these areas. With the regionalisation of the department on 1 July, we will further support rural and Indigenous councils and regional organisations of councils to achieve efficiencies through the provision of shared services and infrastructure models. The department will provide such councils with business case models and frameworks to review and assess the viability of shared service delivery and infrastructure arrangements.

Moreover, the department is developing a greater capacity for early detection, assessment and intervention in relation to significant matters of concern of a systemic nature. In addition, the department is undertaking a range of initiatives to improve the financial sustainability of local governments. This includes the delivery of workshops on the preparation of financial statements and a specific intervention framework for Indigenous councils where there are audit concerns.

The department has also developed a guide and self-assessment tool to assist Indigenous councils in implementing a performance management framework. The aim of this guide is to improve the integration of the planning, management, budgeting and reporting systems within Indigenous councils to ultimately improve service delivery. The guide will enable Indigenous councils to identify the

elements of performance management that are in place within their councils and evaluate the effectiveness of these processes. Councils can then action plan priority areas of performance management that need to be implemented and/or improved.

The approach to performance evaluation in Indigenous councils is broadly consistent with the approach being developed for non-Indigenous councils. The department partners with the Local Government Association of Queensland to deliver their nationally accredited Diploma of Local Government Administration program. The department codeveloped and cofacilitates this tertiary level program to build the capacity and expertise of councillors and council officers through targeted training focused on the business and operations of local government.

More than 100 local government practitioners, primarily from smaller rural and Indigenous councils, have graduated from this program since its inception in late 2005. The department also offers four scholarships to the value of \$3,000 for each participant. Preference is given to council staff working in rural, remote and Indigenous councils. For example, in the current offering of the program, the department has awarded four scholarships to officers from the Palm Island Aboriginal Shire Council, the Torres Strait Island Regional Council and the Croydon Shire Council. We recently called expressions of interest from officers in rural, remote and Indigenous councils to apply for scholarships for enrolment in this program in 2008-09.

Mr GRAY: Minister, I refer you to the Remuneration Tribunal. Prior to the recent elections, you created the Local Government Remuneration Tribunal. This effectively took decision making in respect of remuneration out of councils' hands. What was the rationale behind introducing this committee? How does this committee fall into your overall vision for the future of local government in Queensland?

Mr PITT: Thank you very much. That is a very important question. The government's reform of Queensland's local government was undertaken to deliver a stronger, more efficient and more modern local government system that has a greater ability to deliver services and infrastructure for all Queenslanders. The government's vision is 'stronger councils for a growing Queensland' and I am committed to ensuring that openness and accountability are the fabric of council operations in the new era of local government.

The establishment of the Remuneration Tribunal is a key component of the state government's local government reform as it enables councillor remuneration to be determined by an independent entity, ensuring openness and accountability through local governments and their communities. Local government will at last have the hallmarks of a true sphere of government, rather than there being questions about the independence of elections and pay rates of councillors. Prior to the establishment of the tribunal, many councils requested that an independent entity determine remuneration for councillors. The establishment of the tribunal aligns the determination of local government councillor remuneration with similar state and federal systems that independently set the remuneration for members of parliament.

As part of the process for determining the remuneration for mayors and councillors, the tribunal consults with councils and the community on suitable remuneration levels. Previously, each local government was able to determine how the mayor and councillors would be remunerated. Although this process was subject to a public consultation, it gave rise to community concerns about councillors setting their own pay. The use of an independent body ensures greater consistency and greater accountability for the use of ratepayers' funds.

Other states are also adopting independent bodies to determine councillor remuneration. New South Wales has an independent tribunal and Victoria has an independent panel that determines local government councillor remuneration. The Tasmanian government has appointed an independent board of inquiry to review councillor remuneration. I also understand that Western Australia is now currently reviewing its model.

In accordance with its legislative functions, the tribunal is to establish categories of local government. The tribunal is required under section 250A1 of the Local Government Act 1993 to consider certain criteria when determining local government categories and remuneration. The criteria includes the size of the local government area, the population and demographics, the environmental terrain, services provided by the local government and the different workload expectations inherent in performing the roles of mayor, deputy mayor and councillor.

Of the 72 councils, excluding Brisbane City Council, the tribunal determined there would be 10 categories of councils. These 10 categories comprise one special category covering the Cook Shire Council and the 17 Indigenous councils, and nine categories covering the remaining councils. The special category comprises all of the Indigenous local governments plus Torres and Cook shire councils in recognition of the uniqueness and cultural diversity issues dealt with by these councils. The tribunal considered that, because it shares a border with nine Indigenous councils and mentors these neighbouring councils, the Cook Shire Council be included in the special category. The Torres Shire Council, although not an Indigenous council as such, was also included in the special category due to the similar nature and range of issues that the council deals with compared to Indigenous councils.

The Remuneration Tribunal did a fantastic job, but it still has not stopped a number of people from attacking councils for their pay rates. It is one of those situations where people in public office are almost expected to pay those who elected them for the privilege of serving them.

Mrs LAVARCH: Minister, my question relates to funding for showgrounds. As this is my favourite time of year, show time—we just had the Dayboro Show last weekend and the Pine Rivers Show is coming up at the beginning of August just before the Ekka—I was wondering how your department assists many showgrounds around Queensland with funding.

Mr PITT: I am very keen on shows. As a matter of fact, I learnt some of my boxing skills on the show circuit so I am a big supporter. As of 1 July 2006, the Show Societies Grant replaced the Showgrounds Capital Works Subsidy Scheme. The objective of the Show Societies Grant is to assist recognised show societies in Queensland to conduct annual shows. The Show Societies Grant is allocated \$2 million per year and will run out on 30 June 2011. The Show Societies Grant supports show societies that conduct annual shows and can be expended for any purpose necessary to the conduct of shows or construction and maintenance of show related assets.

The grant is an annual distribution of funds as follows. Recipient societies receive minimum base funding of \$5,000 per year with additional funding based on annual show attendance, weighted to compensate for location and economies of scale. Grants are capped at a maximum of \$150,000 for the Royal National Agricultural and Industrial Association and \$100,000 for other societies. Generally, the grant is distributed to recipients in August each year. The Show Societies Grant, being an annual allocation, has decreased the burden on show societies to complete an application form. These organisations are run entirely on voluntary support, and this allocation makes it easier to manage their administration requirements.

In 2007-08, 130 show societies received funding, including the following: \$17,482 to the Stanthorpe Agricultural Society, \$39,755 to the Maryborough and Hervey Bay Show Society Ltd, and \$6,600 to the Quilpie District Show Inc. Grants do not have to be fully expended within the single year but may be accumulated towards major projects. Payment of the grant is conditional on recipient show societies providing a certificate of expenditure to the Department of Local Government, Sport and Recreation.

This certifies levels of expenditure greater than the previous year's grant or, where expenditure is less than the grant, accumulation in a reserve for identified future expenditure. Societies accepting the grant must acknowledge the support of the state government either in the printed show programs or mentioned in media releases leading up to the show.

That is one of the great things in this state—this wonderful, decentralised state of ours—that local people voluntarily every year spend months and months putting together an event for the enjoyment of their fellow citizens. Shows take all sorts of forms now. Not only are there pastoral and agricultural shows; there are forms of shows that perhaps fall outside that parameter. Maybe that is something we need to look at in the future as to whom we encompass in this grant and subsidy system.

Ms PALASZCZUK: There being no further questions, that concludes the examination of the estimates of expenditure for the portfolios of the Minister for Main Roads and Local Government. I thank the minister, his advisers and departmental staff for their attendance today. Minister, do you have anything to say in conclusion?

Mr PITT: Yes, I do, Madam Chair. The estimates process may be to some longwinded and boring, but I think it is one of the important aspects of our democracy. It is a chance for the public of Queensland to understand what is going on, and that comes about through the astute questioning of members of the estimates committee. I thank each and every one of you for your involvement today. I also want to thank the staff of the parliamentary complex who provide all the services that back up the estimates process. I want to thank my own personal ministerial staff for their assistance, badgering and grilling of me over the last couple of weeks to prepare me for this event. But in particular I want to thank my two departments and the key officials in those departments who I think do a sterling job in the performance of their duties in the expenditure of funds provided by the people of Queensland. I think also through the estimates process they learn something about themselves and how they operate. I think it reinforces their satisfaction of being public servants in this great state.

CHAIR: I, too, would like to thank all the committee members here today, the committee secretariat for a wonderful job, Hansard and the attendants for their assistance. That concludes the committee's consideration of the matters referred to it by the parliament on 1 May 2008. I declare this public hearing closed.

Committee adjourned at 5.02 pm