

## WEDNESDAY, 23 JULY 2008

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### ESTIMATES COMMITTEE F—TRANSPORT, TRADE, EMPLOYMENT AND INDUSTRIAL RELATIONS

#### Estimates Committee F Members

Mr JD O'Brien (Chair)  
Mrs EA Cunningham  
Mr DF Gibson  
Mr PJ Lawlor  
Mrs JR Miller  
Mr TJ Nicholls  
Mr SPA Wettenhall

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#### In Attendance

Hon. JR Mickel, Minister for Transport, Trade, Employment and Industrial Relations

##### **Queensland Rail**

Mr L Hockridge, Chief Executive Officer  
Mr P Scurrah, Executive General Manager, Passenger Service

##### **Trade Queensland**

Mr R Whiddon, General Manager

##### **Queensland Transport**

Mr D Stewart, Director-General  
Mr P Low, Deputy Director-General  
Mr T Philp, Director, Finance  
Mr L Hannah, Executive Director (Acting), Rail Ports and Freight Division

##### **Department of Employment and Industrial Relations**

Mr P Henneken, Director-General  
Mr B Leahy, Deputy Director-General  
Mr B Carlon, Executive Director, Employment and Indigenous Initiatives  
Mr T Hawkins, Chief Executive Officer, WorkCover Queensland  
Mr G Kenney, Director, Executive Services

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#### **Committee met at 8.29 am**

**CHAIR:** Good morning, ladies and gentlemen. I now declare this hearing of Estimates Committee F open. On behalf of the committee I welcome the minister, departmental officers and members of the public to the hearing. My name is Jason O'Brien. I am the member for Cook and the chair of the committee. Mr David Gibson is the member for Gympie and the deputy chair. The other committee members are Ms Jo-Ann Miller, the member for Bundamba; Mr Peter Lawlor, the member for Southport; Mr Steve Wettenhall, the member for Barron River; Mrs Elizabeth Cunningham, the member for Gladstone; and Mr Tim Nicholls, the member for Clayfield.

The committee will examine the proposed expenditure contained in the Appropriation Bill 2008 for the portfolio areas of the Minister for Transport, Trade, Employment and Industrial Relations and the Minister for Sustainability, Climate Change and Innovation this afternoon. The committee will examine the portfolio areas in that order. The committee will suspend proceedings for morning tea from 10.30 to 10.45, lunch from 12.15 to 1.15 and afternoon tea from 2.45 to 3 pm.

Today's proceedings are lawful proceedings and subject to the standing rules and orders of the parliament. Members of the public are welcome to observe the proceedings but may not participate in the proceedings. In accordance with standing order 206, any person admitted to this hearing may be excluded at the discretion of the chair or by order of the committee. The committee has resolved that the media may take television footage without sound and photographs during the opening statements by the chair and each minister and for a short period at the commencement of each changeover in departments. The committee has also resolved that the proceedings of the hearing will be broadcast by the Parliamentary Service via the service's web site and by receivers throughout the parliamentary precinct.

I remind members of the committee and the minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the end of each of these time limits. An extension of time may be given with the consent of the questioner. A double chime will sound two minutes after the extension of time has been given.

The standing orders require that at least half the time available for questions at today's hearing is 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. Government members and non-government members will take turns asking questions in blocks lasting approximately 20 minutes, commencing with non-government members.

I ask advisers to the minister to identify themselves when they come forward to answer a question if the minister refers a question to them so that Hansard can record their name. I also remind members, witnesses and members of the public that no food or drink is permitted to be consumed in the Legislative Council chamber. Before we begin I ask that mobile phones and pagers be switched off or switched to silent mode.

I now declare the proposed expenditure for the Minister for Transport, Trade, Employment and Industrial Relations open for examination. The time allocated is three hours and 30 minutes. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, under standing order 177 you are able to make an opening statement that does not exceed five minutes. Would you like to make an opening statement?

**Mr MICKEL:** Thank you. Mr Chairman and committee members, our strong economic and population growth propels our economy, but it needs to be managed and planned for. That is what we are doing. Since setting up integrated ticketing in TransLink in 2004, our patronage growth is 37 per cent. We are the only east coast state to have a successful operating smart card for public transport that is cashless, quick, convenient and safe.

But more can be done. That is why we are building more trains, more buses, more stations and more busways. We are building the single biggest program of infrastructure upgrades not just in south-east Queensland but across the entire state. This financial year we will spend a record \$3.65 billion on transport infrastructure—a 47 per cent increase, I am advised, over the previous year. The \$333 million Inner Northern Busway has been completed in May 2008 on budget and six months ahead of schedule. Since opening that busway patronage has jumped by 10 per cent.

But we are also investing heavily in rail—in its people-moving capacity and its coal-moving capacity. From Helensvale to Robina on the Gold Coast we are building a \$72 million second rail track and a new train station at Varsity Lakes. On the Gold Coast we are solving the sins of the 1960s where the Bjelke-Petersen government ripped up the rail tracks and sold off the rail corridor. We built the third track from Salisbury to Kuraby. We are upgrading the Brunswick Street station, upgrading Indooroopilly station and have started work at Richlands and also the Varsity Lakes station.

In the last decade Queensland has grown its coal exports by 101 per cent—from 76.03 million tonnes per year in 1996-97 to 153.2 million tonnes per year in 2006-07. The dollar value of that growth has been even more spectacular—from \$4.43 billion to \$16.3 billion, a 268 per cent increase. This export growth in response to strong world demand, particularly from the Asia-Pacific region, has meant more jobs and has given us the strongest economic growth in the nation. Based on current demand, coal exports are projected to grow further, by about 42 per cent to 218 million tonnes per year by 2010. We have committed \$576.4 million for coal line track works in central Queensland. We have committed \$303.7 million for new and upgraded locomotives and wagons and we have \$355 million to boost coal tonnage capacity at Abbot Point.

But our focus on overseas markets is not limited to coal. There are many Queensland businesses that Trade Queensland has assisted to take our tally to, I am advised, \$519 million worth of export sales in 2007-08. Trade Queensland has provided export assistance to 2,860 Queensland companies in 2007-08, with more than 48 per cent of these in regional Queensland.

All of this activity to keep Queensland moving and growing is carried out with workplace health and safety uppermost in our minds. Most Queensland employers do the right thing by their employees, but safety laws have to be enforced. Every worker has a right to a fair's day pay for a fair day's work in a safe working environment. Education plays a key role in helping employers and employees meet these obligations. That is why we created the Homecomings workplace health and safety campaign, and we are still getting requests from workers and employees across the state for copies of the information packs and DVDs. In the last year, Workplace Health and Safety Queensland has taken its role as the guardian of safe workplaces seriously. More than 25,000 workplaces were audited by Workplace Health and Safety. There have been 106 prosecutions in 2007-08.

In a state that is booming, it is important that no-one is left behind. In 2007-08, we invested \$81.6 million in helping 18,000 people get jobs in the Skilling Queenslanders for Work program. We are planning and building better transport for population growth. We are expanding our transport for export growth. We are diversifying our exports and expertise to ensure sustained growth and ensuring this activity takes place in a safe state where everybody can have the best opportunity for a prosperous and healthy future.

**CHAIR:** Thank you, Minister. We will commence our examination with Queensland Rail followed by Trade Queensland. The first period of questioning is allocated to non-government members. I call the member for Clayfield.

**Mr NICHOLLS:** Thank you, Minister. With reference to page 3-195 of the Service Delivery Statements, which is the general introduction, are you able to advise the committee of the greenhouse gas emissions estimated for QR's operations for 2007-08 and give an idea of what they may be for the forthcoming financial year?

**Mr MICKEL:** In terms of just Queensland Rail, we are advised that passenger motor vehicles are 3.9 times more energy intensive than passenger rail transport. I am advised that a six-carriage train is the equivalent of taking approximately 500 cars off the road, based on the assumption that one carriage carries an average of 100 people. I am also advised that transport accounts for about 14 per cent of Australia's greenhouse gas emissions. Mr Chairman, for the committee's benefit I will ask my director-general, Dave Stewart, to complete the answer.

**Mr Stewart:** It is also fair to say that one of the things we are looking at at the moment is taking on board some of the emissions trading modelling work by CSIRO. Given that it is early days in emissions trading, we are looking at it very closely now. We have adopted the CSIRO model. One of the key attributes of the CSIRO model is suggesting that we will not see a great difference in travel demand in the future. So VKT—vehicle kilometres travelled—will continue to grow. With the emissions trading scheme we will see a very minor reduction in VKT, but that gives us the opportunity to move from either road transport or single-occupancy vehicles to public transport and to rail freight. So it is fair to say that there is a fair bit of work in progress but the modelling is very clear. Emissions trading is certainly going to be a key policy agenda for the department moving forward.

It is also interesting to note that, from an emissions trading perspective, we will see a change in how vehicles are powered. That is some of the evidence that we are getting very much going forward. The minister raised that with every public transport vehicle we see 40 cars off the road. Similarly, with trains it is around 300. I guess one train also equals 150 trucks.

**Mr NICHOLLS:** Thank you, Minister, and thank you, Mr Stewart. I understand the position regarding removing cars from the road and replacing them with public transport modes of conveyance and the impact it will have. What I was trying to get at is: do you have any indication of what QR's greenhouse emissions are as a result of the operation of its rail network? The corollary to that is: do you have an emissions reduction target that is set out in plans? Is there something like that?

**Mr MICKEL:** I will ask the CEO of Queensland Rail to answer.

**Mr Hockridge:** In total, the emissions from QR are 1.3 million tonnes per annum. The answer is yes, we do have a comprehensive range of programs. We are, for example, part of the Greenhouse Challenge and are fully progressing those things. In addition to the matters that Mr Stewart raised, we should observe that one train in our intermodal service is the equivalent of taking 150 trucks off the interstate road system. So clearly we are promoting that modal shift. Clearly, we are looking carefully at the announcements in the last week around the future of emissions trading and what that is going to mean for our business and business development in the future.

**Mr MICKEL:** Perhaps the committee might benefit from these statistics, too. These are figures that are supplied to me. If you have on average 1.2 people per car, that is the equivalent of, for a bus, 50 cars; for a train I am told it is the equivalent of 625 cars; and for a Brisbane CityCat I am told that is the equivalent of 133 cars. This is how these figures are arrived at. As I said, there is an average of 1.2

people a car, but buses carry approximately 60 passengers, a six-carriage train set carries approximately 750 passengers; and a CityCat, I am advised, can carry 160. So that is why the promotion of passenger transport is important in that greenhouse argument.

**Mr NICHOLLS:** With reference again the Service Delivery Statements and workplace health and safety for QR, an enforceable undertaking was entered into with Workplace Health and Safety in 2006-07 as a result of a safety breach at the Mayne siding. It involved a fine of over \$1.5 million. Can you tell us if the provisions of that undertaking have been complied with and what the final cost of doing so and meeting those obligations in relation to that enforceable workplace health and safety undertaking have been?

**Mr Hockridge:** We have certainly complied in all respects with the provisions of that enforceable undertaking. I am sorry I do not have the exact cost of having done so. Let me make a more general observation with respect to QR safety.

In the short time that I have been the executive responsible for this business it has been the No. 1 priority in the business. From before the time that I started in the business it was apparent to me that the safety performance at QR leaves a lot to be desired. It was the very first conversation that I had with the minister, when the minister reinforced his view about safety.

We have put in place a most comprehensive program of improvement of safety at QR. There continue to be incidents that should not occur, but we have embarked upon, as I say, the most comprehensive range of initiatives—including having employed what is, in my view, the best consultancy in the world in this space—to underpin what is a behavioural change that is required right across the organisation. We are making sure that we are following through on all of the kinds of issues that lie behind the member's question with respect to undertakings, to doing audits and to following through on all of the processes but at the end of the day ensuring that no-one gets hurt in our operations.

**Mr MICKEL:** Could I add to the answer by saying this: after the Mindi incident—which I know the honourable member asked me about, I think quite correctly, in the parliament—I was aghast at some of the findings in the report. Queensland Rail, as the rail safety regulator, has now undertaken on-the-spot audits to make sure that Queensland Rail complies with the conditions set down by the safety regulator. I will ask the director-general to speak, Mr Chairman, if that is all right.

**Mr Stewart:** I would like to reinforce that the role of the safety regulator which fits within the department has certainly increased its activity in light of those recent investigations. I am also pleased to advise that, with over 10,000 kilometres of track being managed by QR, we have a risk based safety management system. Our fatality rate is much lower than the national average.

**CHAIR:** The session time for that block of questioning is about finished.

**Mr MICKEL:** Could I add to the answer?

**CHAIR:** That is up to Mr Nicholls.

**Mr MICKEL:** I have a costing. I am advised that the costing is zero.

**Mr Hockridge:** The cost was zero. The answer to your original question was that—

**Mr NICHOLLS:** The implementation of the undertaking?

**Mr Hockridge:** The implementation was a policy change and there was no direct cost associated with that change.

**CHAIR:** Thank you very much for that. The time for that block of questioning has now expired. We will now switch over to some government questions.

**Mr MICKEL:** But we have many more answers, Mr Chairman!

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

**Mrs MILLER:** Minister, I note on page 137 of the Capital Statement, Budget Paper No. 3, that the state government is spending \$132.2 million on 44 additional three-car sets of rolling stock for improved services in south-east Queensland. Could you detail how many three-car sets QR had prior to this initiative and how many QR Ltd will have once these are delivered?

**Mr MICKEL:** I thank the member for the question. I am advised that QR Ltd has in place orders for 44 three-car sets, 16 of which have been delivered. They are built in Maryborough by Evans Deakin Industries rail and Bombardier Transportation. All 16 sets are in service, increasing the capacity by 3,600 seats on the Gold Coast, Ferny Grove, Caboolture and Cleveland lines. Half of the 44 sets will be interurban multiple units and half will be suburban multiple units. Our main yard has been expanded to provide stabling for those train sets. The remaining 28 sets will be delivered, I am advised, progressively by late 2010. The total cost estimate of the 44 sets is \$586 million inclusive of stabling costs, and \$132 million is being spent in 2008-09.

Prior to the commencement of the delivery of the 44 sets, Queensland Rail Ltd had 144 three-car sets and 20 intercity express cars on the Citytrain network. When the 44 sets are delivered, the fleet will be made up of 87 electric multiple units, that is three-car sets; 64 suburban multiple units, that is three-car sets; 36 interurban multiple units, that is three-car sets; and four intercity express sets of five cars each. The 44 three-car sets will increase the fleet size by about 30 per cent.

The interurban multiple units are intended for longer journeys in the TransLink network, such as Gold Coast to Brisbane, and have luggage racks, toilet and baby-change facilities. They are of a sleek and modern design. They have a top speed of 130 kilometres per hour and a three-car set is 72 metres long. The first two suburban multiple units are expected to be delivered in the first quarter of 2008-09. The three-car sets are also 72 metres long with a top speed of 130 kilometres per hour. The carriages have a good line of sight, with no doors between carriages. They have digital closed-circuit television, which is important, lighting is improved and seats are larger. Each carriage provides access to a passenger emergency communication system. The following features enhance disabled access: audio and video passenger information systems, improved space for wheelchairs, braille signage and colour-contrasting fittings.

The rolling stock will provide increased capacity and service extensions, which I know is important to you at Richlands and also Varsity Lakes for the member for Southport, and provide spare units for operational support and maintenance schedules. The rolling stock will make use of the substantial expenditure on improved track capacity, for example the completed \$276 million rail program on the Gold Coast line, which provides additional capacity from Ormeau to Coomera and from Salisbury to Kuraby, and on the Ferny Grove line on the completed Mitchelton to Keperra second line.

**Mr LAWLOR:** Minister, I note on page 137 of the Capital Statement, Budget Paper No. 3, that the state government is investing \$127 million this year alone on the extension of rail from Robina to Varsity Lakes. If memory serves me correctly, we used to have a railway line all the way to Tweed Heads—and memory does serve me correctly, because I am one of the few people in this room probably old enough to have travelled on that line. What happened to that particular line and how much is it costing the state government per kilometre to put rail infrastructure back into the Gold Coast?

**Mr MICKEL:** I thank the member for his perfect memory and for showing up his age. The line to Beenleigh opened in July 1885, just as the honourable member was being born! The line extension to Beaudesert was completed in May 1888, and the Beenleigh to Southport section opened in January 1889 and ended at Nerang in July 1889. The opening of the south coast railway on 25 January 1889 enabled Brisbane residents to travel by rail to Southport and six months later on to Nerang. The railway from Nerang was extended to Coolangatta and Tweed Heads in September 1903, making day trips, weekend visits and school and Christmas vacations possible at a cost within the reach of most holiday-makers. In addition to passenger services, the line also carried freight, in particular agriculture and timber.

Plans to upgrade the line after World War II were never completed. The railway system, which ended in South Brisbane, was closed instead of being modernised, as the honourable member said. The Nerang to Tweed Heads section was closed on 1 July 1961, along with seven other unprofitable rail branch lines. Ernest Junction to Nerang was closed on 1 May 1964, and Beenleigh to Southport was closed on 1 July 1964 despite widespread protest.

The reason provided for these closures is probably amusing today, but the upgrade of the Pacific Motorway to a dual carriageway may have exacerbated the issue by making private motor vehicles to the Gold Coast more attractive. Country Party interests had long considered that loss-making lines near Brisbane should be closed, as well as country branch lines. The closure was attractive to road interests, especially as road maintenance tax was abolished when the railway closed.

I am pleased to say that the rail line was reinstated from Beenleigh to Helensvale in 1996 after measures from the Keating government and re-established in Nerang in 1997 and Robina in 1998. Construction of the Robina to Varsity Lakes section began in 2007 and is expected to be completed in 2010. The South East Queensland Infrastructure Program and Plan 2008-2026 identifies the southern extension of the railway line from Robina to Elanora as costing \$1,159 million. At this stage it is estimated that the Elanora to Coolangatta section of the line will cost \$650 million.

You asked specifically about costings. The overall estimated cost of extending the railway from Robina to Coolangatta is \$1.8 billion. Given that the distance from Robina to Coolangatta is approximately 21 kilometres, the average cost of the proposed line will be \$86 million a kilometre.

**CHAIR:** We are trying to do something about that noise outside, as in trying to get it stopped. Minister, I note from page 137 of the Capital Statement, Budget Paper No. 3, the \$576.4 million the state government has committed to upgrading the central Queensland coal network. Can you please outline how Queensland stands to benefit from this investment?

**Mr MICKEL:** I thank you for the question, because I believe the coal industry is absolutely essential to the economic growth of Queensland. We are experiencing strong coal export demand, with exports expected to grow by over 40 per cent by 2009-10 to 218 million tonne. Could I just say that if the noise is to do with vital works, it is not bothering me. There is no need, on my account—

**Mr GIBSON:** It is bothering us.

**Mr MICKEL:** I shall speak up. In response to the coal boom, a major \$6.4 billion coal transport investment program has been under way since 2005, covering coal rail network and rail rolling stock investments and related port and coal terminal investments by both the Queensland government and the private sector. The proposed \$576.4 million capital expenditure for 2008-09 represents QR Ltd's investment in upgrades to the central Queensland coal network, principally on the Goonyella and Blackwater railway systems. The Goonyella system services the northern Bowen Basin coalmines exporting through the port of Hay Point. The Blackwater system services the central Bowen Basin coalmines exporting through the port of Gladstone. Together, these two rail systems deliver over 81 per cent of Queensland's coal railings, representing 133.3 million tonnes of export coal in 2007-08.

The Goonyella system projects include the major Jilalan rail yard expansion, full track duplication between Broadlea and Wotonga, an additional passing loop at Yarra and a new electricity substation and feeder station at Bolingbroke. Expenditure on these projects during 2008-09 will add approximately nine million tonnes per annum of rail track capacity and potentially enable additional coal exports worth over \$2 billion per annum. The Blackwater system projects include the upgrade of the Callemondah rail yard at Gladstone, the completion of track duplications from Westwood to Wycarbah and between Stanwell, Warren and Wycarbah, and the commencement of full track duplication between Grantleigh and Tunnel.

**CHAIR:** The session time has now concluded. That concludes the examination of the estimates for Queensland Rail. We will now commence our examination of Trade Queensland. The first period of questioning is allocated to non-government members. I call the member for Clayfield.

**Mr NICHOLLS:** Minister, I refer you to page 3-200 of the Service Delivery Statements in relation to Trade Queensland. In April the Premier announced a temporary trade office will be located in Beijing from May to August for the Olympics. Minister, can you advise what the cost of that office is? Can you provide the break-up of those costs into staffing costs, rent and entertainment? Can you advise if government officers or ministers will be attending that office during the period of the Beijing Olympics from 8 to 24 August?

**Mr MICKEL:** I can answer one part of it while I am waiting for the rest of it. There are certainly no ministers going. It really is a temporary trade office in Beijing from May to August 2008. It is assisting Queensland companies in China during this time. It was opened in May, with a planned extension to a future established office. The office facilities are available to Queensland companies and government agencies for trade and investment activities in China and provide a business centre for Queensland government and business visitors. The office also acts as a business referral centre, responding to inquiries from the Chinese government and businesses. It is resourced by one locally engaged staff member who reports to the Queensland trade office in Shanghai. The purpose of the temporary office is to provide support to Queensland companies.

I am pleased to report that since the opening of the temporary office in May, Trade Queensland has assisted some major export deals totalling more than \$26 million to date. Among them is a Toowoomba based mining company Russell Mineral Equipment, an outstanding company by any stretch of the imagination, which secured a \$5.597 million contract with a major Chinese player in May 2008. The temporary office works closely with Queensland companies with registered offices in Beijing including HOK Sport, Arrow Energy, John Finlay Engineering, Ausenco, Runge, Mincom, Industrea, Sedgman, AEG Ogden, and Australian Rural Exports Pty Ltd, Austrex, and we will support them to network and engage with VIPs who will be visiting China from around the world during the games. Queensland companies based in other parts of China will also be assisted when visiting Beijing to capitalise on the opportunities and seek introduction to key players.

I should also say that the Beijing office recently assisted with Chalco's inbound delegation of Indigenous leaders from the Aurukun community in Cape York who were invited by the company to visit its head office and inspect its operation. At the moment Trade Queensland is working closely with Brisbane Club Australia to ensure that Queensland companies are accessing benefits Beijing offered through BCA activities. So far Queensland companies have been awarded free tickets to the Beijing games for their Chinese clients as a result. In addition, five Queensland companies have won Telstra small business awards to visit Beijing during the Beijing Olympic Games. They are DMA Group Architects, Flight Training Australia, Intellection Pty Ltd, Ludowici Australia Pty Ltd and Six Degrees Creative.

**Mr NICHOLLS:** Minister, you indicated at the beginning that there would be no ministers attending the office. Did you say no government officers as well? I did not hear the answer to that part of the question.

**Mr MICKEL:** There is no program that I am aware of.

**Mr NICHOLLS:** Thank you. Minister, I refer you to non-government question on notice No. 4 and the reply that was provided. I table the answer that was sent out to members of this committee as transmitted electronically. Minister, that document as received was pretty heavily formatted. Can you explain why the original answer had to be so heavily censored as to make it non-responsive to the question that was asked?

**Mr MICKEL:** It was not heavily censored. In fact if you look at your question, it did not refer to the line item. As to why you got the formatting the way you did, Dave, do you want to explain what happened in the department with that?

**Mr Stewart:** Again, a great embarrassment to us—essentially, we did not answer the correct question. What we are willing to do is provide that information as required. The answer to the question that we did provide was that which the minister sent. We believe that we have addressed the issue as per the question that was raised by Mr Nicholls. If there is a different question, then we can obviously answer that question today.

**Mr NICHOLLS:** I appreciate that, thank you. Taking you up on that particular offer then, referring to page 3-210 of the SDS, supply and services, can you supply details of the 61 trips made by Trade Queensland officers in 2007-08, including the cost, purpose, names and number of officers on each trip?

**Mr MICKEL:** You want the 61 trips? Okay. Paul O'Hanlon, Business Manager for the Americas, travelled from Brisbane to Chile on 15 June 2007 and returned on 3 July 2007. He led a trade delegation of 14 companies to Exponor trade show in 2007.

Albert Kello, Business Development Director, Europe office, travelled from London to Brisbane on 31 July 2007 and returned on 13 August 2007. He attended the Major Projects Conference in Brisbane and met key clients for the European market operations.

Jacqueline Yuan, Education Manager, Shanghai, travelled from Shanghai to Brisbane on 4 August 2007 and returned on 18 August 2007. She led a Chinese delegation to attend the International Careers Fair. Cost estimate paid by the Department of Education, Training and the Arts.

Lily Liang, the Deputy Commissioner to Taiwan, travelled from Taipei to Brisbane on 11 August 2007 and returned on 21 August 2007. Her role was to brief Queensland clients on the opportunities in Taiwan and secure industry participation in the Queensland aviation training mission to Taiwan in December 2007.

Matthew Kang, Trade Commissioner to Korea, travelled from Seoul to Brisbane on 28 August 2007 and returned on 6 September 2007. He assisted a Korean delegation of mayors and local government officials in charge of marine development projects in attending the APCS 2007.

Paul O'Hanlon, Business Manager for the Americas, travelled from Brisbane to Peru on 5 September 2007 to 22 September 2007. He led a delegation of 17 Queensland companies to the mining trade show Expomin in 2007.

Stuart Dignam, Deputy Commissioner in the Americas office—

**Mr NICHOLLS:** Sorry, Minister, you are putting the costs in there as well?

**Mr MICKEL:** Yes, I can do that.

Paul O'Hanlon, Business Manager for the Americas, travelled from Brisbane to Peru on 5 September 2007 to 22 September 2007—\$17,728.

Stuart Dignam, Deputy Commissioner in the Americas office, travelled from Los Angeles to Brazil on 19 September 2007 to 28 September 2007—\$15,708. He led a trade mission to the Exposbram 2007 mining conference.

Russell Mackie, Business Manager, Overseas Market Development South-East Asia, travelled from Brisbane to Thailand on 23 September 2007 and returned on 3 October 2007—\$10,453—to promote Queensland's building and construction capability in Thailand and to access potential partners for Queensland companies in Malaysia.

**Mr NICHOLLS:** Minister, perhaps as there are 61 of them, if you want to take it on notice, I would be happy to take that from you.

**CHAIR:** You have a question for the minister?

**Mr NICHOLLS:** Yes, certainly. Thank you, Mr Chairman. In relation to supplies and services, Minister, who has the final and delegated authority for authorising those trips that are taken under the auspices of Trade Queensland?

**Mr MICKEL:** I think the order now is the general manager of trade goes to the director-general.

**Mr NICHOLLS:** Is there a delegated authority?

**Mr Stewart:** Yes, the minister.

**Mr NICHOLLS:** Minister, again, in relation to supplies and services, I refer you to the answer that I tabled. There is a box marked 'confidential' in the original answer. Can you explain why that particular item was confidential and why it was meant to be removed in providing the answer to that question?

**Mr MICKEL:** It says—

In relation to Queensland Education and Training International—QETI—missions, the *Courier-Mail* reported on 2 July 2008 on a \$20,000 trip to South America. Trade Queensland has advised that one of the 60 major trade missions and trade promotional visits included in the answer to the question on notice above included QETI travel to Chile from 1 to 10 June 2008, approximate value \$22,000.

**Mr NICHOLLS:** I appreciate that. Is there a reason why that is confidential or that it was marked confidential? Is it a particular trip? Was there something unusual about it? There must be a reason for it to be marked confidential.

**Mr MICKEL:** That is because this matter apparently is before a CMC inquiry.

**Mr NICHOLLS:** Yes.

**Mr MICKEL:** I think some of this material pertains to a matter being investigated by the CMC.

**Mr NICHOLLS:** Minister, can you provide details of that \$22,000 trip to Chile that is contained in the answer? I presume it was one of the 61 trips you were going to refer to if you had had the time to answer the earlier question.

**Mr Stewart:** There is a matter before the CMC in relation to this particular issue. I do not know whether we are able to discuss it in detail.

**Mr MICKEL:** I will tell you what I can. It was a trip undertaken by the executive director of Queensland Education and Training International from Brisbane to Latin America. The cost is as I outlined to the committee and the date is as I outlined to the committee in the confidential note. It was to participate in the Latin America higher education conference meeting with the Chile Ministry of Education.

**Mr NICHOLLS:** Thank you. Minister, I refer you to page 3-198 of the Service Delivery Statements. There is reference there to a variety of dollar figures in terms of aid, particularly \$130.7 million in aid and development business. Can you advise to whom and for each of those how much? You say there that international trade development assisted Queensland organisations to secure over \$130.7 million in aid and development business. If it is a terribly long list—

**Mr MICKEL:** We obviously continue to highlight the profile of Queensland's expertise and enhance the performance of our private and public organisations in the international development business market. Queensland organisations in the international development business market have won more than 27 contracts worth over \$130 million.

I might say this, and I am very proud of this fact: Queensland remains the only state that maintains a support system focused on advancing the involvement of Queensland organisations in international development funded activities. In 2007-08, Trade Queensland's initiatives in the international development business market supported Queensland organisations in winning more than 27 contracts worth over \$138 million. The larger contracts won were, I am advised: \$76.9 million to Sunshine Coast TAFE's establishment of a school and curriculum for TAFE training in Papua New Guinea, Samoa and Fiji; \$40 million to GRM International HIV/AIDS cooperation program for Indonesia; \$4.2 million to joint AusAID-Kiribati government for a Griffith University education and training program for Kiribati nurses; \$3.1 million in an AusAID UniQuest institutional strengthening project for the Samoan police force; and \$0.9 million to AusAID GRM International consulting services to train Iraqi lawyers.

**CHAIR:** Thank you, Minister. It is now time for government members to ask questions. I call the member for Southport.

**Mr LAWLOR:** Minister, you have already provided some details to the member for Clayfield which he actually sought in question on notice No. 4 and you have also explained why the answer could not detail the travel expenses that were originally sought. Can you please detail what the total cost for travel for Trade Queensland was for the year 2007-08 and examples of how these trips are used to assist Queensland businesses achieve success in overseas markets?

**Mr MICKEL:** There were 61 major official visits and they totalled \$567,000, which is less than two per cent of Trade Queensland's total budget. I might say that less than half of these were by officials travelling from Brisbane. In 2007-08, the trade missions led by Trade Queensland assisted 176 Queensland companies to generate an estimated \$57 million in exports.

As an international agency and the sole Queensland government agency to focus its entire operation on supporting Queensland exporters secure global business, international trade remains critical. It is critical to leading Queensland government trade missions into key markets to help companies secure export deals. It is critical to building strong commercial relationships with international buyers and other key decision makers to advance Queensland's export performance and to position Queensland in key international markets as a supplier of choice and as a destination for investment and study. It is critical to enabling the Queensland government's trade and investment commissioners and business development staff to support Queensland export initiatives in a number of markets in their region of responsibility. It is critical to managing a single integrated and efficient export service delivering across 14 locations including Brisbane and one which meets the highest standards in terms of corporate governance.

Trade missions remain possibly the most significant aspect of Trade Queensland's service to exporters. Results from these trade missions formed a significant part of the \$519 million worth of export sales which Trade Queensland supported in 2007-08. I mentioned in the summary to the member for Clayfield some missions to Latin America. May I take the committees through this. The export outcomes

are an addition to the \$20 million generated through the Latin American mining initiative project and its four related missions. The returns on investment for these missions are significant. For example, with two officials—one from Trade Queensland Brisbane and a regional development officer from Mackay—travelling with 22 companies to China for the China coalmine expo in November 2007, the total cost of their travel and associated trade related seminars and events was \$50,925, and the export outcomes for that trade mission totalled \$41.55 million. Following the review of Trade Queensland, it is vital for senior management of Trade Queensland to undertake liaison visits to overseas posts. These are central to evaluating the performance of the overseas posts to ensure that the work is done. I am pleased to see that Councillor Newman, the Mayor of Brisbane, is seeing benefit, and I understand he is leading a trade delegation today to China.

**Mrs MILLER:** Minister, I would like to take you back to Service Delivery Statement 3-200, the Output Summary, under International Trade Development. Could you tell the committee the value of exports achieved by Queensland companies assisted by Trade Queensland in the 2007-08 financial year?

**Mr MICKEL:** Thank you very much for your question. I am delighted to be able to provide the answer for you. I am advised that Trade Queensland has assisted \$519 million worth of export sales by client firms in 2007-08—that is half a billion dollars. To achieve this result, Trade Queensland provided export assistance to 2,862 clients, 48 per cent of whom are in regional Queensland. Export assistance is provided in several ways, and I am pleased the member for Barron River is here because he and I visited one of the successful exporters in Cairns who was at the Big Five Conference last year in the Middle East.

How do we provide the assistance? We provide the following: one-on-one export assistance or advice by telephone, email or in person; participation in inbound trade missions; as the member for Barron River would know, participation in international outbound trade missions or other promotional activities such as exhibitions; and export education through seminars or workshops. I say this to all committee members: if you have people in your electorates who want to get involved in this, I would advise them to get in touch with the Getting Export Smart and Export Passport programs—it is absolutely essential. Workshops are delivered in conjunction with the 14 regional centres, and 59 workshops were delivered in 2007-08. The Export Passport program delivered a special series of eight workshops—and this is what I advise regional members to take back to their areas—under contract by Clayton Utz covering the topics of intellectual property protection and international contracts negotiation. Further specialist workshops are scheduled for late 2007-08 and into the new financial year focusing on product branding strategies for the export market.

In 2007-08 Trade Queensland also delivered 22 strategic export projects which have assisted businesses to achieve over \$326 million in export sales. Queensland companies achieved sales of \$31.4 million under the Trade Queensland Russia market development strategy which supports a range of industry sectors to break into the Russian market. Trade Queensland supported the Taiyo Membrane Corporation to achieve its first sale in the South African market—a \$23 million contract to construct the roof of the Port Elizabeth Stadium for the 2010 FIFA World Cup. The company also secured a \$10.8 million contract to supply its tensile membrane roofing for the Jawaharlal Nehru Stadium in Delhi, the stadium which will stage the opening and closing ceremonies of the 2010 Commonwealth Games. Recently, the government of Chile, having chosen Australia, Canada and Spain as the destinations for the \$11 million international scholarship program, went a step further and awarded all of its Australian scholarships for study in Queensland.

**Mr WETTENHALL:** Can we explore that theme of regional businesses a bit further. I refer you to the Service Delivery Statement 3-200, under Output Summary and International Trade Development. Minister, could you advise of the outcomes for regional businesses as a result of Trade Queensland assistance?

**Mr MICKEL:** You saw firsthand one of the benefits of it with Chillagoe marble being exported to the Middle East. I can say that 48 per cent of the export assistance which Trade Queensland provides is, as you said, to regional Queensland. In 2007-08 we assisted over 1,300 regional companies with a range of export assistance. Some of these companies are just simply outstanding, and none better I think than Russell Mineral Equipment, which is Toowoomba based. It was named Regional Exporter of the Year at the Australian Export Awards in November 2007. This is the second time this company has taken out this award. The specialist mining technology company has built a global reputation for supplying unique, custom made, mineral grinding and mill relining processing technology. RME now exports to most world mining markets, including Indonesia, Papua New Guinea, South Africa, Tanzania, Ghana, Canada, the USA, Argentina and Chile.

For the information of the member for Southport, the Gold Coast based Calleija Jewellers opened a new store in London in June 2008 and is signing sales deals with some of the UK's best-known, high-end brands. You will be able to shout your daughter one of those next time you go there; I will send this reply to her actually. Trade Queensland provided regular advice to this company on a whole range of issues relating to the new store, including advice on the selection of a business consultant,

establishment of the office set-out and fit-out, and recruitment. The opening of the store in London builds on recent export successes, including a sales deal with iconic UK department store Harrods and an agreement with Aston Martin to produce their accessory line worldwide.

A Toowoomba company, Wagners Global Services, and Mackay's Anderson Group of Companies are stamping their mark in the Russian marketplace with the help of Trade Queensland. Wagners has secured another multimillion-dollar deal with Russia supplying special sand to construct gas and oil pipelines in the Far East Sakhalin region. The mining industry supplier Anderson Group has confirmed its first sale to Russia of two underground coal loaders valued at \$1.4 million. Trade Queensland introduced a Korean marine company, Shinhwa Marine, to another outstanding Gold Coast company, Superior Jetties, which is based at Arundel. They supply a comprehensive range of marina related products and services. I invite all honourable members to see for themselves what Superior Jetties do. They now act as the local dealer in Korea. As a result of this, Superior Jetties exported berthing facilities and floats valued in excess of \$200,000 to Daewoo Shipbuilding and Marine Engineering Korea during the first half of 2008. Superior jetties were also part of that delegation I led to Korea in July this year.

**Mr WETTENHALL:** Minister, sticking with Service Delivery Statement 3-200 for the time being, would you be able to advise how Queensland compares to the rest of Australia in the growth of knowledge intensive exports and provide some key examples of how Trade Queensland has assisted in this area?

**Mr MICKEL:** Thank you again for your question. Queensland's knowledge intensive exports have increased by \$487 million. When the former Premier spoke about the Smart State, we had \$487 million worth of reasons to say that. Our exports increased by that amount or 12.7 per cent, from \$3.8 billion in 2005-06 to \$4.3 billion in 2006-07. At an annual 30 per cent growth rate over five years, which is the target set in the export strategy, our estimate is that that should achieve \$4.9 billion by 2011.

Queensland's most recent yearly knowledge intensive exports growth rate of 12.7 per cent is ahead of New South Wales at 11.8 per cent; Victoria at 11.7 per cent; South Australia at 8.9 per cent; and the rest of Australia at 9.9 per cent. In the five-year period from 2001-02 to 2006-07, Queensland's knowledge intensive exports increased from \$2.9 billion to \$4.3 billion, a 51 per cent increase in five years. This is the best performance by any state. Over the same period, Victoria increased by 33.3 per cent, New South Wales increased by 37.4 per cent and the Australian average grew by 27.1 per cent.

Knowledge intensive industries are the fastest-growing, highest demand sectors in the international marketplace. The Queensland government is implementing an integrated program of strategic export projects in key overseas markets focused on growing knowledge intensive smart exports. The strategic export projects focus on exports in: information and communications technology; creative industries; education and training, manufacturing; mining equipment, technologies and services; marine; aviation and aerospace; health, medical and biotechnology; agribusiness and food; environment; professional services; and tourism and tourism services.

While the mineral and agricultural sectors are the backbone of our export performance, Queensland continues to make greater inroads into overseas markets with increasing manufacturing exports and services exports, including knowledge intensive goods and services exports. A major component of Queensland's knowledge intensive exports is overseas education related exports. Over the past five years to 2006-07, the value of Queensland's overseas education related exports grew at an annual rate of 11.1 per cent to reach \$1.614 billion.

Apart from generating direct economic benefits for the state, the growing importance of education exports has enabled Queensland to develop and strengthen business and cultural relationships with the rest of the world. In a bipartisan way, I want to thank the honourable shadow minister for being at a function last week where I think he saw firsthand the benefit of those educational relationships.

**CHAIR:** Thank you, Minister. That concludes the examination of the estimates for Trade Queensland. We will now commence our examination of Queensland Transport. The first period of questioning is allocated to non-government members. I call the member for Gladstone.

**Mrs CUNNINGHAM:** Minister, in answer to question on notice No. 1, you outlined a number of funding allocations to the electorate of Gladstone. In relation to the customer service centre, can you clarify in the \$1.022 million what allocation is for growth and whether any funding has been identified to allow for extensions to the centre to reflect Gladstone's population growth and demand?

**Mr MICKEL:** I visited the centre soon after I became minister. One of the things I have said previously is that I am well aware of the patterns in Gladstone where obviously a lot of people go to work but they work shiftwork. I have asked the department to look at whether it is possible to redesign the shifts to cater for more after-hours activity. From speaking to the officials there, I know that the centre gets incredibly busy at lunchtime, as you would expect with the nature of the workforce there. I wonder whether we cannot provide a night-time service.

**Mr Stewart:** One of the things we are looking at in the customer service centres as we move forward is the way we match the need for the growth. What we are trying to do is achieve an average turnaround of 10 minutes per customer. That is what we are really trying to achieve. Some of the other

things we are doing is looking at how we can provide better levels of service to our customers through the distribution channels available. One of the things we are trying to do is move towards higher levels of internet transactions, for example. We are trying to have enough customer service people in our centres to provide that 10-minute level of service. As growth happens, we will be providing resources to those areas. But we are also acknowledging that people now want different levels of convenience across the area. For example, in Gladstone we will see a major increase in internet transactions. We will see a major increase in transactions, for example, at Australia Post. You can now go to Australia Post and pay your registration, pay your fines and all those sorts of things. You can pay every week on an Australia Post transaction card which links back into your account number within Queensland Transport.

The question asked what we are doing about growth. We are recognising that we are going to see growth, particularly in places like Gladstone, particularly as the regional centre booms. The growth that is happening in Gladstone is quite phenomenal. We just cannot continue to provide more and more customer service people. We do need to provide alternative channels. That is where the internet, Australia Post—we are perhaps also going to start talking to local government to see if there are opportunities to work with local government around those distribution channels. If we did not have the internet services, for example, we would see that our average of 10 minutes would grow to around 21 minutes. So we are seeing a quite considerable change in the way we provide services.

**Mr MICKEL:** I can give you this in addition to—

**CHAIR:** You require an extension of time, Minister. Is there—

**Mr MICKEL:** I just want to finish the point. I have just been handed some information. We aim for 10 minutes. By the end of this year—

**CHAIR:** Minister, I am sorry; it is up to the member.

**Mr MICKEL:** I am sorry.

**Mrs CUNNINGHAM:** You are right. I have a question relating to question on notice No. 4. You state that there were 18 trips taken by department of transport officers, and the cost is there. It says that \$27,720 of this cost and then further down \$2,876 for a different area were paid for by external bodies. Could you clarify what external bodies they were, please?

**Mr MICKEL:** There was one trip where the destination was New Zealand and that was paid for by Land Transport New Zealand to attend the conference 'Transport—The next 50 years' in Christchurch, New Zealand. The conference in India to attend the International Rail Safety Conference was paid for by the rail industry. There was a trip to the ninth South-East Asian Survey Congress. I am told that an amount was paid by the Australian institution of Surveyors—this is the one Jack went on—to attend the Asia-Pacific Economic Cooperation's Mass Passenger Surface Transport Security Conference, which I regarded as important—and Jack briefed you, too. That amount was paid for by the Commonwealth, as you will understand. You did a good job, too, Jack. Where is Jack? Good on you, mate.

**Mr NICHOLLS:** So far.

**Mr MICKEL:** No, he did. Another one was to provide a presentation to the Transport Security Forum in 2008. \$2,239 was paid for by the Singapore government for a trip that I am advised cost \$2,938.

**Mrs CUNNINGHAM:** Thank you very much. I have a question in relation to page 3-197 and regional airports. You have spoken before about Gladstone airport and you believe that they should fund the extensions. The recent declaration or proposed declaration of a new SDA on Curtis Island has included within its boundaries Kangaroo Island, which was the proposed future airport site. Will you reconsider funding the Gladstone airport given that the impact of government decisions has reduced the options available to the airport board and increased potentially the costs of providing airport transport?

**Mr MICKEL:** Perhaps for the committee's benefit I will answer the question in this way. For the Regional Airport Development Scheme, RADS, we have \$4.1 million which was expended on 27 airport upgrades in 2007-08. I will take the committee through the types of things that that money is used for. The Queensland government recognises that safe, all-weather airport infrastructure is very important for rural and remote communities and is critical to connecting transport disadvantaged communities with Brisbane.

Regional Airport Development Scheme grants benefit communities, providing safe, reliable air access. The government contributed about \$4.1 million including Blueprint for the Bush funds towards total project costs exceeding \$8 million for 27 projects. Examples of these projects include runway and taxiway upgrades, lighting improvements and construction of animal-proof fencing. Projects that have improved access of communities to the Royal Flying Doctor Service include a runway relocation and seal at Inglewood, and installation of solar powered lighting at Augathella. Projects improving regular passenger transport services include a clearway extension and runway reseal at Pormpuraaw, and a runway upgrade at Bedourie which will allow the MacAir SAAB 340B to operate on the Western Route 2, greatly improving reliability for passengers.

In 2007 the Regional Airport Development Scheme also assisted several councils on the regulated network achieve certification of their airports. This allows the operation of MacAir's 34 SAAB 340B aircraft. The 2008-09 program includes about 12 projects to which Queensland Transport will contribute approximately \$3.6 million. In 2008-09 Queensland Transport will fund projects in partnership with local government and the Australian government. Several projects will be a tripartite arrangement, which is a fine example of the three levels working together. But I must say, Mr Chair, the reason we target this is that these communities would otherwise have no access to an airport. Let me give the committee examples.

At Alpha we constructed an animal-proofing fence costing \$35. At Augathella we applied the final seal to a runway and installed solar powered runway lighting. At Bamaga we repaired the runway and cleared obstacles surrounding the aerodrome. At Barcaldine we resealed the runway, apron and taxi areas. At Bedourie we resealed the runway. At Birdsville we removed the sand dune at the end of the runway. At Burketown we removed the water tower, upgraded the line marking and runway lighting, and provided a new wind indicator—in other words, vital things that those little communities would not be able to do.

**Mr NICHOLLS:** Minister, with reference to the budget measures on page 56 of I think volume 3, can you advise if your department—

**Mr MICKEL:** Page 56?

**Mr NICHOLLS:** Yes, it is the congestion measures announced there. Can you advise if your department has done any investigations or examinations into the question of congestion or cordon tolling, or any studies into those things in terms of their applicability to south-east Queensland? If so, what do those reports recommend?

**Mr MICKEL:** I am advised that we have done no financial modelling on it. I will say this: we have had the benefit already of the Premier's announcement of \$22.6 million over four years to expand a very successful TravelSmart Communities program, which has proven nationally and internationally to reduce congestion. I was pleased that Queensland Transport recently hosted George Hazel, who is the international expert in urban congestion. He came here to advise on congestion management in south-east Queensland. Some of the other congestion management initiatives—

**Mr NICHOLLS:** Minister, it was whether you had done a review of congestion or cordon tolling—

**CHAIR:** Member for Clayfield, order!

**Mr MICKEL:** I was just going to take the committee through and complete the first answer, if that is alright. Other key congestion initiatives are \$168 million over four years for TransLink public transport services including 90 new buses in 2008-09. Recently we announced discounted fares for go card public transport users, with discounts ranging from 20 per cent to 67 per cent for regular users from August. There is a \$4.8 billion contract to construct the Airport Link and the Airport Drive flyover in the Windsor to Kedron busway section. There is \$254 million for the Darra to Springfield transport corridor to duplicate the Centenary Highway and the rail line for the extension to Springfield.

There will be more frequent and improved bus and rail services on the Gold Coast and bus priority and high-occupancy vehicle lanes from Broadbeach to Burleigh Heads. Some \$162 million over the next four years has been allocated towards the total order of 58 new three-car sets.

As I said to the committee before, we think that since integrated ticketing and the set-up of TransLink the growth in patronage in Queensland has been significant. In fact, independent of the government I had a consultant come to me and say that our growth rate over the last several years had been one of the highest in the Western World, which was an interesting statistic for us. It shows that the plans we have put in place, including the busway initiatives that we have recently announced and that are underway, are working.

I have just been advised that on the South East Busway, for example, we have had 188 per cent growth. With regard to initiatives in outer metropolitan areas, I know that the Browns Plains-Park Ridge patronage has gone up the most at about 149 per cent. They are some of the ways that the government is addressing congestion.

**Mr NICHOLLS:** Thank you for those answers. I understand in the first part of your answer you said that you have done no financial modelling. From that can I take it then that you have done examinations into the question of tolling or cordon taxing and have carried out some investigations into feasibility in terms of operating such a system in south-east Queensland? Has that work been done by your department?

**Mr MICKEL:** We have announced that Airport Link will be a toll road. Do you want to talk about Airport Link? You know all about that.

**Mr Stewart:** In relation to Airport Link, we are reaching financial closure next week actually. The good thing with Airport Link is that it is a significant toll road project.

**Mr NICHOLLS:** It goes under most of my electorate.

**Mr Stewart:** It is a \$4.8 billion investment.

**Mr MICKEL:** Not another thing in his electorate, for God's sake! When are you going to put something in my electorate?

**Mr Stewart:** We could do that very quickly, Minister.

**Mr NICHOLLS:** Do go on, Mr Stewart!

**Mr MICKEL:** Who are you working for?

**Mr Stewart:** The Airport Link motorway is part of the whole rollout of the toll road program. We are working very closely with Main Roads on what is called a controlled motorway and connected motorway network. Airport Link is a fundamental building block with the north-south bypass tunnel and the Gateway Motorway. We are also working very closely with the Brisbane City Council on the Northern Link project and how the Northern Link project then fits into the whole controlled motorway network—how it links back to the Ipswich Motorway and into the southern road network.

We are also looking with Main Roads at the upgrades of the Gateway north and south of the current work that is happening. It is fair to say that certainly there is a significant process and a significant investment in toll roads. With Airport Link we have considerable innovation coming forward from the private sector. I am not only talking about innovation from the perspective of the physical solution—and I think people would acknowledge that they have addressed some of the community concerns around outlet stations and interchanges at Kedron—but importantly major improvements in public transport with the Northern Busway. The design outcomes at Lutwyche, in particular, compared to the reference project are quite superior. The other thing we have seen with economic infrastructure generally is that the private sector knows very much how to put these deals together commercially. The commercial transaction and financial management are important.

The busway innovation at Lutwyche is quite sensational. What we now have is a busway station that links both sides of Kedron through Lutwyche Road. It actually has a plaza that allows for pedestrian movement from one side of Lutwyche Road to the other side connected with some urban design improvements across Kedron Brook. We also have the bicycle connectivity as part of that project. We will see significant improvements. We are actually seeing great improvements in constructability. BrisConnect has offered a conveyer system which takes 80,000 trucks off the road.

**Mr NICHOLLS:** I take you to the Budget Measures document and in particular refer to boat registration fees. We are seeing this year a fairly substantial increase in boat registration fees—42 per cent for those boats up to 4½ metres long and 151 per cent for those lucky to own larger vehicles. You expect to raise an extra \$6.9 million plus this year rising to about \$11 million three years later. Can you detail the new recreational boating facilities to be built over the next three years? Can you explain why the operations and maintenance budget goes from \$712,000 next financial year to almost \$6 million the following financial year?

**Mr MICKEL:** I thought I heard the honourable member say on ABC Radio that boating registration fees were going up in July. In fact, the fees will go up from October to fund new and improved public boating infrastructure. As you correctly point out, the increases do vary. So the increases will range from \$15 for a vessel up to 4½ metres long to \$359 for vessels longer than 20 metres. After the increase, owners of boats of 4.5 metres or less—which are the vast majority; 138,792 people—will actually be paying less, I am advised, than they did in July 1997 under the coalition government. As of 31 May 2008 Queensland had 221,773 registered recreation vessels, which is now the most of any state. We have surpassed New South Wales. The number of registered recreational craft is growing at an average of 4.9 per cent each year. The whole purpose of this increase is to deliver the vital—

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

**Mr MICKEL:** I would love to provide the answer on the projects.

**Mr NICHOLLS:** It is okay by me.

**CHAIR:** Go ahead.

**Mr MICKEL:** The projects include: a new two-lane boat ramp at Amity Point; widen the Jerona boat ramp in the Burdekin shire to two lanes; a new two-lane boat ramp at Coorooman Creek in Rockhampton; widen the Horseshoe Bay boat ramp in Townsville to two lanes; and a new one-lane boat ramp at Bob Bell Park in the Moreton Bay Regional Council area. The list goes on.

**CHAIR:** The time allocated for questions from non-government members has expired. I now call the member for Bundamba.

**Mrs MILLER:** I note on page 3-196 of the Service Delivery Statements the extensive work the government is undertaking in the area of road safety. I know, Minister, you are aware of my interest being the chairperson of the Parliamentary Travelsafe Committee. Could you tell the committee, with particular reference to heavy vehicles, what your department is doing to make our roads safer?

**Mr MICKEL:** Thanks very much for the question. I have the melancholy duty to inform the committee that as of midnight on Sunday, 20 July there were 43 fatalities involving heavy vehicles. That is compared with 32 for the same period last year. It is completely unacceptable to lose so many lives.

What we are doing is stepping up our education and compliance program for heavy vehicle drivers and operators. Transport inspectors are stopping heavy vehicles and checking their compliance with the existing regulations. Drivers are aware of the new fatigue management regulations that come into effect on 29 September 2008. There are currently 170 transport inspectors throughout the state. During financial year 2007-08 they conducted 69,620 programmed inspections and undertook nearly 68,000 hours of on-road compliance activity.

Inspectors have been checking for compliance with all truck safety measures with an increased focus on speed tampering. I am saw this firsthand in Rockhampton. From 14 April to 8 June 2008 a total of 1,335 heavy vehicles were inspected. Of those incorrectly set, most were set at 115 kilometres or less, although three vehicles were set in excess of 120 kilometres.

As well as compliance activities, Queensland Transport officers are holding industry information sessions around the state—those sessions have already started—about the new fatigue management reforms. I did tell the opposition that they would be briefed on that. The driving force behind the new laws is to create a safer road environment by requiring truck drivers to take regular rest breaks and making all parties in the supply chain responsible for preventing driver fatigue. The laws minimise unfair competitive advantage within the transport industry and reduce the adverse impacts of heavy vehicle transport on the wider community.

The strength and chain of responsibilities laws mean that anyone who has influence over the driver of a regulated heavy vehicle may be responsible for the driver driving in breach of the work hours. The reforms require the driver, the employer, schedulers, consignors and consignees to work together to manage the impact of delays and queuing on driving hours. The laws are about making the roads safer and fairer not just for heavy vehicles but for all road users. I know in your part of the world, just as in any part of the world, people do report their fear of trucks tailgating them. We have emphasised that speeding or tampering with speed devices will not be tolerated.

**Mr WETTENHALL:** The government has made tackling traffic congestion and improving public transport services a key priority. Could you advise how the establishment of the TransLink Transit Authority will address these priorities?

**Mr MICKEL:** I think the first point that needs to be made about the TransLink Transit Authority is that it has an outstanding board and an outstanding chairman in Geoff Harley. He has been an assiduous chairman of the TransLink Transit Authority since it was established. I think it is a high-quality board. I notice the member for Clayfield agreeing with that. I think if you are going to be serious and show the public you are serious about public transport, then a high-quality board is what you need to assure the public that they will ask the questions that need to be asked.

In the meetings I have had with Geoff he has certainly indicated that that is what he is on about. We have 17 different operators across south-east Queensland. I know it is very hard if a particular bus is running late to know who to ring. The whole idea of the TransLink Transit Authority is that it is a one-stop shop for public transport in south-east Queensland. It has a call centre—131230—which has been operating 24/7 since 30 June.

Anecdotal information to date from the call centre is that people are using the service during the new hours of operation, particularly between 9 pm and 1 am and 5 am and 6 am. The main topics of customers are the next morning's services, I am told. Work has already started with operators on delivering systems and processes to underpin future integrated scheduling and new improved standards of customer service.

On 29 June the Queensland government announced major fare changes for go card users. These include up-front discounts—they range from 20 per cent right up—and a frequent user scheme which provides a further discount of 50 per cent on all travel after 10 journeys have been made in a week from Monday to Sunday. The new fares will be introduced on 4 August 2008.

During the first year of operations the state government will invest \$28.7 million for public transport bus service enhancements. We have announced funding for the purchase and operation of approximately 90 new buses. The state is also funding 36 additional new buses to be purchased by the Brisbane City Council in the first half of 2008. The main functions of the authority include: operational planning for the public transport network in south-east Queensland; planning, purchasing and delivering services and coordinating the scheduling of modes; managing and maintaining infrastructure for the services, including bus stops and on-road bus facilities; improving the range of services; providing a single point of contact for customer service issues; and managing integrated ticketing and the introduction of any new technology. One of the things that I have spoken to Geoff Harley about constantly is to be on the lookout for any new opportunities.

**Mr LAWLOR:** Minister, I note on page 141 of the Capital Statement, Budget Paper No. 3, that the state government has committed a further \$50.7 million to a Gold Coast rapid transit system. Can you please detail what benefits Gold Coast commuters and motorists alike will get from this exciting project?

**Mr MICKEL:** We missed you at the combined chamber of commerce recently.

**Mr LAWLOR:** I am sure you did.

**Mr MICKEL:** Yes. The \$50.7 million allocation relates to the rapid transit project for 2008-09. It is for the project team to continue the detailed work. I want to thank the people who have been involved in this, particularly Anna Carroll, Tim Poole and all of the members of that team who have done an outstanding job under, at times, some difficult and trying circumstances. I want them particularly noted in *Hansard* today because, Director-General, I would like you to pass on my personal thanks for everything that they have done for me, including some of the situations they have placed me in, but there we go.

The Gold Coast is Australia's sixth largest city with a population growing by 15,000 people a year. I am advised that by 2026 some 740,000 people will call the Gold Coast their home. This project is one part of an integrated transport plan to improve public transport on the Gold Coast and reduce congestion. It will have modern, large-capacity vehicles. It will run its own dedicated corridor to avoid traffic congestion. What we want of course is a system that is faster than current public transport with more services more often. It will link up efficiently with trains and connecting bus services. It allows bus routes that duplicate the new rapid transit to be freed up to create new east-west bus services and improves the frequency of existing cross-city routes. That is the whole aim of the exercise but above all to give people an alternative to being stuck in traffic jams, partly in Southport but most assuredly in that central Surfers Paradise area. At this stage I will make it plain again: there has been no decision made on whether it is going to be light rail or bus rapid. What we want to happen, regardless of the mode, is that in peak periods vehicles will arrive every seven to eight minutes. There was an excellent 3D presentation given at that luncheon, and I think it would benefit the community if we could hand out more of those actually. We want the services to run 24 hours a day seven days a week. I want much quicker journey times than normal bus transport at the moment.

As you would know, earlier this year when we introduced passenger transport for Skilled Park on the Gold Coast one of the accusations made was that people do not use public transport on the Gold Coast. I got some figures given to me. In the last couple of games—and this excludes last week's game—the percentage of people travelling by public transport was in the 90 per cent range with an average of 85 per cent, and I want to stress that that excludes last week's game. We have not got those figures yet, but when the service is there people on the Gold Coast will actually use the service.

**Mrs MILLER:** Minister, I note on page 3-196 of the Service Delivery Statements that the state government is injecting an additional \$168.4 million into additional public transport services over the next four years. I am just wondering whether you can detail what new services we might expect from this significant boost in public transport expenditure.

**Mr MICKEL:** Yes, and thank you for the question. The new TransLink network plan is likely to include the following enhancements. We want to continue to enhance and expand the high-frequency priority bus network so that every major non-rail corridor has a high level of service all day seven days a week, and again I can only congratulate that huge coordination effort that goes into getting people to those major events in Brisbane. I recently travelled on that network. It is far better and I highly promote it to everybody. In fact, I do promote passenger transport services where I can in the peak hours. I got here 20 minutes quicker than I normally would by catching a bus yesterday, and the go card worked brilliantly, too, incidentally. It is a high-frequency service when you separate it out.

During the next TransLink network plan four-year program, new busways will open in whole or part, including the Boggo Road Busway—the first legal tunnel built under a jail in living memory—going from the PA Hospital to Dutton Park; the Eastern Busway, and I want to thank the guys yesterday for showing me the plans for that, from the PA Hospital to Coorparoo; and the Northern Busway, and we had 'Big Bill' loading up the bones of the busway on Sunday and congratulations to the alliance team working on that. They have had the highest standards of workplace health and safety in spite of the wet weather. That project is going very well I am pleased to report. These projects are designed to support government's significant investment in major public transport infrastructure.

There are a significant number of major developments across the TransLink network that will open in whole or part during the next four years. Some of those major developments include Newstead Riverpark. That is another one in the Clayfield electorate, is it? There is also Acacia Ridge and—here is another one—the Eagle Farm Trade and Technician Skills Institute. You do not have to be nice to the opposition. There is also the Kelvin Grove Urban Village and here is one for us at Tennyson Riverside. There is nothing here for Logan, but there is also the State Tennis Centre, many major shopping centre expansions, the Bowen Hills transit oriented development and a park and ride at Logan. Fantastic!

**Mrs MILLER:** Ipswich, Minister?

**Mr MICKEL:** I am getting to Ipswich; Ipswich gets everything. There is also the Boggo Road Urban Village and TradeCoast Central. The other thing I want to stress to the committee is that we are working hard with the council and officers are working very hard to get these transit oriented

developments up. I think if we can get one of those, they will be the showcase for how we can move forward on those. They are an exciting prospect. There is also the one at Albion. I hope we can announce that very shortly. Last week we went to have a look at the Hamilton Northshore project, which I think is a beauty.

**Mr LAWLOR:** Minister, I note that on page 3-196 of the Service Delivery Statements the go card was launched in February. Can you please advise of the take-up rate of the go card and the benefits to passengers of the new go card pricing strategy to be introduced next month?

**Mr MICKEL:** I have just been handed some figures. We are the only state in eastern Australia that has been able to get up a smart card. I have just been handed a newspaper headline that there has been a \$550 million blow-out, for example, in Melbourne and they still have not got the technology up. The figures just handed to me as of Monday show that we have 84,488 go cards in circulation. That number is going up pretty impressively.

**Mr Stewart:** We had a record 800 last week.

**Mr MICKEL:** We had 800 a day last week.

**Mr Stewart:** Last Thursday.

**Mr MICKEL:** Last Thursday; thank you. So 800 went into circulation last Thursday, which was one of our biggest days I am told. Why is this happening? We think it is happening because we have a new fare structure that will at least be a 20 per cent discount on every go card trip. Can I just make this plug on the go card: it is cashless, it is convenient, it is quick and once you register it is also safe, which means that if you put it through the washing machine, unlike a paper ticket, it should come out the washing okay. But if it does not and you have registered with us, we can look up the amount you have got on it and you get reimbursed for that amount. The other beautiful thing about it is you can download on the system, and it is easy. How do I know it is easy? Because I did it yesterday, and I could do it without any problems at all. If I can do it, you guys can do it.

**Mr LAWLOR:** I do not think it was that easy.

**Mr MICKEL:** It is easy; I will show you. Let me say this about the go card: we have given the discounts because we knew there was an unfairness after a couple of zones, so users of the go card who travel 11 zones receive a 25 per cent discount, and that is important on the Gold Coast; those who travel 12 zones get a 30 per cent discount; and those who travel 13 zones or more get a 35 per cent discount. That is to bring it in line with paper tickets. I think that makes the fares fairer on go card, because when I had gone around and talked to consumers and listened to talkback radio that is what they were on about. So that does make it fairer and all of the feedback I have got says that. How much have we got loaded on at the moment?

**Mr Stewart:** Loaded is around—

**Mr MICKEL:** I have \$9.7 million.

**Mr Stewart:** That is about right.

**Mr MICKEL:** So \$9.7 million has been loaded on to the go cards and 3.3 million journeys have been taken on the go card since it was launched, for all of the reasons I have just said. You buy it once and top it up at your convenience. The other thing is that it is a prepaid ticket which means it is quicker loading when you want to get people on and off buses quicker, but particularly on buses. It is a far better way to get people on public transport at peak hours.

**CHAIR:** Minister, I refer to the \$67.1 million allocated for the redevelopment of the Cairns domestic terminal building. This is actually a question the member for Barron River wanted to ask, but I would not let him because I want to know as well. Can you detail the benefits this significant investment is going to provide for people in far-north Queensland?

**Mr MICKEL:** I do want to thank all of the Cairns members for their cooperation in this. The Cairns International Airport is essential; it is the highway into Cairns for international destinations. It is currently served by three major domestic airlines—Qantas, Jetstar and Virgin Blue. I must say every time we go overseas I say to our trade people, 'Remember to promote Cairns.' Certainly in Korea it is well known. The discussions I had with Korean airlines indicate that later this year—this is what it said to me—it will do charter flights again into Cairns. What I wanted to do was broaden out the base of the tourist industry, because I know how essential tourism is to Cairns and particularly how vital the Cairns airport is. It is linked with direct flights to all mainland capitals. I know that airlines are doing it tough at the moment because of petrol prices, but it is essential that the Cairns International Airport serves its place in that vital tourism sector.

At the moment Cairns International Airport and domestic terminal is undergoing a \$192.8 million redevelopment to meet forecast traffic growth and larger new generation aircraft. When completed, Cairns will be the only regional domestic airport in Australia able to receive the Boeing 787 Dreamliner aircraft scheduled into service in 2009. Cairns, as you know, is the sixth busiest airport in Australia operating separate domestic and international terminals, with a total number of aircraft movements of

49,399 in 2006-07. The \$192.8 million budgeted works for the domestic terminal are phased over a four-year period—\$21.5 million in 2006-07, \$57.8 million in 2007-08, \$67.1 million in 2008-09 and \$46.4 million in 2009-10.

**CHAIR:** I want more, but the time for government questions has expired.

**Mr MICKEL:** Can I just clarify something?

**CHAIR:** Yes.

**Mr MICKEL:** I gave a figure in the previous answer.

**Mr Stewart:** With regard to the total funds loaded on go card as of Monday, it was \$9.8 million.

**Mr MICKEL:** I forget the figure I gave the committee, but the right figure is \$9.8 million.

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

**Mr NICHOLLS:** Thank you, Mr Chairman. I appreciate the minister making the TransLink people available for a briefing last week and I am glad they have adopted the new pricing strategy. I take you, Minister, to the reference to the Gold Coast rapid transit system which was referred to also by the member for Southport and in particular the Capital Statement. I notice in comparing the Capital Statement for last year and the Capital Statement for this year that last year's Capital Statement provided a total estimated cost for a Gold Coast rapid transit system from Helensvale to Parkwood to Broadbeach of \$901 million while this year the Gold Coast rapid transit system seems to have suffered a hair cut and it is now Parkwood to Broadbeach with a total project cost of \$84 million. In the note to the budget it refers to planning and preliminary design, which I would see as the \$50 million actually to be expended. Why has the project changed? What is happening to the balance of the project? Why are the costs being cut by over \$800 million?

**Mr MICKEL:** This has been one of these projects where there has been, I think it is fair to say—and I think the *Gold Coast Bulletin* quite rightly has picked up on this—a bit of a stop-start from the Gold Coast City Council. What happened was I deliberately, in the hiatus period from earlier this year to the council election, decided that we would not engage the local councillors for the reason that it was going to be the subject of an election contention. I have said privately—and I will say it publicly—I was very impressed with the quality of two of the candidates in their consistency in approach. I did not want to buy into the argument. When the council elections were over, I met with the new mayor—we have to work with them all—and the new mayor asked for an extension of the consultation until the end of May, which we granted.

I took that time as well to meet with the chambers of commerce. I praised the rapid transit team before but I also want to praise the leadership shown in recent times by a number of leading Gold Coast identities, some of whom will not want me to name them. I will just simply say that I think the combined chambers of commerce on the Gold Coast have shown outstanding leadership.

**Mr Stewart:** I think the key thing is we are getting very close now to finalising our business case for the project. The business case has gone through an exceptionally comprehensive process. There are a couple of things that we need to finalise and we will be back to government very shortly. One is obviously choosing the mode—whether it is, as the minister said before, rail or bus.

The other thing we are doing with the business case—and you can appreciate the success we have had on recent transactions such as Airport Link—is that we see this as a great public-private partnership opportunity. What we are trying to do in that business case is to really understand what the likely contribution of government, if there is one, will be to this project. So the reason we have moved the budget is we wanted to see the opportunity of moving projects like the Eastern Busway—getting it out there, getting that BUC project happening—and then recognising that the Gold Coast rapid transit could easily be delivered as a PPP and then the opportunities of when we would have to place our funds.

With Airport Link, as you appreciate—which is the same for the north-south bypass tunnel—we put our payment at the back end. One of the things we have looked at with the Gold Coast rapid transit is, if we put the payment at the back end of the cycle, was that going to be the optimistic answer or the opportunistic answer for the project. So I guess the answer there is we are very close to finalising it. Once the government considers the business case, we will get out there and start hardship acquisitions. Importantly, the other discussion we are having is with the Gold Coast City Council on their likely contribution to the project. You probably appreciate that the Gold Coast, like Brisbane, is one of the only places that has a transport levy.

**Mr NICHOLLS:** In turning to the other project you mentioned, which was the Eastern Busway, again there is a discrepancy in terms of the change of the project from 2007-08 to 2008-09. The funding for the Coorparoo to Capalaba section of the busway has been dropped from the total estimated cost of the project from the budget between 2007-08 and 2008-09 and the extension of the project time line has gone from 2015 to 2026. When does the government plan to start and complete the final stages of the Eastern Busway down to Capalaba now?

**Mr Stewart:** The Eastern Busway is a significant priority project for government. I think you have seen us start delivering stage 1 of the Eastern Busway in cooperation with the north-south bypass tunnel. So those works are in place. In fact, we have talked about the link to the green bridge. We are also, as you know, building the link back into—

**Mr NICHOLLS:** The Eleanor Schonell Bridge.

**Mr Stewart:** Thank you. Bad habits—

**Mr NICHOLLS:** We can cure that for you.

**Mr MICKEL:** Not in a climate change area. The green bridge is lovely.

**Mr Stewart:** We are also then looking at the next phase of the busway. In fact, we have funding to do that and we will go out to procure that, which is essentially the section that will take us to Main Avenue. We are also very much focusing on how we solve the Coorparoo junction area. We have an opportunity to work with the private sector from a development point of view on moving that forward. Once we understand how we can deliver that station, we will be in a much better position. It is quite complex from a land bank perspective but also making sure that we get the private sector to deliver the busway station for us at Coorparoo.

We will then look at how we sequence the final phases of the Eastern Busway. Basically, from Bennetts Roads out through Camp Hill is a significant construction task. As you can appreciate, it is a significant tunnel. We are then looking at the opportunities of the linkages into Carindale. As you rightly say, then we want to get to Capalaba as quickly as possible. But for us the major time improvements in the busway network will be from Coorparoo—from Bennetts Road. So the quicker we get that section from Bennetts Road back into the South East Busway and then to the Eleanor Schonell Bridge the better it will be. Then we will move from there.

Basically, what we have is \$466 million budgeted for Buranda to Main Avenue. That also allows us to do the land acquisition from Bennetts Road to Coorparoo—to Cavendish Road. We are also then setting aside the corridor and then we hope to commence construction of the next section to be completed by 2009. There are a lot of community facilities that we have to integrate and we have to manage that process.

It is fair to say that the Eastern Busway is a very significant priority project for Queensland Transport and the government. We just have to make sure that we have the funds to deliver that. Again, we are going to look at all of those opportunities and all of those avenues to make sure that happens.

**Mr NICHOLLS:** Perhaps just to follow on, because I am not clear on it: has the land acquisition for the entire route to Capalaba commenced? Are you in that process? When you say 'set aside the corridor' are you putting funds into the acquisition even though the time frame for construction is now at that later time frame—or you have not sequenced it in?

**Mr Stewart:** One of the key things, as the minister rightly says, with these major projects is we need to be very sensitive to people who find themselves in hardship from these acquisitions.

**Mr NICHOLLS:** Yes, I understand.

**Mr Stewart:** In fact, my neighbour is one of those people who was acquired as part of the Eastern Busway who found themselves in that predicament. The key message from the department and for the project is for the whole length of the corridor from the Eleanor Schonell Bridge to Capalaba, if someone approaches us for a hardship acquisition because they are in genuine hardship, then we will acquire that property. That has been a very dominant position put forward by the minister and I think it is pretty much consistent with government policy. But our focus on land acquisition more generally is in those stages of the project that we are about to construct.

So we are embarking obviously on a focused land acquisition process from basically the South East Busway through to Cavendish Road. But again, if people outside of that ask us, we are there talking to them. That is an important process. Our timing is the completion of Buranda by 2009 and then Main Avenue by 2012.

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

**Mrs MILLER:** Minister, the government has been making some efforts in tackling traffic congestion. In fact it is a key priority of our government. On page 3-196 of the Service Delivery Statements I note that there has been an additional \$40 million allocated for congestion management initiatives. I know the minister is well aware that in Ipswich city we have to put up with the Ipswich Motorway congestion and also the Centenary Highway congestion. I wonder if you could outline the initiatives of the government in relation to tackling traffic congestion?

**Mr MICKEL:** I am certainly aware of that traffic congestion in Ipswich. I do not want to buy into Warren Pitt's portfolio, as tempting as that might be. I know in your part of the world one of the projects that I personally was delighted with—and I know of your involvement in that area and we were thrilled

about it—was the Richlands station recently. What that offers people in your corridor, but essentially people in Inala, is transport choice. You and I worked in that area when there was transport no choice, then we had the BCC buses come in there and now there is an outstanding service in buses to service those growth areas around Forest Lake.

I am aware of the concerns you have in your area about a particular company, and I have been on to them about that. But I think when you can give people transport choice, as we are with that Richlands station—and I know further on we will go into Springfield—that is numero uno in giving people who you represent and people in that south-western corridor what they could only have ever dreamed of when they were growing up, and that is transport choice.

Let us also talk about the wider strategy. What we have in addition to building capacity for growth, which I have outlined—and that project up around Richlands is about roads and passenger transport combined—is also about efficiency and working smarter to improve our existing network and land use and planning in using available land to make our journeys shorter and easier. In a sense, if you look at what we did at Robina, with putting in the stadium right beside the railway station, that does it. Varsity Lakes is another one of those where we are integrating commercial, retail and residential near the transport hub. Those are the sorts of smart ways that we are integrating transport into communities.

An amount of \$40 million over four years has been allocated in the 2008-09 budget for congestion programs designed to alter travel behaviour, promote strategies to spread peak hour demand and to provide end-of-trip facilities to promote walking and cycling. Those of you who are interested in cycling really should visit the Inner Northern Busway where that cycle centre is. I think it is up there with the best in the world in terms of the service that it offers. It is run by a private sector company which decided to have a go, and good on them.

We have also allocated \$22.6 million over four years to expand the very successful TravelSmart Communities program. With the TravelSmart Communities program we aim to deliver a 10 per cent reduction in vehicle kilometres travelled, a 50 per cent increase in walking trips, a 25 per cent increase in cycling trips and a 25 per cent increase in public transport trips.

**Mr WETTENHALL:** The state government is committed to taking action to reduce the road toll. I note on page 3-196 of the Service Delivery Statements the government's introduction of the hazard perception test. Could you explain how the new hazard perception test will make our roads safer for all road users?

**Mr MICKEL:** I thank you for the question. The people who work in road safety in the transport department are great people who are dedicated to their task. They want me to make sure that I present this to the committee, because I think what it highlights is that every initiative that has ever been undertaken in road safety has had an immediate knockdown in the road toll. The hazard perception test, which I encourage you all to sit for—

**CHAIR:** Are you seeking leave to table that?

**Mr MICKEL:** Yes. I think the committee can benefit from that.

**CHAIR:** I am sure is leave granted.

Leave granted.

**Mr MICKEL:** In 2006 there were, regrettably, 108 lives lost resulting from crashes involving young drivers. Of these fatalities 55 were identified as young drivers, 25 were their passengers and 28 were other road users. In 2007, 110 lives were lost resulting from crashes involving young drivers. From these fatalities, 58 were identified as young drivers, 18 were their passengers and 34 were other road users.

You will remember the Road Safety Summit of 2006. One of the packages of safety initiatives included the hazard perception test. If you can get on the computer yourselves and look at that test you will realise that with that simulation we can simulate a variety of road conditions that I know when Peter Lawlor and I were trying to get our drivers licence could never have been formulated on the day.

The hazard perception test is based on the fact that young people need to be aware of every possible danger on that road. It was introduced to improve driving. The key aim of our new graduated licensing system is to reduce the over-representation of young drivers aged 17 to 24 in the Queensland road toll. More specifically, we have introduced this radical change to improve the safety of young drivers by requiring them to develop on-road experience, graduate through a number of restrictions and demonstrate their ability to anticipate potential traffic conflicts. The hazard perception test was successfully introduced in Queensland on 1 July 2008 as part of phase 2 of the graduated licensing scheme to coincide with provisional 1 licence holders being eligible to upgrade to either a provisional 2 or an open licence.

Mr Chairman, I offer the overview of the hazard perception test if committee members want it. You get an informed electorate by doing this. If committee members see Judy, she will arrange for you to look at that test. I recommend it to everybody. We did it on computer so that people in your electorate and your electorate, and those up in Barron River to some extent, would not have to run miles; they can do it in their own homes.

**CHAIR:** That concludes the examination of the estimates of Queensland Transport. The committee will adjourn for morning tea and the hearing will resume at 10.45. We will then be examining the estimates of the Department of Employment and Industrial Relations.

**Mr MICKEL:** Mr Chairman, before everybody goes—and I meant to do this with Trade Queensland as well, but I forgot to because I have been so excited with all this stuff—I thank all the officers who have participated and helped provide all the answers and the briefing notes. I have found it most interesting to know what is going on in parts of my department. I do thank this process for allowing me to find that out.

**CHAIR:** Thank you.

**Proceedings suspended from 10.30 am to 10.45 am**

**CHAIR:** The Estimates Committee F hearing is now resumed. We will now examine the estimates of the Department of Employment and Industrial Relations. The question before the committee is that the proposed expenditure be agreed to. The first period of questioning is allocated to non-government members. I call the member for Gladstone.

**Mrs CUNNINGHAM:** Thank you, Mr Chair. Minister, as you know, the WorkCover office in Gladstone closed unceremoniously last week. If you were taking bets on a question—

**Mr MICKEL:** No, we have not been.

**Mrs CUNNINGHAM:** You should have been! I wonder what costing or financial modelling was done before the closure of that office in relation to the cost of staff going back down to Gladstone, either from Rockhampton or Brisbane, to provide needed face-to-face services to injured workers in the electorate of Gladstone?

**Mr MICKEL:** WorkCover Queensland obviously has a board of directors responsible for setting the strategic direction of the organisation and monitoring WorkCover's business performance as an insurer. They operate as an independent commercial enterprise, and decisions taken in regard to their structure, facilities and all other operations are the preserve of the executive management and the board. To provide you with a full answer to your question, I will ask WorkCover's chief executive officer, Tony Hawkins, to address the issue of the Gladstone office.

**Mr Hawkins:** In answer to the member's question, WorkCover has been operating its Gladstone office as a case management office solely for the last eight years. Whilst Gladstone itself may be experiencing rapid industrial and population growth, we have not seen this reflected in the number of claims arising from Gladstone businesses.

Fortunately in Gladstone's case, growth as it is happening does not necessarily indicate injury or an increased number of claims. In 2007-08 WorkCover received 432 claims from the Gladstone area. These represented only 0.5 of one per cent of the state's total claims. Gladstone employers would appear to be providing relatively safe workplaces for their employees and implementing health and safety practices to lower the incidence of injury.

We expect claim incident rates to lower further with government workplace health and safety initiatives such as the Homecomings campaign. While the number of employers in the Gladstone area may be increasing, they represent only about half of one per cent, again, of the employers in the state. Rockhampton employers represent five per cent of the state's employers and on average account for eight per cent of employers located in the areas managed by our other customer service centres.

In relation to the feasibility of managing and operating out of Rockhampton, we looked at the time involved. The member asked about the movement between Rockhampton and Gladstone. A large number of those employers and injured workers do, in fact, operate remotely by not even going to the Gladstone office. They do that by other means of communication, and that can be handled through Rockhampton.

**Mrs CUNNINGHAM:** I ask a question in relation to the workplace health and safety aspect of your portfolio, too. I am wondering whether the department had any input, either financially or in an advisory way, to the energy corporations prior to them proposing to change their staff turnout from double-staff to single-staff turnouts to outages and electricity problems. In this budget report you have talked about improvements in workplace health and safety. I wondered whether there was any input into that aspect of the proposal by Ergon and Energex.

**Mr MICKEL:** This is all part of enterprise bargaining discussions we are having with the energy companies and the various unions that are covered by Ergon and Energex. That is as I understand your question.

**Mrs CUNNINGHAM:** Given that you have a significant budget vote for workplace health and safety, I wondered whether you as a department were consulted in relation to the workplace health and safety implications of that decision.

**Mr MICKEL:** Which company are you talking about?

**Mrs CUNNINGHAM:** Ergon and Energex.

**Mr MICKEL:** My department is assisting those energy companies with the discussions around the enterprise bargaining arrangements. One of the measures that you refer to there is part of the productivity offsets that are under discussion. I think you said in your question that a decision had been made?

**Mrs CUNNINGHAM:** It is a proposal.

**Mr MICKEL:** Yes, a proposal. That is part of an ongoing discussion we are having with the workforce and those energy companies.

**Mrs CUNNINGHAM:** In the current budget for 2008-09, under workplace health and safety, is there a budget allocation for workplace health and safety officers to attend turf clubs and jockey clubs in relation to workplace health and safety compliance?

**Mr Henneken:** In terms of the workplace health and safety resource allocation, essentially the inspectorate works on the basis that we determine a number of proactive audits that are done each year and that is essentially based on data in terms of injury rates and so on in those areas. In terms of other industries, we will respond to any complaints or concerns that people raise and any incidents that occur in those areas.

**Mrs CUNNINGHAM:** Thank you. I go to page 3-223 of the SDS, which is the staffing budget. Could you clarify in relation to WorkCover or workers comp, how many voluntary early retirements have been budgeted for in the 2008-09 period across Queensland and what is the budget vote for VERs?

**Mr Hawkins:** Was that a question regarding WorkCover?

**Mrs CUNNINGHAM:** Yes.

**Mr Hawkins:** In WorkCover there is no budgeting for VERs at all. That does not mean that there will not be occasions when a VER will be asked for by an individual and then offered, but certainly nothing has been budgeted for 2008-09.

**Mrs CUNNINGHAM:** So the VERs that were taken in the Gladstone office were outside a budget vote?

**Mr Hawkins:** That is correct.

**Mr NICHOLLS:** Minister, I refer to page 3-221 of the Service Delivery Statements and page 58 of the Capital Statement, Budget Paper No. 3. Renewable and photographic licensing was the subject of some inquiry at last year's estimates, when we heard that the scheme will cost approximately \$6 million per year to administer and it was expected to be largely self-funding, costing applicants \$60 per licence. Can you give details of how much it has cost to administer the system and the expected revenue in the first 12 months of the new system?

**Mr Henneken:** That system has now been implemented. The costs have essentially been kept within. In terms of the projections going forward, at this stage we are processing a slightly smaller number of licences than we expected. Clearly, under the old system a lot of people got a licence because it was a lot easier to get a licence. There was not a cost of any note involved. We are now licensing those people who genuinely need the licence for that occupation. However, the department's view going forward is that the system will be self-funding over time.

**Mr NICHOLLS:** Last year you estimated it would cost \$2.1 million to migrate to the new system and that it would be self-funding. Are you saying that that \$2.1 million has been expended but it is not now self-funding?

**Mr Henneken:** No. The system will be self-funding over time. As with all capital projects, the investment is done up-front and then there is an income stream to pay for that investment over time. The department is confident that the income stream over time will pay for that expenditure.

**Mr NICHOLLS:** Minister, through you: Mr Henneken, last year you said these costs will be largely met from about year 3—

**CHAIR:** Order! Direct your question to the minister, please.

**Mr NICHOLLS:** Yes. Minister, last year Mr Henneken responded that the costs will be largely met from about year 3 on a cost-recovery basis and it will be largely self-funding. Is that still your anticipation for the operation of the new system?

**Mr MICKEL:** You take it.

**Mr Henneken:** The scheme will be largely self-funding. I would need to get the exact data, because the number of people taking up licences is a little bit lower than we predicted. It might take a little bit longer than the three years that we originally predicted.

**Mr NICHOLLS:** Minister, in relation to enterprise bargaining and particularly council bargaining agreements, regarding the negotiation process for new enterprise bargaining agreements for council employees are you aware of concerns that have been raised about the exclusion of non-union staff members from the bargaining teams and by whom those concerns have been raised? Are they a barrier to resolving those enterprise bargaining arrangements?

**Mr Leahy:** The issue that you raise comes out of a letter that was sent to a number of councils cosigned by the director-general of the Department of Local Government, Planning, Sport and Recreation and the director-general of this department, Mr Henneken. The nature of that letter was to actually point out the particular way in which the industrial relations legislation operates in this jurisdiction. What it pointed out was that in union agreements the parties to an agreement are the union representing the employees and the employer. As a result, in terms of formal representation at the negotiation table, employees do not have a formal spot. Basically that was the intent of the letter: to point out the formal way the legislation applied in those circumstances.

**Mr NICHOLLS:** Minister, I appreciate the advice about that letter and that information, but is it effectively then a barrier to resolving agreements or bargains between employees and councillors as employers?

**Mr Leahy:** No.

**Mr NICHOLLS:** So it should not be a barrier to them, irrespective of the representation.

**Mr Leahy:** That is right. There is capacity within the state industrial relations system to have agreements between employer and unions and employers and employees.

**Mr NICHOLLS:** Minister, if I can take you to the income statement on page 3-233 of the Service Delivery Statements, can you provide the details of the cost of the operation of the Queensland Workplace Rights Ombudsman's office and the employee expenses and details of any grants that that office may have made?

**Mr MICKEL:** I can answer the second part first while we are hunting for the first part. There have been no grants that I am aware of that have been offered by the Workplace Rights Ombudsman.

The allocation for the Queensland Workplace Rights Ombudsman's office for 2008-09 is \$1.2 million. They expected to take in the vicinity of 6,000 calls over the course of the first year of operation. In fact, the hotline received 19,000 calls of which more than 50 per cent had been from regional Queensland and a quarter of those had been from employers. Initially, the staff were to investigate in the vicinity of 360 cases for the first year. A heavy demand for its services required staffing from two to three investigators. In excess of 670 cases have been investigated.

It goes without saying that it is an independent statutory authority to provide impartial, independent advice and information to employees and employers in both the state and federal jurisdictions. It monitors and highlights cases of unfair work practices; provides reports to parliament, as it has done; and makes recommendations on strategies that might be implemented to improve workplace practices in Queensland.

The Ombudsman and support staff is entirely allocated from existing private sector industrial relations output funding with no additional new funds. Necessary savings to allocate the Ombudsman's funding occurred primarily as a result of the savings from 27 positions within industrial relations services caused by the impact of the previous federal government's WorkChoices legislation.

The office and support staff is located at level 18, Central Plaza II, 66 Eagle Street, Brisbane. In relation to current staffing levels, the Ombudsman is a current member of the Queensland Industrial Relations Commission and receives no additional salary for performing those functions. He has a manager SO2, three principal investigator officers, two information officers and administration officers. So far he has investigated and reported on three industries—the contract security industry, the recreational diving industry in the Cairns area, and the fruit and vegetable harvesting industry in the Bundaberg-Childers area. He has published on the web site of the Queensland Workplace Rights Office four industry specific and two generic codes of practice for the fair treatment of employees.

**Mr NICHOLLS:** Thanks, Minister. Most of that is contained in the quarterly report that is provided. With reference to that report and the actions of the Workplace Rights Office, how many of the cases investigated by the Queensland Workplace Rights Office resulted in prosecution, how many were dismissed and what action has the office undertaken in regard to the outcomes of those cases? There is a number investigated but how many were there where there was malfeasance or misfeasance and how many were dismissed where there was no complaint justified?

**Mr Leahy:** The Workplace Rights Ombudsman has no legislative power to formally prosecute cases that he or his office investigate. All the Ombudsman can do is refer matters to the relevant jurisdiction. So, in the case of government or non-incorporated bodies, he would refer matters to DEIR and they may end up in the QIRC for prosecution or we may take the matter to the magistracy for prosecution. In the event that it is a corporate body, the jurisdiction is the federal WorkChoices legislation. In those cases we would refer the matter to the federal Workplace Ombudsman or the federal minister.

**CHAIR:** The time for non-government questions has expired. Minister, I note page 3-221 of the Service Delivery Statements highlights rehabilitation and return to work initiatives assisting longer term and seriously injured workers and their families and that Queensland has a good return to work rate, but there is always more to be done. Can you please outline any initiatives that Q-Comp are planning to help injured workers return to work.

**Mr MICKEL:** I am delighted to report to the committee that there is a great initiative underway for that. Each year regrettably approximately 100,000 workers compensation claims are made by injured workers in Queensland. I think I told the committee last year that the Queensland Workers Compensation Scheme is successful in returning almost all injured workers to work. In fact, for some years the Queensland scheme has consistently been a top national performer in returning injured workers to work.

Q-Comp, which is Queensland's Workers Compensation Regulatory Authority, has researched what happens to the just over three per cent of injured workers each year who finish their claim but do not return to work. Q-Comp found these workers often had injuries stopping them from doing their old job or similar jobs for which they were skilled. These workers said that they needed help to find realistic career options and to access new services that will assist them to return to work.

Two key initiatives have been developed. Firstly, in July this year, Q-Comp commenced a two-year pilot program in cooperation with WorkCover Queensland and the scheme's self-insured employers. The pilot will identify workers at risk of leaving the scheme with no job and provide intervention services outside of the current scheme capacity to assist these workers to remain in the workforce. Q-Comp's return to work manager will assist workers at risk by an initial interview and assessment, referral to a training and career service, referral to an industry based training and job placement service including host employment, liaising with insurers and evaluating each individual worker's program, and reporting the outcomes to stakeholders.

Secondly, in August 2007, Q-Comp released *The Better Practice in Return to Work Guide* for employers. Employers showed their interest with the largest number of hits ever on Q-Comp's web site. As a result of interest and positive feedback, Q-Comp will be maintaining a comprehensive reference guide on their web site, offering employers a 'Better practice in return to work' kit from August 2008, focusing on ways to improve workplace injury management and return to work processes.

In addition to these initiatives, you may be interested to know that the standard measures in place to assist injured workers include 10,370 new trained and accredited rehabilitation and return to work coordinators in Queensland and 1,802 employers with accredited systems in workplace rehabilitation in Queensland. So all up it is a scheme we encourage so that people do not linger with injuries and it is a rehabilitation program to get injured workers back into the workforce.

**Mrs MILLER:** I note on page 3-220 of the Service Delivery Statements that you note that the Homecomings campaign has been successful in improving community awareness of workplace health and safety. I think it is an excellent campaign. It is very personal to me because I can remember, as a daughter of an Ipswich underground coalminer, what it was like to sit at the front door waiting for my father to come home when he had been injured at work. Could you outline how the additional \$1 million will improve the community awareness campaign and help bring our workers back home?

**Mr MICKEL:** I thank the member and I thank you for your insight. I would have said too in addition to the insight you have provided that anecdotally employers and employees have said to me that this is probably one of the best campaigns we have ever run. Certainly its recognition rate is quite high. I will take the committee through that.

Research after the campaign showed that 75 per cent of Queenslanders saw it and recalled a key message relating to the need to work safely and ensure that people come home safely to their families. Most importantly, the campaign prompted workers and employers to look really hard at their own workplace safety. Thirty-three per cent of people said that the campaign had changed their perceptions of workplace health and safety principally for the reason you said—people waiting at home for their loved ones.

More people now are very aware of the details of the health and safety in their own workplace, increasing 12 per cent from 39 per cent to 51 per cent. Surveys of employers and employees found that one in four who recall the campaign had already personally taken action as a direct result of seeing the advertisement. More importantly, 77 per cent of people believe that the campaign will have an impact on their workplace behaviours in the future. By any yardstick, those figures are great and justify the campaign. They also show that that sort of campaign can markedly change attitudes and behaviour towards workplace injury and fatalities.

I want to make this point: when we launched the campaign some people might have said, 'Workplace health and safety—I'm a public servant' or 'I'm an office worker. What's that got to do with me?' The point is that it has to do with everybody who drives. Given the amount of infrastructure that is on the go at the moment, everybody who drives past one of those sites and sees a guy or gal standing there with a sign saying, 'Slow down,' that can potentially be a road safety issue, yes, but fundamentally it is a workplace health and safety issue.

If that campaign did nothing else, it showed the intersection that can occur at times between road safety and workplace health and safety. So when the guy down the road says, 'Slow down. There is work in progress,' yes, it is a road safety issue but fundamentally for all those people on that construction site and on all the infrastructure projects that are underway throughout Queensland

motorists can play their part in workplace health and safety by slowing down. I appeal to motorists to play their part in workplace health and safety by slowing down near construction sites when people tell them to.

**Mrs MILLER:** Minister, I refer to page 3-220 of the Service Delivery Statements. While I realise that you spoke about the Workplace Rights Ombudsman previously, I would like you to further outline some of the excellent achievements of Don Brown and the benefits that have been obtained for Queenslanders from the operation of this office?

**Mr MICKEL:** As I said to the committee before, this office commenced operations on 2 July 2007. It exceeded my expectations I guess regrettably in a sense because it showed to me that there are a lot of people in despair out there. I still get complaints about unfair practices which always disappoints me to say the least.

The office was expecting to take in the vicinity of 6,000 calls over the course of the first year, whereas in actual fact it received about 19,000. As I said, more than 50 per cent of those were from regional Queensland and over a quarter came from employers. The office has provided quality information and advice about a range of subjects, including termination of employment; wages and conditions; workplace harassment; state and federal jurisdictional issues—and they are one of the big ones; employment and subcontractual arrangements; disciplinary procedures; and also superannuation. The office has given Queenslanders a one-stop shop to ask questions and receive information and referrals about that whole plethora of industrial relations and work related issues.

The office was staffed, as I said to you before, to investigate in the vicinity of 360 cases for the first year. A heavy demand for its services required an increase in staffing from two to three investigators. In excess of 675 cases have been investigated in 2007-08, and more than 50 per cent of cases for investigation were seen from regional Queensland. It has investigated a number of industries, as I said before. It has also developed a range of codes and practices for the fair treatment of employees in retail, hospitality, aged and community care, and contract cleaning services. It has also developed codes for the fair treatment of employees generally and at termination of employment.

I am advised that the web site had in excess of 26,000 visits up to 30 June 2008, with almost 100,000 page views made by visitors accessing information. The ombudsman continues to consult and work with worker and employer representative organisations. This was particularly so under industry investigations carried out. The ombudsman has also provided for access for representative organisations to assist with the resolution of individual cases brought to the attention of the ombudsman. I mentioned before where it established a staff complement. I want to thank the commissioner on a personal note—and I am very pleased to say this—because he was due to take leave and instead offered to take this up.

**Mr WETTENHALL:** Minister, I refer you to page 3-226 of the Service Delivery Statement indicating that the government has assisted 15,200 disadvantaged job seekers. Would you be able to detail the outstanding results that have been achieved by the government in securing employment for the most disadvantaged job seekers in Queensland?

**Mr MICKEL:** I will answer some of it and Bernie Carlon will answer some of it. I simply want to make this point before I hand over to Bernie, who is the genius behind all our programs, and those of you who work with him know him. What has motivated me as a minister is this: I recognise that there are pockets of Queensland in this robust economy where the opportunity to find work is still beyond the reach of those people. That is why we have gone about the task of sticking with the employment programs and extending it further this year into a great initiative called Participation in Prosperity program. We have done that because there are residual pockets of high unemployment. As I said, the wizard, the genius, behind these programs is Bernie Carlon, and I think it is appropriate that I give him to the committee to talk about this. Go on, mate, you have a go. It is a fantastic program.

**Mr Carlon:** Thank you, Minister. It is the first time I have ever been called a genius. As the member mentioned, the Service Delivery Statement actually estimated that we would assist 15,200 disadvantaged job seekers during 2007-08. I am pleased to say that by the end of the year we had actually assisted more than 17,000 job seekers during 2007-08. In addition to the disadvantaged job seekers that we assisted under community employment programs, we also assisted 539 apprentices and trainees under the First Start Program and 4,659 young people under the Education and Training Reforms for the Future pathways program, Get Set for Work and our youth training initiatives.

I am also pleased to say there is clear evidence that the assistance is resulting in sustainable job outcomes. Each year the department engages Queensland Treasury's Office of Economic and Statistical Research to undertake employment outcome surveys of participants 12 months after completion on a project. I particularly like Treasury doing this because they never argue with me about the results afterwards of what we get. The latest survey showed that 63 per cent of people who received help through employment assistance projects were in employment 12 months after their project was completed. When all positive outcomes are taken into account, 71 per cent of participants are either in employment or training or a combination of both employment and training. Also, our surveys on the First Start and Youth Training Incentives programs, which go to apprentices and trainees, show that 88 per cent are employed 12 months after completion.

**Mr LAWLOR:** Minister, I refer to page 3-220 of the Service Delivery Statement indicating that the government invested \$2 million in 2007-08 in encouraging employers to adopt age-friendly recruitment and workplace management practices. Minister, is the funding for this program continuing and can you explain the good results experienced for mature age workers in Queensland as a result of this program?

**Mr MICKEL:** Why did they get you to ask that? As a mature age person myself, I am going to answer that. As to the whole idea of this program, I will give you a little anecdote. We launched this program on the Gold Coast at a pie factory, and a couple of staff were there and I think the oldest bloke was 73. It has been a wonderful program because it has said to seniors, 'You still have a stake in our economy.' The retail section has really embraced this program because it has provided role models. One of the pleasing things I saw in Rockhampton when we were at the Rockhampton railways was that a lady there was undertaking a program to become a train driver. I will not give up her age but she was eligible, and she had been encouraged by the Experience Pays advertising campaign to go and get a job in the railways. So there is an anecdote and I am sure all of you have got programs and people like that.

The whole idea in an age of shortages was to encourage people who still had something to contribute to get back into the workforce. We have been working with the private sector to make sure that people are aware of that. In fact we have had seven industry liaison officers funded with key industry and union organisations to work face-to-face with businesses and individuals. Since the start of the initiative, over 1,700 employers have requested the information packs and over 15,000 information packs have been downloaded from the web site. So there is a huge interest out there.

The seven industry liaison officers have been talking to employers in retail, hospitality, manufacturing, local government and other types of industries throughout the state, particularly small and medium organisations, to promote the benefits of older workers and the advantages of a diverse workforce. Feedback from the industry liaison officers and employers indicated there was a need for more practical tools and tips than what was contained. This led to an employer guide being launched in April 2008. The guide gives examples of age-friendly job advertisements, places to go to find experienced and mature age workers and information on what a flexible workplace looks like because a lot of these folk, while they want to come back, do not necessarily want to put in five full days. So it is to try to measure them up with the jobs that are around. An employee handbook titled *What are your options as an older worker?* has recently been printed and it is currently being distributed to businesses and employee associations. If committee members want that booklet, I am sure we will be able to make that available to them.

**Mr LAWLOR:** Minister, I note on 3-221 of the Service Delivery Statement the government's ongoing commitment to improve worker safety. The recent deaths of two construction workers at a Broadbeach construction site has been a tragic reminder of the importance of workplace health and safety. Can you explain the initiatives and activities being undertaken by Workplace Health and Safety Queensland to ensure continuous improvements in worker safety in Queensland?

**Mr MICKEL:** I thank the member. Obviously, our condolences go out to the family and friends of those workers who were tragically killed on that site. Regrettably, it is a reminder always of the need for the highest standards of workplace health and safety. In relation to that, firstly, an investigation into the cause of the incident is continuing. Four obligation holders are involved in inquiries, and two investigators are working on the case full time. Secondly, nine specialist construction inspectors have been conducting audits of the high-risk construction projects including high-rise developments on the Gold Coast. These inspectors have audited over 40 separate high-risk construction sites. The audits have seen inspectors issue over 80 enforcement notices, more than 30 prohibition notices and over 50 improvement notices to contractors and principal contractors. The notices were issued for a variety of hazards, including the unsafe set-up of swing stages; scaffold maintenance and incomplete scaffolding; lack of edge protection and falling object protection; traffic management; lack of information, instruction and training; and unsafe electrical switchboards.

The third initiative is the specific assessments of the suspended scaffolding arrangements around the state. This is the type of scaffolding involved in the 21 June incident. To date, inspectors on the Gold Coast and Sunshine Coast have issued more than 25 enforcement notices to principal contractors, suppliers and erectors and installers of plant. Inspectors have also conducted spot checks in the Brisbane CBD, and regional areas are to be commenced shortly. In addition and importantly, a tripartite reference group of Workplace Health and Safety, unions and the construction industry has been formed.

**CHAIR:** Thank you, Minister. The time allocated for questions by government members has expired. I now call the member for Gladstone.

**Mrs CUNNINGHAM:** My question again is about WorkCover. It is my understanding that recently the premium and claims division or that part which identifies and prosecutes fraudulent activities was disbanded resulting in a reduction of 10 jobs. If that is the case, in the 2008-09 year, what quantum has been saved by disbanding this division, and what additional funding has been given to customer service centres which I believe now handle these functions?

**Mr MICKEL:** Do you want to handle this, Tony.

**Mr Hawkins:** In answer to the member's question, the area as you correctly pointed out—the fraud area for both employers and injured workers—was not disbanded; it was amalgamated into one single area. Several of those people were moved into other areas. In relation to the work that is being undertaken by people in customer service centres, that is being undertaken by those people in addition to the work that they are doing. The savings at this point have been undetermined because the new year has only just commenced and that particular new structure only took place about two months ago. So the results are to be determined but certainly over the next 12 months.

**Mr NICHOLLS:** I want to return to the Queensland Workplace Rights Office, and you had given some information about staffing levels and its activities. I was asking in terms of the referrals—and I understand it does not actually have an enforcement capacity itself and those sorts of things—but does it collate records? When it refers a matter to either the federal workplace rights advocate or the state Industrial Relations Commission, does it follow through and find out whether those complaints have been actioned and those sorts of things? What is the differentiation on the statistics between the federal jurisdiction and the state jurisdiction?

**Mr MICKEL:** The answer to the first part of the question is, yes, it does follow up matters that it refers. Because most of the coverage, I would have thought, now is of incorporated bodies, most of that work would be federally related.

**Mr NICHOLLS:** Sorry, I cannot hear you.

**Mr MICKEL:** Just by the nature of the industries, they would be incorporated bodies, so most of it would be under the federal jurisdiction. That was the whole idea of WorkChoices: to capture as much of the workforce as we can. We have held out on that.

**Mr NICHOLLS:** I just wondered if there was a number that you are following up through it all.

**Mr MICKEL:** I wrote to Joe Hockey when he was the minister. I think I took 800 cases to him. We wrote to him a number of times seeking what he had actually done with our letters and he could never, ever get back to us. Whether that was beyond him or not I do not know, but I know he never used to attend or never did attend any ministerial council meeting, even though we held one down in Sydney outside his electorate office. The poor fellow could not even attend that one. It was always a bit hard under the other mob to get them to take these inquiries seriously. They had very little in the way of compliance officers, as I recall.

**Mr NICHOLLS:** Minister, I refer you to page 3-226 of the Service Delivery Statements. Funding for 500 trainee places in government agencies was diverted to higher priorities. That is in the notes as well. Can you advise what places were not filled and what the higher priorities are in terms of that particular program?

**Mr MICKEL:** We carried out a review of the youth training incentives to ensure that the employer incentives were effectively targeted. We found that the youth training incentives were no longer available to a range of employers who engaged trainees. It was decided that the youth training incentive would move away from the lower level traineeships and align itself to the trade skill shortage industries. If you go around to all the workforces, that is what they wanted. So we aligned it to the trade skill shortage industries to support the attainment of a more skilled workforce.

Changes to that incentive, which were providing subsidies to employers taking on school based apprentices and trainees, came into effect on 1 January 2008. As part of that process the department reduced the financial incentive available under the incentive to employers taking on school based training or apprenticeship areas of the state from 4,000 to 1,000. The rationale for this was based on the fact that initially the objective—sorry, they were classified in rural and remote. The rationale was based on the fact that initially the objective targeting rural and remote locations had been an attempt to increase the number of school based apprentices and trainees in this area.

The statistics from the Department of Education, Training and the Arts showed that our objective was not achieved as the increase in school based apprentice and trainee commencements in rural and remote areas between 2003-04 or 2006-07 was only five per cent, yet the overall increase across Queensland was 63 per cent. So the new guidelines have shifted away from specific geographic locations in preference to a focus on trade-level shortages across the entire state.

This necessary reduction has caused concern—we understand that—amongst group training organisations. But both Golden West Group Training Scheme and Group Training Australia made representations to the department concerning that shift. What we do know is this: under the state Department of Education, Training and the Arts, Golden West Group Training Scheme now receives \$1,850 for every school based apprentice commencement, \$700 for every school based trainee commencement and \$300 for every school based trainee completion. The combined incentives—

**CHAIR:** Minister, I do apologise but you will have to ask the member for an extension of time if you want to go on.

**Mr NICHOLLS:** I will read that in *Hansard* when it gets printed, Minister, and I will understand it a little more clearly when it comes through. I will move on to refer you to page 3-229 of the Service Delivery Statements which has some performance measures there. I note the item 'Reduction in the

incidence of compensable workplace injury by at least 40%' in that delivery sheet. The notes to that indicate a failure to meet that target consistently for a number of years and it does not look like the target will be reached by 2012. What steps are you taking to reach that target, and what is the reason for discontinuing the target? Or are you just giving up on that target?

**Mr Henneken:** The government committed itself to two targets in line with the National Occupational Health and Safety Strategy. The two targets revolved around a 20 per cent reduction in workplace fatalities and a 40 per cent reduction in workplace injuries. In terms of the target for workplace fatalities, there is a clear trend and I think some optimism that that target should be achieved. That will be a significant achievement.

In terms of the 40 per cent target for workplace injuries, based on the data that we have—and that is WorkCover data—at this stage it is probably unlikely that the target will be achieved. There is a number of reasons for that, the first one being, in essence, we use WorkCover data. One of the things that has happened in the last 18 months or so is that WorkCover have put in place a new system whereby they will pay a doctor a fax fee if the WorkCover claim is put into WorkCover through fax arrangements. That has increased substantially the number of claims that WorkCover are getting. In a sense, using the WorkCover data we are not comparing like with like because we have changed the administrative systems in the process.

What is still a positive in terms of workplace health and safety achievement is that, if you look at the more severe injuries, there is clearly a strong trend for those to decline over time. The nonachievement of the target is not a reflection in any way of the effort that is being put into workplace health and safety. In the last eight or nine years the government has put substantial extra resources into workplace health and safety.

**Mr NICHOLLS:** Minister, I appreciate the information about that but the note says, 'To date, the annual reduction has been around 1-2%.' I guess that would support Mr Henneken saying that the trend line is going down, but is that still a reason why the measure of the success of it ought to be removed? Isn't it still an important part of policy to have a measure to assess the success or otherwise of programs that meet that policy requirement? It has been an annual reduction for one to two years. A system that was introduced eight months ago cannot be responsible for that.

**Mr Henneken:** We reviewed all our measurements over the last 12 months. Because of that volatility in the WorkCover data which relates, as I said, to administrative systems and changes, our view was that the measure in such a public way was probably less than useful as information for the community. As I said before, I think a more useful measure is both the fatalities data and data relating to the more serious injuries which clearly do show a more substantial decline. I would point out, for example, that in the last several number of years the average time on which a claimant under WorkCover who is on weekly benefits has been on weekly benefits has declined quite substantially. That indicates that the more serious injuries are declining.

**Mr NICHOLLS:** Minister, in response to a question from the member for Southport we were talking about occupational health and safety actions, and you detailed some of the steps that have been taken since the two tragic deaths of the riggers at the Gold Coast. Given that some of the concerns were that there were not enough inspections taken before that event, can you give an indication of the number of inspections taken of Gold Coast sites in the lead-up to the event? I understand post the event certainly it is an opportunity to react, but the concern that many people raised was whether enough had been done prior to those events occurring.

**Mr MICKEL:** I must say to you that I thought your comments on the inspectors were a bit unfair. What you always find in industrial relations, particularly in workplace health and safety, is that, as local members who have industrial electorates—if I can use that example—you will always get people who say that the inspectors were not hard enough. If you talk to employers, they will say that they are too hard. It is always a matter of getting the balance right.

Firstly, in south-east Queensland in 2007-08, inspectors conducted 8,215 workplace assessments relating to the construction industry. They issued a total of 3,214 prohibition, improvement and infringement notices for hazards identified during these inspections. On the Gold Coast in particular, the inspectors conducted 2,198 workplace assessments related to construction activity and they issued a total of 1,217 notices. This was the highest number of notices issued and the highest rate of notices issued for assessment of the construction industry of any district in south-east Queensland. That is why I thought your comments about those inspectors were unfair. I must say that I have written to those inspectors saying that I have faith in them.

The statistics including workers compensation claims data reveal that a decline in fatal and non-fatal injury claims since 2003-04 does not support the claims made in the media. In addition to conducting inspections of workplaces, inspectors also provided advice and guidance to assist employer contractors and workers on ways to meet their obligations under the act.

In terms of the number of inspectors, there has been an increase in the number of workplace health and safety construction inspectors in the Brisbane South-Gold Coast region from nine inspectors in 2002-03 to 18 inspectors in 2007-08—an increase of 100 per cent. There are seven construction inspectors on the Gold Coast. All up, there are 21 workplace health and safety inspectors on the coast.

There has been heightened workplace health and safety on the Gold Coast over the last 12 months. As I said, the number of enforcement notices issued has increased by 38 per cent since 2006-07. Approximately 2,300 construction workplace assessments will occur on Gold Coast sites this financial year. Inspectors in the Gold Coast area are conducting as many inspections as are inspectors in any other area in the state.

**Mr NICHOLLS:** I refer you to the Service Delivery Statements at page 3-222 which notes that the rate of electricity fatalities has increased during the five years to June 2007. Can you advise the committee of the number of fatalities? Have the major factors been identified? Can you advise whether those have occurred on government or private sites?

**Mr MICKEL:** The Electrical Safety Office has been set up to work on reducing the number of accidents. I can report that Queensland's five-year moving average of electrical fatalities per million has declined from an average of 3.6 deaths for the five years to June 2001 to 1.19—I know that one is too many. There has been a decline. In 2007-08 there were five fatalities in Queensland provisionally attributed to electrocution. We are below the national average for the last five years. Every serious electrical incident is examined by the Electrical Safety Office in an endeavour to eliminate the causes of electrical fatalities.

Further analysis of the data is being undertaken to see whether there is a trend. We have performed a regression analysis on the number of fatalities between 1970-71 and 2007-08. This analysis determined that during this period there has been statistically a significant downward trend in the number of fatalities due to electrocution in Queensland. All five fatalities occurred in the workplace. Two involved contact with overhead powerlines. Two fatalities would have been prevented by the use of a safety switch. The office conducts investigations into all accidents.

**CHAIR:** Time for non-government questions has expired. Minister, I note on page 3-221 of the Service Delivery Statements that you highlight the Queensland Workplace Health and Safety Strategy 2004-12, targeting industries with high injury rates. Rural industry has one of the highest injury rates of any industry sector. What regulatory changes are proposed to assist these workers?

**Mr MICKEL:** Thank you for the question. Regrettably, it is a fact that rural industry does have a higher rate. The reason behind the government removing the exemption is to address concerns at the level of work related fatalities and injuries in the rural industry. It has the highest fatality rate of all industry groups at 12.2 per hundred thousand workers in 2005-06. Within the industry there was a 21 per cent increase in the non-fatal workers compensation claim rate between 2003-04 and 2005-06. The traumatic injury rate at 9.4 claims per thousand workers was one of the highest out of all the industry subsectors. The proportion of traumatic injury claims at 48 per cent was significantly higher in this industry than others.

The government is currently in the process of removing the remaining parts of the exemption. The removal of the exemption will take place over a two-year period to give the rural industry sufficient time to comply with the revised regulation. The removal of the rural exemption will ensure the same level of legislated health and safety coverage and protection for workers in the rural industry as in all other industries. The removal of the exemption is expected to be completed by September 2010. The remaining rural industry exemptions in the Workplace Health and Safety Regulation relate to mobile elevating work platforms, prescribed occupations, prescribed activity—that is, demolition work—workplace health and safety officers, hazardous substances such as lead, confined spaces, excavation work and atmospheric contaminants.

The government recently sought public comment on a proposal to remove the remaining exemptions that the rural industry has under the Workplace Health and Safety Regulation 1997. The RIS about the removal of the rural industry exemption was released on 9 November 2007 and the public comment period closed on 29 February 2008. Some 23 public responses were received. Support from a number of rural stakeholders was initially qualified in terms of the timing of the removal of the exemption, particularly in relation to phase-in periods.

Ongoing discussions with stakeholder groups including the Queensland Farmers Federation, AgForce and Growcom have been held to discuss these concerns. The phase-in periods proposed by the government have been welcomed by these stakeholders. The department will continue to work cooperatively with the rural industry sector as the exemptions are removed. The Department of Employment and Industrial Relations has allocated an additional \$50,000 to Farmsafe Queensland to develop information and support material to assist the rural industry understand and meet its new obligations.

**Mrs MILLER:** I note on page 3-219 of the Service Delivery Statements that the Department of Employment and Industrial Relations is striving to improve workforce participation by women. I would like you to outline for the committee what changes have been made to working conditions in the public sector to make it a more attractive career opportunity for women. I would ask that you make particular comment in relation to maternity leave options for women who make an outstanding contribution to the Public Service in this state.

**Mr MICKEL:** I thank the member for the question. The government has recently introduced 14 weeks paid maternity and adoption leave for eligible Public Service employees. This is an increase from the previous entitlement of 12 weeks. The increase in paid leave has already been implemented via a new ministerial directive 5/08 'Paid parental leave' which commenced on 1 July 2008.

Under the new directive any eligible Public Service employee who is on maternity or adoption leave on or after 1 July 2008 will have access to the newest entitlement. There are transitional arrangements in place for the employees who commenced maternity and adoption leave up to 12 weeks prior to 1 July 2008. An employee who commenced paid maternity or adoption leave on 8 April 2008 or after such a date is entitled to 14 weeks paid maternity and adoption leave.

This is the second increase in paid maternity and adoption leave entitlements since 2005. In 2005 paid maternity and adoption leave increased from six weeks to 12 weeks. Employees also have the option to take paid maternity and adoption leave on a half-pay basis. With the recent increase to 14 weeks, an employee may therefore access 28 weeks paid maternity or adoption leave on half-pay.

After a Public Service employee exhausts her paid maternity and adoption leave options she may also access other paid leave—that is, recreational and long service leave which may also be taken on a half-pay basis. Employees are also entitled to take a period of unpaid maternity leave which provides them with access to a combination of paid and unpaid leave up until the child's second birthday.

The Queensland government provides very generous and flexible maternity leave options for employees. These flexible options make the Queensland Public Service a very attractive place to work. The Public Service offers many other flexible working conditions which are also effective attraction and retention tools. When an employee returns from maternity leave she also has the option to return to work on a part-time basis. Part-time work is also becoming an attractive option for men who are primary carers as well as for older workers who are phasing into retirement. The Department of Employment and Industrial Relations is currently developing a number of strategies to further enhance flexible working arrangements for all employees, including women with young children.

**Mr WETTENHALL:** I refer to page 3-222 of the Service Delivery Statements indicating that Queensland's rate of electrical fatalities has remained below the national average for the past five years and that there has also been a decline in the number of serious electrical incidents. Would you be able to detail the impact of mandatory safety switch legislation in achieving those outcomes?

**Mr MICKEL:** Safety switches can and do save lives. In the last five years safety switches could have prevented over half of the electrical fatalities in Queensland, which is a point I was about to make previously. This is convincing evidence, I think, that safety switches can have a significant influence on reducing electrical fatalities. That is why Queensland adopted a robust regime of mandatory installation of safety switches in domestic residences, which is the most extensive in Australia. Current figures indicate that more than 63 per cent of Queensland homes have a safety switch installed.

In September 2002 we were the first state to introduce legislation mandating the retrospective installation of safety switches at the time of sale of a domestic residence. Purchasers of a domestic residence must install a safety switch on the power circuits within three months of legal possession. To further increase the electrical safety of Queenslanders, safety switch requirements have been expanded to improve electrical safety in homes and in industry.

Manufacturing workplaces are now required to have fixed safety switches instead of portable ones. Beginning on 1 March this year owners of leased domestic residences are required to have a safety switch installed for power circuits. Safety switch requirements and inspect and test procedures have been introduced for amusement rides and for sideshows at shows, fairs and carnivals. In the rural industry, businesses may choose to manage risk by installing a safety switch or by implementing a maintenance regime in combination with a visual examination and testing and tagging.

The Electrical Safety Office's audit program measures safety switch compliance for leased domestic residences. Audits of residential tenancies in 2007-08 show that there is approximately 97 per cent compliance with these requirements. The Electrical Safety Office also works with electricity distribution entities to have meter readers report where possible the number of homes with safety switches. To date this program has counted 1.76 million homes of which 1.11 million or 63 per cent have safety switches installed.

An education campaign targeted at raising the awareness of owners of rental premises was conducted in advance of the 1 March 2008 deadline for landlords to install safety switches. Information fliers for landlords were prepared and distributed through the Real Estate Institute of Queensland and the Residential Tenancies Authority. A statewide press campaign was also targeted at raising the awareness of landlords of their obligations for safety switches. The Electrical Safety Office has worked in conjunction with the Department of Education, Training and the Arts and Public Works to develop an appropriate and effective audit program for Queensland schools.

**CHAIR:** I refer to page 3-219 of the Service Delivery Statements outlining the COAG commitment to halve the gap in Indigenous unemployment outcomes within a decade. Can the minister detail how Queensland is responding to this commitment?

**Mr MICKEL:** We fully support the COAG commitment to halving the gap. Collectively governments realise that this will not be easy to achieve. However, our department has been focused on the concerted effort to achieve this end. Our role is in leading the COAG subgroup on economic participation and welfare reform. This subgroup is involved in identifying and developing the areas for reform that are likely to provide significant opportunities. Cooperation is critical to achieving this commitment across government, employers and the community.

Although the work has only recently commenced, Queensland has been helping disadvantaged Queenslanders, including Indigenous people, for many years through the former Breaking the Unemployment Cycle initiative and its successor the Skilling Queenslanders for Work initiative. In addition, as part of the Queensland Skills Plan a commitment was made to the development of a whole-of-government Indigenous employment and training strategy. The strategy outlines the government's commitment to moving Indigenous Queenslanders into work by promoting alliances with industry, building the skills of individuals and enhancing community capabilities. We will see improvement in the alignment of labour market programs in the training system to meet the needs of employers and the needs of Indigenous Queenslanders.

A major focus of the government's engagement with industry to increase Indigenous employment is the memorandum of understanding with the Queensland Resources Council. The MOU commits the government and the mining sector to work together to increase employment opportunities for local Indigenous people in the mining sector. In support of this agreement, the department has committed to assisting 100 Indigenous Queenslanders through employment and training strategies developed in conjunction with employers and industry bodies. The skills gained through these assistance measures will see participants gain generic entry-level skills, blue cards and heavy machinery tickets that will enable them to take up employment opportunities in the mining and construction industry.

Labour shortages in industries like tourism and agriculture can also benefit. In addition to industry-specific work readiness training, there will be a focus on the development of employment modules and support systems addressing the specific needs of individuals who have to move away from home to take up work. As I already mentioned, we have been assisting Indigenous Queenslanders since 1998. The Skilling Queenslanders for Work initiative consists of a range of workforce development approaches including customised assistance for job seekers, mentoring, advancement programs and support services, targets for increased employment in the public sector and through government procurement processes.

**CHAIR:** You can have an extension of time if you want it.

**Mr MICKEL:** Other than to say that I went up to Gladstone to launch a program up there where we had mentors working with the Gladstone Port Authority. I forget the number of industries, but the whole idea of that was to give Aboriginal people a linkage to a real job at the end of that training program. What were the numbers, Bernie? Do you remember?

**Mr Carlon:** It was mainly the civil construction and construction industry that were involved and there were 16 Indigenous trainees involved.

**Mr MICKEL:** How many got a job at the end? The whole 16?

**Mr Henneken:** Fourteen.

**Mr MICKEL:** So much so that Leo has been back on to me to fund it again, of course. We are happy with the mentoring arrangements, in a nutshell.

**Mr WETTENHALL:** Minister, I refer you to page 3-221 of the Service Delivery Statements where it is noted that the Workers' Compensation and Rehabilitation and Other Acts Amendment Bill 2007 introduced \$24 million in benefits to assist longer term and seriously injured workers and their families. Can you explain what WorkCover has done to assist employers to improve workers compensation outcomes?

**Mr MICKEL:** I simply start off the answer by saying this: WorkCover Queensland offers the lowest premiums, by a country mile, of any workcover scheme and we offer the most extensive benefits. To keep in front we always have to look at efficiencies, and that way everyone benefits—the workers benefit and so do the businesses that have to pay the WorkCover premiums. I think WorkCover is a well-managed scheme which is also committed to helping employers effectively manage workers compensation claims and policies.

WorkCover's customer advisers provide employers with a single local point of contact for both premiums and claims. The positive relationships built with employers help WorkCover to offer tailored customer services. One-on-one education is conducted by the advisers around the state to ensure employers understand their responsibilities and how to manage their premium and claims. This education is offered at the employer's place of residence free of charge. Premium forecasting is offered to help employer customers budget for their premium payment. Employer information sessions are regularly held at customer services centres throughout Queensland. These sessions allow employers to meet their local WorkCover people and obtain information on the claims and premium processes.

In terms of stakeholders, relationships are very strong with employer associations. WorkCover maintains a strong presence at industry education forums, trade shows and local events. In terms of employer communication, news updates are produced and electronically distributed to account managed employers and industry associations, with this information also available on the web site. WorkCover has achieved significant outcomes for its employer customers including policy rationalisation, faster decision making on claims, engagement of the remedial community leading to earlier rehabilitation, which I support, and more effective return-to-work outcomes, which we all support—the benefit to employers being reduced premium impact.

WorkCover has rationalised policy allocation based on the employer's place of business. By account-managing all claims relating to a policy in a single location, WorkCover is able to provide a more consistent account management service by developing a better understanding of an employer's business and needs. It also allows WorkCover to identify trends in an employer's policy and to assist them to better manage their claims.

WorkCover streamlined its claim determination process to speed up the time it takes to make decisions. This is critical when a claim is received and determined. The faster the appropriate rehabilitation can occur, the quicker return-to-work outcomes can be achieved. Faster turnaround times lead to better outcomes.

**Mr WETTENHALL:** Minister, I refer you to page 3-219 of the Service Delivery Statements indicating that state and federal governments are supporting productivity gains by reducing the burden of regulation to business. Can you explain what enhancements to business processes WorkCover introduced in 2007-08 to improve service delivery for employers and workers and also what business process enhancements were planned during 2007-08 but are yet to be implemented?

**Mr MICKEL:** Firstly, can I start by congratulating the board of WorkCover headed by Ian Brusasco, who has presided over an excellent phase for WorkCover. I also want to place on record my thanks to the CEO, Tony Hawkins, for the outstanding professional job that he has done and to all of the workers involved in WorkCover. The results speak for themselves. For nine consecutive years Queensland employers have enjoyed the lowest average premium rate of any state or territory in Australia. For the 2008-09 financial year, Queensland's average premium rate will be maintained at a low of \$1.15 per \$100 of wages paid. The rate continues on from 2007-08 and was a 4.2 per cent reduction on the 2006-07 average premium rate. It is the lowest in the scheme's history and still the lowest of all Australia's jurisdictions. The maintenance of this average premium rate is expected to save Queensland employers around \$30 million per annum. In 2007-08 WorkCover streamlined many of its premium processes for customers and improved the options available to renew premiums. WorkCover automatically assessed more than half of its accident insurance policies for small employers paying under \$1,000 in premiums.

**CHAIR:** That is the end of the session time, Minister. It is now time for a short block of non-government questions. I call the member for Clayfield.

**Mr NICHOLLS:** Minister, in referring to page 3-226 in the Service Delivery Statements which I think covers part of the Wageline operation, there are quite a substantial number of calls there. I think it is 1.2 million calls or contacts which seems like an enormous amount of contacts. Can you detail—

**Mr MICKEL:** Each one of them?

**Mr NICHOLLS:** No. I would not put you or me through that. But can you give us a monthly break-up and which of those are related to federal jurisdictional issues—if it is private enterprise I expect the majority—and those ones which relate to the state?

**Mr MICKEL:** I can answer most of it. I will not give you the detail of every caller.

**Mr NICHOLLS:** No. There would be a break-up between phone and internet, I suspect.

**Mr MICKEL:** Yes, we can give you a bit of that stuff. You are quite right; I have the figures here to say that there were 1.7 million telephone and internet inquiries in 2007-08. Client access to Wageline continues to increase and inquiries to the Wageline telephone remain constant despite, obviously, the federal takeover of a lot of the industrial relations system, but we still have a number of industrial relations calls for Queensland. Some 25 per cent of the private sector remains under state jurisdiction and there is still, I think, a lot of confusion and complexity in the aftermath of WorkChoices.

The Wageline telephone call centre answered 85 per cent of the calls within 20 seconds—an excellent performance. To maintain this level of service while continuing to receive 200,000 inquiries per year, Wageline engaged 29 staff. I am advised they provide accurate, consistent and up-to-date industrial relations information. However, it does not extend to providing industrial advice. The resource is mainly in the form of a computer database maintained by the Central Information Unit of the Department of Employment and Industrial Relations. This unit is staffed by officers with extensive experience in the information and compliance area of the department. The database includes department opinions and notes usually based on precedents which has been compiled and updated through the department's activities and findings of the Industrial Court and the Queensland Industrial

Relations Commission over many years. It does not provide information on employment conditions under wages or in other industrial instruments but on a wide range of government legislation and regulation in the private sector.

I can now give you an update. I am advised that 35 per cent of the calls concern the federal jurisdiction. Wageline also provides comprehensive information in relation to trading hours, which we always make a big play on for Good Friday and Anzac Day as you know; child employment; private employment agency regulations; public holidays in Queensland; and of course and importantly pastoral workers' accommodation. So the telephone service is well supported by the Wageline web site. A good illustration of this, as I have just said, is trading hours summaries posted on the web site covering the Easter and Christmas holiday periods. The web site was accessed by 1.05 million clients in 2005-06, by 1.1 million clients in 2006-07 and by 1.53 million clients in 2007-08.

**Mr NICHOLLS:** I turn now to the issue of workplace health and safety, Minister. Can you advise whether the government complies with the national code of practice for the management and control of asbestos in workplaces?

**Mr Henneken:** I presume you are talking about the government's own workplaces?

**Mr NICHOLLS:** Yes.

**Mr Henneken:** That is predominantly the responsibility of the Department of Public Works. As I understand it, the department is working through a program to comply with the standard in conjunction with workplace health and safety and has invested a significant number of resources to ensure compliance.

**Mr NICHOLLS:** Thank you.

**Mr MICKEL:** Mr Chairman, before you close off, I understand that I had agreed to table a list of Trade Queensland overseas trips. I seek leave to now table that for the benefit of the committee.

Leave granted.

**CHAIR:** Thank you, Minister. That concludes the examination of the estimates for the portfolios of the Minister for Transport, Trade, Employment and Industrial Relations. Thank you, Minister, to you and your advisers for your attendance and participation in today's hearing.

**Mr MICKEL:** Mr Chairman, before we go can I again thank my director-general and all of the staff from the department for their professionalism in getting us ready to answer all of the committee's questions today. I know you will thank them as well for everything they have provided for the committee, and I thank them personally.

**CHAIR:** The transcript of this part of the hearing will be available on the Hansard web site within two hours from now. The committee will adjourn for lunch and resume the hearing at 1.15 pm. We will then be examining the estimates for the portfolio of the Minister for Sustainability, Climate Change and Innovation. Thank you.

**Proceedings suspended from 12.13 pm to 1.15 pm**

## ESTIMATES COMMITTEE F—SUSTAINABILITY, CLIMATE CHANGE AND INNOVATION

### In Attendance

Hon. Al McNamara, Minister for Sustainability, Climate Change and Innovation

#### **Environmental Protection Agency**

Mr T Wall, Director-General

Ms C Kinnane, Principal Project Officer, Office of the Director-General

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**CHAIR:** Good afternoon. The hearing for Estimates Committee F has now resumed. On behalf of the committee, I welcome the minister, departmental officers and members of the public to the hearing. My name is Jason O'Brien, I am the member for Cook and the chair of the committee. Mr David Gibson, the member for Gympie, is the deputy chair. The other committee members are Ms Jo-Ann Miller, the member for Bundamba; Mr Peter Lawlor, the member for Southport; Mr Steve Wettenhall, the member for Barron River; Mrs Elizabeth Cunningham, the member for Gladstone; and Mr Tim Nicholls, the member for Clayfield.

The next item for consideration is the proposed expenditure of the Minister for Sustainability, Climate Change and Innovation. The committee will suspend proceedings for afternoon tea from 2.45 pm to 3 pm. I remind those participating in the hearing today that these proceedings are lawful proceedings and subject to the standing rules and orders of the parliament. Members of the public are welcome to observe the proceedings but may not participate in the proceedings.

In accordance with standing order 206, any person admitted to this hearing may be excluded at the discretion of the chair or by order of the committee. The committee has resolved that the media may take television footage without sound and photographs during the opening statements by the chair, each minister and for a short period at the commencement of each of the changeover in departments. The committee also has resolved that the proceedings of the hearing will be broadcast by the parliamentary service via the service's web site and to receivers throughout the parliamentary precinct.

I remind members of the committee and the minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the end of each of these time limits. An extension of time may be given with the consent of the questioner. A double chime will sound two minutes after the extension of time has been given.

The standing orders require that at least half the time available for questions at today's hearing 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. Government members and non-government members will take turns asking questions in blocks lasting approximately 20 minutes, commencing with non-government members. The committee has given leave for non-committee members to ask the minister a question. In this regard, Mr Glen Elmes, the member for Noosa, had previously asked to attend but we understand he will not be attending today.

I ask advisers to the minister to identify themselves when they first come forward to answer a question if the minister refers a question to them so that Hansard can record their name. I also remind members, witnesses and members of the public that no food or drink is to be permitted to be consumed in the Legislative Council chamber. Before we begin, may I ask that any mobile phones and pagers be switched off or switched to silent mode.

I now declare the proposed expenditure for the Minister for Sustainability, Climate Change and Innovation open for examination. The time allocated is three hours. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, under standing order 177 you are able to make an opening statement that does not exceed five minutes. Would you like to make an opening statement?

**Mr McNAMARA:** Yes, I will. Mr Chairman, I thank you for the opportunity and can I say at the outset how proud I am to be here today on behalf of the greenest government in Queensland's history. I welcome my director-general, Mr Terry Wall, and Ms Claire Kinnane, the principal project officer from his office, to the front table with me.

The first budget under the Bligh government increases the Environmental Protection Agency budget by a massive 23 per cent. This is at a crucial time in this state's future. The record \$411 million allocation provides for the big-ticket items: dealing with climate change, expanding our national parks and increasing the number of investigators on the ground to catch polluters. It goes right down to helping individuals reduce their carbon footprint one step at a time.

This year, we will increase the area of gazetted nature refuges by 15 per cent to 750,000 hectares. We will employ 60 additional staff to increase the EPA's capacity to monitor and investigate activities that have the potential to harm our environment. We will finalise the Moreton Bay Marine Park review to safeguard that area's unique values and biodiversity. We will open the \$10 million Ma:Mu Canopy Walk near Innisfail and continue the EPA's land acquisition program, including the Daintree rescue and the south-east Queensland rainforest packages.

Today, I was able to announce that as part of this government's multifaceted response to climate change, 1,000 Queensland households will go solar for as little as \$185, after winning the keenly contested ballot in a pilot program to kick-start the widespread take-up of solar power. Eco-Kinetics, an Oxenford based affiliate of one of Germany's leading renewable energy companies, has won the tender to supply 1,000 one-kilowatt solar power systems for a price of \$8,185 each, including standard installation. This installation price also includes a household energy audit and a device that slashes power being used by appliances on stand-by. Households with an income under \$100,000 per annum are also eligible for an \$8,000 federal government rebate on the installation, reducing the standard delivered cost to \$185.

Under the pilot program, 1,000 systems will be installed in five regions across Queensland: the south-east, 620; Toowoomba, 114; Cairns, 60; Rockhampton, 89; and the Fraser Coast, 117, over the next 12 months. Eco-Kinetics has also offered to match the Queensland Solar Homes price—and this is critical—for all Queenslanders after those first 1,000 houses have had their installations. Householders who missed out on the original draw will go onto a waitlist to cover any of the successful applicants who withdraw if they cannot get the federal government rebate. These are high-quality systems. All components are approved by the International Electrotechnical Commission and conform to Clean Energy Council requirements. The systems have a two-year warranty and the PV panels have a performance warranty of up to 25 years and will be installed by Clean Energy Council accredited installers. Another Bligh government initiative means that as well as cost savings for reducing their use of mains power, householders can sell surplus power back to the grid for 44c per kilowatt hour.

Members have read during the week, I am sure, the ACNielsen poll that shows Australians overwhelmingly support tackling climate change, and the intense interest in this system offers tangible proof of how eager we are to reduce our carbon footprint. The Solar Homes Program is a key part of the Bligh government's renewable energy strategy that helps households make the market come to them, as was the case with water tanks. Like any product, more competition means cheaper prices. Not so long ago solar power may as well have been from another solar system for most people. The benefits were obvious, but few could afford it. Now, the government rebates have set the ball rolling. Water tanks are overtaking swimming pools as must-haves in the modern house. This program will help make solar go the same way.

As significant they are, these are small steps, however, compared with the massive impact we will have from the ClimateSmart Home Service. This revolutionary \$60 million scheme brings the fight against climate change into the hands of Queenslanders. The program starts in January. It is funded from the proceeds of the Bligh government's Climate Change Fund—another bold initiative that helps us to confront the reality of climate change with the money to do something about it. The ClimateSmart Home Service is modelled on the hugely successful Home WaterWise Service, which helped people in the south-east to slash water use, easily meeting the government's Target 140 campaign.

Queenslanders know that fighting climate change is not just about the big polluters; it comes down to everyday decisions that they make in their kitchens. They know that the time to act is now. I look forward to working with the committee today to further examine the expenditures in my portfolio area.

**CHAIR:** Thank you. The first period of questioning is allocated to the non-government members. I call the member for Gympie.

**Mr GIBSON:** Thank you very much, and thank you, minister, for the opening statement. I would like to begin by referring to page 3-141 of the SDS and the stated priority of your portfolio of managing climate change and protecting the environment. I also refer to the Australian government's initial report under the Kyoto protocol, published by the federal Department of Climate Change this year. The report estimates Australia's 1990 base year emissions of greenhouse gases at 553,733.8 tonnes and its 100 per cent allocation under Kyoto at 598,075.71 tonnes. Can the minister advise us what Queensland's share is of these figures? Is our share based on a fixed relativity or does it change over the Kyoto period? If it changes, what is Queensland's share of the total assigned amount of 2,990,378.53 tonnes broken down on a yearly basis?

**Mr McNAMARA:** I thank the honourable member for the question. The issue of climate change is, of course, the biggest issue in the world. The Queensland government takes this very, very seriously. Queensland is currently emitting something in the order of 170 million tonnes of greenhouse gases per year. The current estimates are that if we continue on the way we are—if we did not introduce any of the policies which we are currently pursuing—then by 2050 we would be producing about 314 million tonnes per year. That is unacceptable and clearly that is the underlying motivation for all of the changes that Queensland has been pursuing.

Our policy—ClimateSmart 2050—aims to reduce our emissions as part of a national program, and it is critical here that we talk about national programs, to see Australia reduce its emissions by 60 per cent in 2050 on year 2000 levels. We have a role to play and our strategy, ClimateSmart 2050—which I hope to talk about a lot today, frankly—includes a range of very straightforward but practical measures. We have a \$300 million investment in demonstrating clean coal technologies; we have the \$431 million Climate Change Fund, which is going to fund programs at all levels of our society; and we have a Queensland government commitment of over \$1.4 billion already on the table. Obviously, we will be working through the COAG process with the federal government and the other states as an emissions trading scheme is developed and as complementary measures are harmonised across the state and across the nation.

In terms of the specifics of your question, what is important here is that Queensland plays its role. We are not just, regrettably, the nation's largest greenhouse emitter now but we are also the nation's economic powerhouse. If we are going to make climate change policies work, then we need to be very careful that we manage our economy in such a way that we can pay for the transition that has to happen. The question you ask is critical, and certainly I congratulate you on asking it. Looking to the future, looking over the horizon at where we are going as a state and a nation is our job in government. It is the job of the Bligh government—it is the job of every member of parliament—to consider those risks and look over the horizon and ask ourselves how we mitigate risks that we know are coming.

The issue with climate change is that we know—I think all of us in this room, and certainly the government members without any doubt—that human activity is a significant contributor to the warming that we are seeing. We intend to deal with it.

**Mr GIBSON:** I appreciate the information you have just given. You have given the current year and projected forward years. But my question was with regard to the base year. Can you provide us with the percentage of Australia's greenhouse gas emissions in the 1990 base year of 553,773.8 tonnes, as in the federal government's report on Kyoto?

**Mr McNAMARA:** I thank the honourable member for the question. I guess what I am focused on—

**Mr GIBSON:** I am happy to take it on notice—

**CHAIR:** Order! You have actually asked the question twice. So in some respects it is probably out of order, because the minister has already given you an answer to your question. If the minister wants to answer it again, that is up to him.

**Mr McNAMARA:** I will try to answer it in a different way. The critical issue about climate change is, I think, first that we all agree that we have a serious problem and that we are collectively already right up to the edge of what the world's planetary systems can absorb and then, most importantly, that we look to the future and get on with it.

I am of the view that Queensland has much to do. Our target of reducing emissions by 60 per cent on 2000 levels by 2050 would see us needing to be emitting something in the order of 63 million tonnes in 2050. That is a huge task. That is a big, big task. I do not know that it is particularly helpful to be looking at our percentage share between various states in 1990. I think the issue for us is to look at where we are today and to be realistic. We have been very open and honest. Our state of the environment report showed we have had terrific results as a result of the land clearing legislation, which certainly helped us significantly reduce our emissions and, of course, help Australia meet its Kyoto targets. However, that is a one-off benefit. Of course it is a very good thing that the government did that, and perhaps it is a tragedy that the National Party is still committed to repealing that legislation.

However, we recognise that our emissions continue to grow in areas like transport and energy and that we need to curtail that growth. The work that my department is doing and the work that this agency, as part of a broad, whole-of-government approach, is pursuing is very much focused on the future: acknowledging that we have a problem, putting very practical means of dealing with that problem on the table, working with Queenslanders at all levels—from big industry down to the household level—to make sure that we attack this issue from as many points of view as possible.

In relation to dealing with global warning, it has been said that there is no silver bullet, but there is a lot of silver buckshot. That is the approach we are adopting. We think the solutions are out there. We are adopting and adapting and working cooperatively with other states and federally. However, arguments about how much we will be producing at any particular time really miss the point. This is about the future.

**Mr GIBSON:** Thank you, Minister. I do not disagree with your comments about the future, but Kyoto feels it is important that we have a baseline, hence my question that we were not able to get an answer to. In relation to the same government priorities, can you detail the impact on emissions of the recent growth in the Queensland coal industry—the recently announced 40 per cent increase in the state's coal industry—and how that will impact on the state's greenhouse gas emissions?

**Mr McNAMARA:** This government has been very frank in recognising that coal is an incredibly important contributor to the Queensland economy, and it is a critically important contributor to the growing health and wealth of many, many parts of the world, but clearly it is a significant contributor to our greenhouse profile as well. We recognise that stationary energy is, of course, an issue that we need to deal with. It should be recognised—and I am sure the honourable member is aware—that about 70 per cent of Queensland's coal exports are used in the production of steel rather than the production of power. As challenging as it is, it needs to be recognised that the world's demand for steel is going to increase. Therefore, the issue of coal exports should not necessarily be put completely into a category that is all about coal-fired power.

Nevertheless, as a state we have the capacity to be a key player in finding solutions to aspects of this enormous worldwide problem. Therefore, the \$300 million that the Queensland government has contributed to the Clean Coal Fund is part of a federal government and industry program designed to look at carbon capture and storage. We have to do this. You referred to the Garnaut report. One of the recommendations in Professor Garnaut's interim report, released a couple of weeks ago, is to look at clean coal and find out how we can make it work. We do not shy away from that.

Of course we understand that mining contributes emissions and coal-fired power stations contribute emissions and that they are key issues that have to be dealt with. However, they will not be dealt with by putting our heads in the sand, they will not be dealt with by collapsing our economy and simply pulling up stumps, and they will not be dealt with by turning off power supplies and steel production to the developing and developed world. This is a time for new thinking. Einstein offered the advice that the sort of thinking that got us into this mess will not be the sort of thinking that gets us out of it.

Clean coal is very much where we are headed. We make no apology for that. We think it is an important road to pursue. Queensland is earning something in the order of \$2 billion in royalties from coal. That is money that can go into helping Queensland adapt, helping us find the right technological solutions and helping households move to lower energy mixes. All of these things have a role to play and we look forward to doing just that.

**Mr GIBSON:** Minister, I appreciate your comments with regard to coal. Perhaps I did not phrase the question clearly, because I am still struggling to get an answer from you. If we can look at coal, aluminium and gas production in the state expressed in whole numbers as a proportion of the allocation under Kyoto, what will the growth in these areas add to Queensland's greenhouse gas emissions between 2000 and 2020? More importantly, by how much will ordinary Queenslanders have to reduce their total greenhouse gas emissions to accommodate growth in these industries to meet the targets?

**CHAIR:** I am listening carefully to the questions, member for Gympie. I have given you some leeway already, but I am struggling to see how your question relates directly to the budget. You have not referred it to a budget line item. I ask you to do that. However, I remind you that we are here to investigate the appropriation of funding for this department and I am struggling to see the relevance of your question to the committee's work.

**Mr GIBSON:** I am sorry, Mr Chair; the budget line item is on page 3-141 of the SDS.

**Mr McNAMARA:** Thank you, member for Gympie and thank you, Chair, for your protection. I am one of those people who could indulge in discussions about climate change until the cows come home. However, I take your point, Chair—and I suspect that, as usual, you are absolutely right in these matters—that an esoteric discussion about potential emissions of potential mines may have some difficulty being sourced to the budget papers. Nevertheless, it is a very important issue and I am prepared to look the other way on standing orders one more time.

The honourable member's question about what are the likely emissions from mines which are foreshadowed misses the point. What we are developing in this country is an emissions trading scheme. What we are developing in this country is not a plan to not open any more mines. What we are developing and what Queensland is committed to is a system that allows us to have economic growth but controls our emissions. I will put on the record today that any new mine will emit greenhouse gases in the construction of the mine and in the mining process itself. That is a no-brainer. That is hardly something to be proud of in recognising. Yes, new mines will emit greenhouse gases, but new mines produce the things that we need to deal with climate change. I do not think it advances the interests of Queensland to start suggesting that we should stop economic development because that development will have a greenhouse impact.

What we are doing quite properly, through the federal government, the COAG process and our own individual state government priorities, is making sure that we have a nationally based system with caps and targets that sets prices on carbon and that gives certainty to industry—so that those new

mines can be developed, so that they can do their business case and do their cost structures going forward, and so that they can then contribute to jobs and prosperity, particularly for regional Queenslanders. It is strange that someone such as yourself, coming from Gympie, runs the line that you are opposed to mining.

**Mr GIBSON:** Minister, I do not think I actually said that.

**Mr McNAMARA:** I think we need to work within the parameters that the Australian government is developing. The green paper released is now a suitable place for us to consider where we go from here. But the reality is that, as a state government or as a nation, we are not trying to stop any particular industry going forward. What we are trying to do is put in place a system that reduces emissions.

**Mr GIBSON:** Minister, let us get down to some of the detail. Looking at SDS page 3-156 and the cash flow statement under 'Inflows: Sales of property, plant and equipment', the estimated actual lists a negative figure. Could you explain what occurred that resulted in that loss?

**Mr McNAMARA:** I am happy to get you a detailed answer on that. We will deal with all the big ups and downs in the budget as we move through, but some specifics on issues involving particular sales of product in any particular year will be a level of detail that we will take on notice and get you an answer on before the end of the day.

**Mr GIBSON:** Thank you. You may wish to take this one on notice as well. I refer again to page 3-156, the cash flow statement. For the estimated actual under 'Inflows: Output receipts', there is a difference between that figure and the estimated actual in the income statement under 'Income: Output revenue'. I note that the adjusted budget for 2007-08 and the estimated figure for 2008-09 are the same on the cash flow statement as they are on the income statement. Again, I am happy to put this on notice. Could you provide the difference? It is in the vicinity of about \$5 million.

**Mr McNAMARA:** I am happy to get you the particular detail in relation to those particular ins and outs. We will get that to you as soon as possible. We take that on notice.

**Mr GIBSON:** Okay. Minister, can you advise the committee of the cost of all government boards, committees and statutory bodies under your portfolio?

**Mr McNAMARA:** Obviously the member will be aware that all of the statutory authorities provide annual reports that include their annual budgets and those are tabled in parliament from time to time. Most of the annual reports are tabled late in the year. It is the director-general's obligation to put that material to the parliament. Again, we can get you last year's tabled documents if you so require. Obviously this year's documents will be tabled in the normal course of reporting as well. I undertake to get you the list of the various entities. We will take that on notice.

**Mr GIBSON:** Thank you for that, Minister. I note that the Queensland government's annual report guidelines for Queensland government agencies—and this is for last year—under section 5 lists that the annual reports should contain the costs of boards and committees. I have gone through last year's report. I cannot find those costs. Is there a reason why they were not included in last year's annual report?

**Mr McNAMARA:** The format for these annual reports is subject to a range of guidelines and the Auditor-General has, of course, recently been reviewing those guidelines and has made further recommendations. We will always comply with those guidelines. The Auditor-General recognises that accounting standards and procedures change from time to time and he advises the government in that regard, that some of the accounting standards are no longer applicable or need to be varied in ways that reflect current standards. Nevertheless, as I said, I am happy to provide to you any of those annual reports.

**CHAIR:** Thank you, Minister. The time for non-government questions has expired. It is now time for government questions. The first one is from me and I refer to page 3-141 of the budget statements. Minister, we have talked a bit about climate change already. Can you tell us what the latest science is telling us about climate change in Queensland?

**Mr McNAMARA:** Thank you, Chair. The issue of sound science is absolutely critical in tackling climate change—no question. In order for the public to have confidence in our approach, clear research needs to be provided. The science of climate change is of course changing very rapidly. In 2007 two key reports were released which enhance our understanding of climate change in Queensland. They were: the Intergovernmental Panel on Climate Change's fourth assessment report and the *Climate change in Australia: technical report 2007*, which was a joint publication of the CSIRO and the Australian Bureau of Meteorology.

The Intergovernmental Panel on Climate Change was established by the United Nations in 1988 to evaluate the risk of climate change and to provide objective information to governments so that they can work with their communities. Its first report was in 1990. We have come a long way since then in our understanding of this issue. The CSIRO has an international reputation for its scientific assessment and analysis in the field of climate science.

Some of the key findings of the latest IPCC report are that warming of the climate system is unequivocal. Most of the warming in the last 50 years is 'very likely' due to the observed increase in greenhouse gas concentrations from human activity, such as burning fossil fuels and land use change. It is very likely that changes in the global climate system will continue well into the future and that they will be larger than those that have been seen in the past. The IPCC report identified two hot spots in Queensland that will be particularly vulnerable to climate change. They are the Queensland Wet Tropics, including the Great Barrier Reef, and of course south-east Queensland.

In October 2007, the CSIRO and the Australian Bureau of Meteorology released *Climate change in Australia: technical report 2007*, which focused on the risks and impacts of climate change and provided the most comprehensive information available for Australia to date. The *Climate change in Australia* report reveals that since 1950 Queensland's average annual temperature has increased at a faster rate than the national average. Since 1910, average temperatures have risen across all of Queensland while rainfall has declined in some coastal areas, noticeably south of Cairns.

The Office of Climate Change and the Queensland Climate Change Centre of Excellence summarised the key findings of both reports in *Climate change in Queensland: what the science is telling us*. This provided an assessment of the available science and potential impacts for Queensland. The overwhelming consensus of current science is that climate change is happening now and that the climate is changing at a faster rate than was previously anticipated.

**CHAIR:** Minister, just to change tack for a moment and referring to page 3-142 of the Service Delivery Statements, can you advise what the agency has done to minimise the damage caused by feral animals on parks and forests?

**Mr McNAMARA:** Thank you, honourable member, for that very important question. Coming from your lovely part of the world, you are particularly interested in our efforts to deal with feral animals such as pigs, which cause so much harm. I am delighted to inform the committee that funding totalling \$10 million is included in the budget to continue the fight against fire and pest plants and feral animals to protect the biodiversity that we value so much. It includes \$5.5 million for fire control and \$4.5 million for pest and feral animal eradication programs to continue to protect the National Estate from these threats to the state's biodiversity. Invasion by pest species is now recognised worldwide as one of the biggest threats to biological diversity. Feral animals and weeds are second only to vegetation clearing as a threat to our wildlife. Pest plants and animals can have serious environmental and economic impacts, and protecting our lands from pests is a job for all landholders, both private and government.

The EPA contributes significant resources to combating these pests in the areas it manages and gives a very high priority to these activities. Pest animals can have major impacts on native animals by preying on them, by competing for food and by damaging their ecosystem. Major programs are in place across the state to control pest animals by reducing their numbers and impacts. Many of these are conducted in partnership with rural communities, our neighbours across fence lines and other agencies.

The EPA is always keen to work cooperatively with neighbouring landholders and local government to manage pest animals across the landscape. As we all know, pests do not recognise property boundaries and action must be coordinated across broad geographic areas to be effective. Some of the work being done in relation to controlling feral pigs in north Queensland is a very good example of this. The EPA is better resourced than ever before to tackle this serious problem, with record spending sustained over the last four years enabling it to continue its successful program.

During the 2007-08 financial year, more than \$4.5 million was expended to manage pests on the Queensland Parks and Wildlife Service estate, and this level of funding will now be maintained in 2008-09. Projects approved for the 2008-09 financial year are: \$1.5 million to be spent on 84 specific projects, with \$750,000 for 34 pest animal management projects; \$370,000 to be spent on 19 major projects involving pig eradication and control and some including other pest animals; \$210,000 will be used for four pest animal programs involving feral horses, including a major program at Carnarvon National Park. Pests will regretfully never be totally removed from the Queensland landscape, but the EPA is committed to continuing to play its part in controlling pests.

**Mr LAWLOR:** Minister, I refer you to page 3-144 of the Service Delivery Statements. Could you tell us what steps have been taken to ensure that residents and visitors to Fraser Island, particularly children, are adequately protected from dingoes?

**Mr McNAMARA:** I thank the honourable member for the question. I am delighted of course that he has asked it because Fraser Island is in my electorate and this issue is one that I take extremely seriously. Public safety is the government's No. 1 priority in relation to dingo management on Fraser Island. Dingoes on the island are managed in accordance with the Fraser Island dingo management strategy, which was developed in 2001 and then revised in 2006. That strategy has succeeded in reducing the potential for negative interactions between people and dingoes through intensive education, through community engagement and through a range of compliance programs.

The education and information component of the strategy has been recognised as world's best practice. Additionally, dingo deterrent fencing at Kingfisher Bay Resort and at various camping areas has proved to be a very successful technique in minimising negative dingo and human interactions. Children are at the highest risk around townships because, regrettably, some people persist in irresponsibly and illegally feeding dingoes in these areas. In September 2007 the Premier announced that in the interests of public safety dingo deterrent fencing would be erected around the Eurong and Happy Valley townships on Fraser Island. Persistent illegal and reckless feeding of dingoes by some residents and visitors in townships creates habituated and aggressive animals that pose a serious threat to humans, particularly children.

Community engagement, intensive education and compliance programs have not succeeded in changing the attitude and behaviour of some residents and visitors towards dingoes. Dingo deterrent fencing elsewhere on Fraser Island has proved to be a very successful engineering technique by excluding dingoes from interacting with humans. Subsequent to the Premier's announcement, the EPA provided information to and held discussions with the Fraser Island World Heritage area community, Indigenous advisory committees, the Fraser Island Association, Eurong and Happy Valley residents' representatives, some individual residents and property owners on particular issues, and the former Hervey Bay and Maryborough city councils and other affected agencies including the Department of Natural Resources and Water, Rural Fire Service and Queensland police. I have myself recently met with the new Fraser Coast Regional Council and discussed this issue, amongst others.

The fence around the Eurong township is finished and the Happy Valley fence is expected to be completed in the near future. These will be the 8th and 9th dingo deterrent fences constructed on the island, and there have been no aggressive incidents within fenced areas where the fences are active as dingoes are effectively denied access to food from human sources. Of the 73 recorded aggressive or dangerous dingo incidents on Fraser Island in the year 2007, 47 were associated with the townships of Eurong and Happy Valley. The EPA has a zero tolerance approach towards people feeding or making food available to dingoes, and fines of up to \$3,000 apply. I would like to emphasise that the fencing is there for the protection of humans and it is in the interests of the dingoes as well.

**Mrs MILLER:** Minister, I refer to the top of page 3-149 of the Service Delivery Statements. Could you explain what the government is doing to ensure that the quality of air in Gladstone is monitored and that the people's health is protected, whilst also encouraging the responsible development of this important port city?

**Mr McNAMARA:** I thank the honourable member for the question and for her interest in this area broadly. Gladstone is of course one of Australia's most significant industrial and port cities. During 2007-08 the EPA, in collaboration with Queensland Health, commenced the Clean and Healthy Air for Gladstone Project in response to community concerns about the cumulative impact of air emissions from industry on the wellbeing of that community. This is one of the most comprehensive scientific investigations on the impact of industrial air emissions and the quality of air on human health ever conducted in a Queensland city.

Existing air quality monitoring sites are having additional equipment installed to measure a wider range of chemicals, and new sites are being commissioned to provide increased coverage of industrial and residential areas. The monitoring program will cover chemicals which are known to have ill-health impacts—the sulfur oxides, the nitrogen oxides, ozone, metals, polycyclic aromatic hydrocarbons, volatile organic compounds and particulates, including ultra fine particles. Data from the enhanced air quality monitoring network will be available to the public online at the EPA web site.

The project is assessing community exposure to a wide range of air pollutants by preparing a detailed air pollution inventory for the Gladstone area, an enhanced air quality monitoring program and refinement of the air quality monitoring system. The project also includes a detailed community health analysis to determine whether there are negative health impacts in the local community that may be related to air emissions. This includes a focused population survey complemented by analysis of data from various sources including cancer and other registries and hospitalisation records.

The total investment by the EPA over the two-year life of this project is expected to exceed \$2.5 million. That figure includes \$895,000 for staff time. As part of the EPA's enhanced compliance program, the EPA has created three additional positions based in Gladstone to work specifically on the science and consultative aspects of this project. That figure also includes more than \$1 million in capital expenditure to establish an enhanced network of air quality monitoring stations. These stations will be state of the art. They will allow the EPA to investigate a comprehensive suite of chemicals that may or may not be present in the ambient air in Gladstone.

One of the three new fixed monitoring stations was opened on 23 June this year, with the remaining two fixed stations and a new mobile station due to be commissioned over the next two months. Future scale and nature of monitoring will be reviewed during the life of the project. There is an extensive community and industry engagement program, including community and industry reference groups, with strong participation from local government in the project's governance. This program will help the EPA further improve its industry compliance programs for air emissions across Queensland, but the results will of course be particularly important in Gladstone.

**Mr WETTENHALL:** Minister, could you explain what the Queensland government has done to encourage Queensland householders to reduce their carbon footprint as mentioned in the Service Delivery Statements at page 3-141?

**Mr McNAMARA:** I thank the honourable member. I know this is a matter which clearly is very important to you and which you have raised with me on numerous occasions. When I was recently in Cairns you took the time to introduce me to a number of people in your community who share concerns about our ability to reduce our carbon footprint. I thank you for taking that time.

From 1 January 2009, Queenslanders will be able to access the ClimateSmart Home Service program, which I mentioned in my opening remarks. I will take a moment on the basis of the question to go into the some of the detail of it. For a fee of \$50, a licensed tradesperson will provide 15 energy efficient light bulbs, a wireless electricity meter to monitor daily energy use, a water efficient shower rose and an energy audit of your home. The single most important element of this program—and it is terrific value for money—is the installation of the household energy monitor, which will provide householders with real time data about their energy consumption and greenhouse gas emissions. Seeing how much energy is being consumed and being able to measure the effect of turning on any particular appliance and any lifestyle changes you make can certainly encourage energy consumption efficiency. The end result will be cost savings of course to individual households but more broadly environmental benefits through greenhouse gas reductions across Queensland.

The ClimateSmart Home Service will also include, as I mentioned, a home energy audit to help households further reduce their energy consumption. The Queensland government's \$2.5 million ClimateSmart Living public education initiatives continue to highlight actions that Queenslanders can take to reduce their greenhouse gas emissions. ClimateSmart Living provides households with information about the range of products and services that are available that can help them save energy and address climate change. The campaign has influenced many Queenslanders to change their attitudes and encouraged them to take positive steps to help address climate change. The EPA-led campaign has resulted in more than 75,000 Queenslanders pledging to take simple actions at home to reduce energy consumption such as installing energy-efficient compact fluorescent lights, checking their fridge temperature, checking their tyre pressure and turning off stand-by power.

The Queensland Solar Homes Program, which I mentioned earlier, will now see the rollout of a thousand one-kilowatt systems across roofs in Queensland. Approximately 23 per cent of the electricity generated in Queensland is used in our homes, with the typical Queensland house using about 10,900 kilowatt hours of electricity every year. This equates to approximately 11 tonnes of greenhouse gas emissions each year from electricity use alone. The Solar Bonus Scheme will help pay for this electricity and is certainly a step in the right direction.

**Mr WETTENHALL:** Minister, I refer you to the Service Delivery Statement at page 3-142. The Back on Track species prioritisation framework is designed to prioritise all species in Queensland, including plants and animals, for conservation effort. At what stage is the framework and have there been any benefits from it yet?

**Mr McNAMARA:** I thank the honourable member for the question. The traditional approach to species conservation and prioritising recovery and management has been based largely on listing species as threatened under legislation, in particular either the state's Nature Conservation Act 1992 or the Commonwealth's Environment Protection and Biodiversity Conservation Act 1999. However, a species prioritisation scheme that considers other factors in addition to the threat of extinction is likely to be a more strategic approach. This can include factors such as: what is it that is threatening species, can anything be done about that threat, and what resources will be required to recover the species?

The Back on Track species prioritisation framework is designed to prioritise all species in Queensland, including plants and animals, for conservation effort. Halting the decline of the state's biodiversity and reducing the impact of threatening processes requires the effective and targeted use of resources not just of governments but also of landholders and community groups. My department has worked tirelessly to introduce and implement a species prioritisation framework called the Back on Track species prioritisation framework. This framework is a first for Australia and is creating a major shift in how we approach threatened species conservation. Using this innovative approach enables the state to be more strategic in achieving its conservation goals through prioritising its work, which leads to a more effective allocation of funding and other resources. Results are being used to help the EPA work in partnership with stakeholders such as local government and natural resource management groups to develop regional, multispecies action plans to recover Queensland's threatened species.

To date, more than 4,000 of Queensland's native plant and animal species have been assessed using the Back on Track criteria. Funding has been attracted for projects as a result of this framework. A key benefit of this project so far has been to begin leveraging external funding to help deliver biodiversity outcomes for Queensland. Projects demonstrating this approach include \$150,000 received from the Australian government for enhancing biodiversity hot spots along western Queensland stock routes. The stock route network in Queensland provides an extensive array of reserves across the length and breadth of the state and supports a range of priority species. Over the next 12 months, this project will identify and prioritise biodiversity values on the stock route network through western Queensland.

There is \$170,000 that has also come from the Australian government for Bringing Back the Beach Scrub in central Queensland. The goal of that program is to conserve priority species that are supported by the vine forest on coastal dunes or beach scrub in central Queensland.

**CHAIR:** Thank you, Minister. The time for questions from government members has expired. We now go to the non-government side. I call the member for Gladstone.

**Mrs CUNNINGHAM:** Minister, as driver for a response to climate change, what assessment has been made by your department of potential economic impacts on Gladstone industries which rank highly in the targeted industry areas of cement, alumina, aluminium and coal? Has any funding been allocated in this budget to ameliorate those impacts?

**Mr McNAMARA:** I thank the honourable member for the question. Can I assure the honourable member and through her the people of Gladstone that the economic impacts of a national emissions trading scheme on a highly industrialised, growing city like Gladstone are at the forefront of the government's thinking in relation to how we get this right. It has certainly been the Queensland government's position to pursue a national program and complementary state measures designed to reduce carbon emissions, but there is no doubt whatsoever that we recognise the risk to a place like Gladstone because of its high energy using industries, its trade exposed industries.

The Bligh government in its dealings with the Rudd government has made it clear through a variety of contacts, communications and ministerial fora that we understand that those risks need to be taken into account. The issues which have come up in relation to climate change adaption have always recognised that those trade exposed industries will need some protection in the period of transition. We will not leave these industries—which use lots of energy, which produce lots of greenhouse, which will need to change some of their ways and which will be financially impacted—exposed while their major competitors do not have a similar regime in place.

So we will be working with the Commonwealth through this green paper phase to consider those economic impacts in detail. The government was delighted with the green paper structure in that it recognised the risk for those trade exposed industries, and the suggestions in the green paper in relation to ways of allowing those industries to transition while we bring this system in—with a combination of permits and allowances on emissions—are very sensible.

Gladstone is a beautiful city but it is also without doubt one of the economic powerhouses of Australia. We certainly look forward to working with the Gladstone council and local industries there to make sure that everyone plays their role in reducing greenhouse gas emissions. The economic benefits which flow from Gladstone are well understood and well protected in this process.

**Mrs CUNNINGHAM:** Minister, as you have said, Gladstone is a significant industrial area. The government's real commitment to its environment in part is reflected in the resources the government allocates, in this instance to the EPA and its operation. What is the budget actual for 2007-08 for the Gladstone EPA and what is the proposed budget for 2008-09 for that office, including full-time equivalents?

**Mr McNAMARA:** I thank the honourable member for the question. I can get you those details a little later today. I will happily take that question on notice. We will go to the back of the room and break it down.

**Mrs CUNNINGHAM:** This is a follow-on perhaps to that. You have said that three staff have been allocated to the Gladstone office for the duration of the current air monitoring project. Because the line items are in bulk, is there funding to the Gladstone office for skills development, given that the industry mix in the Gladstone region is growing, and particularly with the new LNG industries that are proposed? I just put on the record that one long-term employee has left the EPA and gone, one could say, to the dark side; he has gone to one of the industries. However, I just wonder whether there is an allocation for additional staff and also for staff training.

**Mr McNAMARA:** I thank the honourable member for the question. The short answer is yes. In any additional staff allocation such as the one which I mentioned earlier in relation to the question from the honourable member for Bundamba, there is a training component for new staff to make sure that, quite apart from the skills they bring to the job, they also have the additional training that is required to assist them to do that job. Again, I am happy to undertake to get you some particular details of the structure of that training and the amount of time and money that is invested in that, but that is a standard process in relation to hiring new people into new positions. There is a skills training component.

In relation to ongoing staffing, I am delighted that this budget continues the process of allowing the Environmental Protection Agency to recruit additional staff. We have a very strong commitment to regionalisation, and I was delighted earlier this year to join the member for Bundamba along with others at the opening of the new Ipswich regional office of the Environmental Protection Agency. We have a key role to play, along with many other agencies in the government, in strengthening regional communities and regional capacity for service delivery. We will always of course in the context of that commitment to regionalisation look at resources where they are most needed. Although I cannot give you a future commitment for additional staff beyond the ones I have already foreshadowed in the earlier

answer, there is no question that Gladstone's continuing growth and its continuing high level of priorities as we work through making sure that we get the balance between economic development and environmental protection right means that Gladstone will certainly get its fair share of future staff allocations in future budgets.

**Mrs CUNNINGHAM:** In the answer to question on notice No. 9 to Mr Gibson, you gave an allocation for pest animal management and pest plant management for the central region as \$1.8 million; it might even be \$2 million. However, you said that there has been organisational restructure and the allocations have been broken down into a number of regions and the new allocation for this forthcoming budget for the central Queensland marine area is \$0.076 million. I am very concerned because, with all of the industry, the port is going to have greater activity and that seems to be a significant reduction in allocation.

**Mr McNAMARA:** I thank the honourable member for the question. I might ask the director-general of the EPA, Mr Terry Wall, to take you through that process. The restructure requires the allocation on paper of budget amounts where in fact the service delivery is still effectively the same on the ground but there are some organisational structures. I might let him take you through that particular aspect.

**Mr Wall:** Mrs Cunningham, I think in the answer to the question we provided the information was based on a range of new regions. The EPA has increased the number of regions that it has and increased the number of senior officers we have in each of those particular regions to provide better service delivery. So the central Queensland marine is just one component of what would otherwise have been provided through the central region. The central region is now made up of a number of smaller regions of which the central Queensland marine is one. We can provide you with the detail if you want of the exact amounts that would cover the similar sort of area in relation to 2008-09.

**Mrs CUNNINGHAM:** Thank you. Minister, you talked about the clean air study and the air monitoring program that is being undertaken for a period of two years. Is there sufficient budget allocation for the monitoring of the additional pollutants to continue past that time? People in my community are certainly disillusioned in that they relied on the EPA in past years to be monitoring for all potential health impacts and pollutants that are reasonable, and there have been shown to be about three for long-term monitoring. Will there be a more extensive air monitoring program into the future for the Gladstone region and will it be funded?

**Mr McNAMARA:** I thank the honourable member for the question. As I mentioned in my earlier answer, we have as a government made a budget allocation this year and effectively a future commitment over the life of the project of \$2.5 million. The reality is that this is the most extensive program that you could possibly imagine. It is monitoring as broadly as possible, with the proviso—as you correctly point out, member for Gladstone—that we are monitoring for the sorts of things that one expects to find given the types of industries that are in Gladstone. We are not being silly about it, but it is a very broad range of things which is being monitored. At the end of the program obviously we will assess what the data gives us.

We always take into account that Gladstone potentially has a number of other large projects on the books. There is no question that there is foreshadowed significant potential investment in industry in Gladstone, all of which will have some sort of impact on the Gladstone airshed. Both I and the Deputy Premier, Paul Lucas, have made it clear and have stated in the parliament that we are committed to making sure there is a clear understanding of what is in the air of Gladstone and that that air will be clean and safe for the residents of Gladstone.

As to the issue of monitoring more broadly over time, to be fair, some of the monitoring equipment has only relatively recently become available. Things like monitoring for ultrafine particles, for example, is a fairly recent science. We are buying equipment from overseas which is the latest available to spread the potential for monitoring as widely as is reasonable while recognising that we continue to understand the science of air better and better.

I cannot give you a future commitment to budgets two, three and four years down the track. What I can give you is this commitment: the industrial development which Gladstone is carrying on behalf of the people of Queensland is well appreciated, well recognised and will be supported with proper science, with adequate staffing from the EPA and with ongoing involvement with the Gladstone community. I have made a commitment to the community reference group, which I have already met with, that I will continue to return to Gladstone—I think I am going back there again shortly—to talk with industry, community and council to make sure that we get this right and make sure that people have faith in the system.

**Mr GIBSON:** Minister, I refer to page 3-146 of the SDS and 'Staffing'. Given that there have been some high-profile pay increases for selected public servants in the last financial year, can you inform the committee if there have been any reviews or reports commissioned to look at the salaries of those within the Office of Climate Change? If so, how much did these reviews and/or reports cost? And what was the outcome of the reviews and/or reports?

**Mr McNAMARA:** I thank the honourable member. Before I attend to that, we have the information now to some of the questions which you asked earlier which I took on notice. I am happy to have the director-general talk you through it or we can simply table the material.

**Mr GIBSON:** Table the material.

**Mr McNAMARA:** Okay.

**CHAIR:** Is leave granted to table that material? Leave is granted.

**Mr McNAMARA:** I might get the director-general to say what is being tabled for the record.

**Mr Wall:** You asked for an explanation of the figure of \$570,000 in relation to sales of property, plant and equipment. What we will table is the break-up of those which essentially relate to losses on the disposal of assets. The second item you asked for was the difference between a figure in the cash flow statement on the first line and a figure on the first line in the income statement. The differences largely relate to the different treatments between those two statements. One is an accruals base and one is a cash base. So it reflects when particular appropriation revenue was brought to account in one statement—like the income statement—as to when the cash will be received in the cash statement. So they are the explanations that are provided in these documents.

**Mr McNAMARA:** I thank the honourable member for Gympie for the question. In relation to your question regarding positions in the Office of Climate Change, two senior director roles for that office were established to lead the policy development and policy coordination and implementation of the Bligh government's climate change agenda. This is an incredibly important area of government activity and requires some people with particular expertise to do that. The senior director of policy coordination and implementation is accountable for ensuring that Queensland is well positioned in the national and international climate change policy debate and for driving the implementation of climate change initiatives within the state.

The senior director of policy development is accountable for leading the development of new whole-of-government climate change strategies as well as a range of new climate change initiatives in Queensland. I can assure the honourable member that no area of the EPA is working harder than the Office of Climate Change. It is really putting in an extraordinary effort as the Queensland government works on behalf of the people of Queensland to play a role in this area.

The role descriptions were drafted for both senior director positions and evaluated at the SES2 classification level by external consultants Mercer (Australia). Both positions were created for 12 months and approved by the Public Service Commissioner as section 70 employment contracts. The use of contracted employment allowed the EPA to give focus to the establishment phase of the Office of Climate Change, as it was a new office. They are being paid at the relevant Public Service rates for SES2 and they are doing an outstanding job. I think that is what your question was about. The position of Executive Director of the Office of Climate Change came from a vacant SES3 position in the EPA which was redesignated to that role—the executive director of climate change—at the same level. That position was effectively an internal vacancy which we were able to put Mr Greg Withers into at the same level that he is currently gazetted at.

**Mr GIBSON:** Thank you for that, Minister. That was quite detailed. I would like to follow up on that with a quick question. Were those senior director positions advertised?

**Mr McNAMARA:** I thank the honourable member for the question. I have seen some comments by him about advertisements of these positions. The SES exists in the Queensland government as a mobile senior executive. The idea is that we have a core of people who are highly skilled, highly experienced and who have the capacity to move between departments and go to where the job is or go to where the government activity is happening. It is designed specifically to allow government to have flexibility in those senior ranks so that we can respond to issues that emerge. Accordingly, under section 79 of the Public Service Act 1996, the Governor in Council can by gazette notice transfer senior executives. Similarly, the positions can be filled without being advertised. That is a very important aspect of doing business in a modern world where issues arise and governments want to move quickly. It recognises that there is a talent base within the Public Service—not being hidebound in silos with people stuck in one department for the whole of their lives. It recognises that there are skills out there which can be brought to bear.

In the last two years 57 SES officers have been transferred between government departments under the provisions of that act. In the last two years, four SES officers have transferred into the EPA from other government departments and four SES officers from the EPA have gone to other government departments under that provision of the act.

**Mr GIBSON:** I take it the answer was no?

**CHAIR:** Thank you very much.

**Mr GIBSON:** I just missed it.

**CHAIR:** The time for non-government questions has now expired. We will now go to government questions. I call the member for Barron River.

**Mr WETTENHALL:** Minister, I am happy that research undertaken as part of the centenary of Queensland park celebrations revealed that a very famous national park in my electorate that bears part of the name of my electorate—namely, Barron Gorge National Park—was arguably the first and oldest national park in Queensland. Could you advise how Queensland Parks and Wildlife has marked the 100th year anniversary of national parks?

**Mr McNAMARA:** As a former lawyer myself, I have to recognise the forensic skill of the honourable member for Barron River in going to some considerable effort and taking the time to show me up and to point out to me that in fact the Barron Gorge National Park was the first national park in Queensland. Notwithstanding that Queensland's first national park declared as such was Witches Falls on the Gold Coast, I think we can perhaps appropriately recognise the national park to which the honourable member refers in due course. It is a good point. He is a very good lawyer and he has done some terrific work in that regard.

Queensland celebrates the gazettal of Witches Falls on the Gold Coast in March 1908 as Queensland's first national park, but the honourable member is quite right: there was a period where Barron Gorge flashed onto the register in the 1800s and that does need to be recognised, although it was perhaps slightly different legislation from our national parks legislation.

We have nevertheless come a long way in 100 years and the focus on what we protect has extended from merely outstanding scenery to the biodiversity and cultural heritage which resides in our parks. Queensland now has 282 national parks covering some 7,600,000 hectares which stretch from desert to rainforest to reef. That compares very favourably to some five million hectares in New South Wales and some three million hectares in Victoria. To mark the centenary of parks, there has commenced a year-long program of events and displays across the state. I was delighted on 28 March to attend the commencement of those celebrations with the Premier at Witches Falls, which is now part of the Tamborine National Park.

On that occasion the Premier made the announcement that Queensland is upping its national parks target from five per cent of Queensland to 7½ per cent of Queensland by the year 2020, which will mean that we will need to go from the current 7.6 million hectares to something like 12.9 million hectares by 2020. It is an ambitious target but one that Queenslanders will support very strongly from everything that I have seen and heard in travelling around Queensland.

The celebrations of our centenary culminate in the Australian Protected Areas Congress on the Sunshine Coast in November. The theme of that congress is protected areas in the century of change. The congress will bring together leaders and experts in protected areas from across the Asia-Pacific region. It will focus on the values, benefits and contemporary and future importance to humanity of protected areas in Australia.

**Mrs MILLER:** Minister, I refer to page 3-142 of the Service Delivery Statements. I would like to ask you how the new litter laws have been applied across Queensland. Also, how successful was the training package in the implementation phase of these laws?

**Mr McNAMARA:** I thank the honourable member for Bundamba for the question. Last year's Ministerial Portfolio Statement reported that the government was strengthening those litter enforcement laws and would provide a comprehensive training program for local governments and government agencies responsible for implementing those new laws. In October 2007 I was delighted that the parliament passed the Environmental Protection Amendment Bill to give effect to new littering laws in Queensland. Those littering provisions commenced in Queensland on 11 February this year.

The new littering offences and penalties better reflect the seriousness of some types of litter. In addition to the existing general littering and illegal dumping offences, the new offences of depositing litter from a vehicle and dangerous littering were included. As the bulk of Queensland's litter is found along our highways and roadsides the ability to enforce littering from vehicles is fundamental in changing behaviour and reducing the roadside litter. Littering from a vehicle can incur an on-the-spot fine of \$225 and dangerous littering will cost \$300, with a maximum penalty 10 times that if a matter goes to court. Dangerous littering can include things like throwing a cigarette onto dry grass during extreme fire danger conditions, smashing a bottle and leaving broken glass on a footpath, leaving a hypodermic needle in a garden bed or near a children's playground or throwing an item from a car at another road user or pedestrian. As abhorrent as all those things are, regrettably they happen.

The new laws allow for the first time in Queensland an authorised officer to issue a littering infringement notice based on the registration details of a vehicle observed. Since 21 February 2008, the EPA has issued 37 littering fines under the new legislation for littering from a vehicle. This compares to four fines in the previous four months under the old legislation. In December 2007, the EPA distributed an authorised officer training package to chief executive officers of local governments as well as to EPA and Queensland Parks and Wildlife district managers and directors. General communication material was also distributed to local governments and stakeholders such as Keep Australia Beautiful and the Royal Automobile Club of Queensland.

Feedback from local government on the new laws and training package has been positive. Local governments have reported using the training and communication material and started issuing fines themselves. For example, the Sunshine Coast Regional Council has issued 22 vehicle littering fines since February this year. I congratulate them for taking up that new legislation in such a strong way. I have met with Bob Abbot, the new mayor of the regional council, on a broad range of environmental issues. I certainly congratulate them on their active desire to improve the environment of the Sunshine Coast and to work so cooperatively with the state government.

**Mr LAWLOR:** Page 3-141 of the Service Delivery Statements refers to the sustainable housing initiative. Can you tell us what the aim of the sustainable housing initiative is and how it will benefit Queensland?

**Mr McNAMARA:** Can I thank the honourable member for the question. It is an important one. Inefficient housing design and outdated building codes are costing Queenslanders money out of their hip pockets and in energy costs. They are, of course, also taking a toll on the environment in terms of a larger draw on energy and higher greenhouse gas emissions.

In late 2004 and 2005 the Queensland government consulted on the sustainable housing strategy. Changes as a result of the strategy commenced on 1 March 2006 when new homes were required to have improved energy and water-saving measures. Stage 1 measures include three-star dual-flush toilets and shower heads, energy efficient lighting and greenhouse efficient hot-water systems.

On 15 June 2008 the Queensland government released a discussion paper for sustainable housing stage 2. Measures proposed for stage 2 of the sustainable housing initiative include the option of five-star energy rated housing requirements, phase out of electric hot-water systems, mandating four-star toilets, three-star tapware, increased energy efficient lighting and mandating the completion of a sustainability declaration. Consultation will also occur on a range of other proposed measures.

It is important that new homes are designed with our tropical climate in mind and promote better indoor and outdoor connections like decks and verandas. The paper also identifies opportunities for improving the energy efficiency of air conditioning and residential hot-water systems and reducing energy consumption through improvements in lighting, water conservation and insulation.

The aim of sustainable housing is to introduce measures to address the impacts of climate change and the built environment. This includes measures that will reduce greenhouse gas emissions and reliance on energy and water. These measures could reduce greenhouse gas emissions by over 100,000 tonnes per year. That is equivalent to taking 22,000 cars off the road and reducing water use by 55,000 kilolitres, which is equivalent to about 22 Olympic swimming pools, per year.

Impacts on housing affordability include a small increase in up-front costs but there will be overall ongoing savings for householders. Queenslanders will benefit from this initiative by having lower energy and water bills. Homes will be more naturally comfortable to live in and better suited to meet changing lifestyle needs and changing climate. Following consultation, the recommended stage 2 initiatives will be considered by the government in October this year. Future development and implementation of climate change initiatives beyond stage 2 will be considered by the government in June 2009.

**CHAIR:** I refer to page 3-144 of the Service Delivery Statements. Can you please outline how your agency has worked to have biodiversity outcomes included in the draft Far North Queensland Regional Plan?

**Mr McNAMARA:** Growth is essential to the future prosperity of Queensland. Growth is not necessarily the opposite of good environmental management. You are quite right. The important consideration of how growth is handled to ensure that it is beneficial from an environmental, economic and social perspective is a central consideration of the Environmental Protection Agency.

The Queensland government's statutory planning process ensures a high degree of environmental scrutiny is accommodated in future planning. In May 2008, the draft Far North Queensland Regional Plan was released for public consultation. I thank you for your input and that of the member for Barron River in the development of that document through the Deputy Premier's office.

Like the current South East Queensland Regional Plan, the Far North Queensland Regional Plan represents a major advance in providing clear direction to the community on where future growth is to be directed. In the preparation of the plan the EPA worked closely with other state agencies to map areas of high biodiversity value and coastal hazard risk in which new development should not occur. The Department of Natural Resources and Water assisted the EPA with the regional restraints mapping which was used to identify the most appropriate areas for urban expansion in the region.

The mapping of the urban footprint and the associated state regulatory provisions means that urban development and small lot subdivision is prohibited outside that urban footprint. This will provide a primary level of protection for areas of high ecological significance. The ecological mapping, which includes core habitat areas and conservation corridors, has been given statutory status by this plan. Statutory land use policies will mean that development in areas of high ecological significance will not be allowed in most circumstances but where it does occur impacts will have to be offset.

The Far North Queensland Regional Plan is regarded as a second generation statutory plan which represents a significant advance on a first generation plan such as the South East Queensland Regional Plan. The South East Queensland Regional Plan broke new ground by establishing an urban footprint and prohibiting urban development and subdivision outside it. But the new Far North Queensland Regional Plan represents, I suggest, a high point in interagency cooperation in the planning and development sector and is something that everyone should be very proud of.

The EPA provided biodiversity and coastal hazard restraints mapping which formed the base for appropriately locating the urban footprint. The ecological mapping will have a statutory effect so that it is clear where areas are and where they must be protected or offset. With the rollout of regional plans accelerating—and we have regional plans under development now for the western region, Wide Bay, Mackay and the Whitsundays and the south-east Queensland plan is being reviewed—it is important to keep this process going.

**Mr LAWLOR:** How is the Queensland government supporting innovation that contributes to energy and water savings?

**Mr McNAMARA:** Can I thank the honourable member for question. It goes to the heart of sustainability. The Queensland Sustainable Energy Innovation Fund is the longest running Queensland government program to specifically target innovation in energy and water. This fund assists innovative Queensland businesses to develop projects that reduce the use of fossil fuels or water that lead to more efficient energy use or enhance the use of renewable energy.

There have been 12 funding rounds since it commenced in 1999 with \$8.38 million approved as of 3 June 2008 for 73 projects. Eight new projects were approved in 2007-08 totalling \$1.36 million. Projects included a system to convert a standard car to an electric vehicle, an energy-saving compact fluorescent emergency lighting system, a forward osmosis water desalination system powered by waste heat and an innovative pot design that dramatically reduces the amount of water used to grow plants in nurseries. Six projects were also successfully completed in 2007-08 including a hydrogen storage system, a dynamic engine control unit and a solar energy system used to dry agricultural products. In July 2007 a survey of funding recipients found that over half of the completed projects had resulted in innovation being commercialised or having very good prospects for commercialisation. Projects have also leveraged an additional \$25.7 million in other public and private investment and sales revenue which is a three-to-one return on program funds.

Other highlights from 2007-08 included Biolytix being chosen to participate in the G'Day USA Innovation Shoot Out in New York and winning a Du Pont Innovation Award and Tritium having eight of the top 10 vehicles in the 2007 Darwin to Adelaide World Solar Challenge fitted with their motor controller. Polyoptics was the winner of a 2007 Queensland Sustainable Industries Award.

Successful applicants from previous funding rounds have demonstrated the remarkable ideas put forward by businesses across Queensland. Water related projects include the development of a zinc-bromide battery that can store six times the energy of lead acid batteries of the same weight and an antireflective coating for solar panels that can increase the light transmitted through the glass by seven to nine per cent, increasing their output by up to five per cent.

Several recipients have also received prestigious awards in recognition. These include a national science and technology award, two winners of the Future Materials Award for Excellence in Material Innovation as well as two winners of Du Pont Innovation Awards. Round 13 closed on 4 July 2000. Some 21 draft applications were received to the value of \$3.34 million. The program has two funding rounds each year. Maximum government funding is generally \$200,000 per project, with the applicant being required to contribute at least 20 per cent of the project costs.

**Mr WETTENHALL:** With reference to the Service Delivery Statements at page 3-141 could you outline how the Queensland government is providing assistance to Queenslanders to reduce their energy consumption and promote the adoption and take-up of renewable energy?

**Mr McNAMARA:** Can I thank the honourable member for the question and for his ongoing interest in the area. The government is serious about responding to climate change. We are assisting homeowners to overcome the significant up-front costs that deter many homeowners from installing solar power. As I mentioned earlier, I was delighted to inform the committee of the major announcement I made today regarding just one of the government initiatives in the area—the Queensland Solar Homes Program.

We have changed the world a bit here today. The government went to the market and said, 'We want to drive down the price of solar panels for PVs on people's roofs.' We were in a situation where we thought we might be able to reduce the gap that people have to pay in relation to putting solar panels up if they qualify for the federal government's \$8,000 rebate. They were still faced with costs of 3½ thousand dollars to \$5,000. We wanted to bring that down. We wanted to say that we can use our market power as a government—not taxpayers' dollars—to put in a bulk order and try to change the market. We wanted to enter the market as a buyer and force the price down.

As I said at the time when announcing this program with the Premier, I hoped that, taking the rebate from the federal government into account, we might be able to bring that down from 3½ thousand dollars to \$5,000 to maybe \$1,000 to 1½ thousand dollars. That would have been a terrific result—there is no question about it—and certainly worth the effort. But what we have today as a result of this process is a price for an ordinary installation of a one kilowatt system for someone who qualifies for the Commonwealth rebate of \$185. That is significantly changing the economics of putting solar power on your roof.

Queenslanders recognise that solar power is a good idea—we all do—but the reality is that the cost is a significant disincentive. This program has been an outstanding success. We have done it by thinking outside the box and by not saying that we need as a government to throw a subsidy at this but by saying we have the capacity to enter the market and to simply say to the world, ‘We want bigger runs of production. We want larger purchases of these products.’

These are top quality solar panels from one of the world’s leading producers based in Germany being delivered by a local company. Over the next year we will take a thousand extra panels and have them put on Queensland roofs using local suppliers and local installers. That will triple the number of houses with solar power connected to the grid. It is an extraordinary achievement in helping Queenslanders reduce their energy consumption in a very greenhouse efficient way.

**Proceedings suspended from 2.45 pm to 3.00 pm**

**CHAIR:** The Estimates Committee F hearing will now resume. The question before the committee is that the proposed expenditure be agreed to. It is now time for a block of non-government questions, and I call the member for Gympie.

**Mr GIBSON:** Minister, I return to the issue of staffing and refer to the SDS at page 3-146. Can you advise of the rate of turnover of your ministerial staff since your appointment as minister?

**CHAIR:** Minister, I actually do not know that that comes under your department. I think that that expenditure actually comes under the Premier’s department.

**Mr McNAMARA:** That is right, and that is where I was going to head. My staff are not paid for by the EPA budget at all.

**CHAIR:** The question is actually out of order.

**Mr GIBSON:** Okay, Minister, but if you would like to answer it I will take it.

**CHAIR:** No, the question is out of order.

**Mr McNAMARA:** Yes, but I was going to say something else. We will do it next time.

**Mr GIBSON:** Minister, can you advise of any decisions by the Office of Climate Change to depart from the state government’s procurement policy of seeking competitive tenders and, if so, what were the reasons documented by the Office of Climate Change for not seeking those competitive tenders?

**Mr McNAMARA:** I thank the honourable member for the question. Just very quickly before I jump into that, I do have the answer in relation to that earlier question about boards and committees and expenses. There were some boards and committees under my agency which were not itemised in tabular form in the 2006-07 EPA annual report, and this was identified by the Queensland Audit Office in its audit. Five of the 10 agencies audited had not included this information and the Queensland Audit Office identified that the criteria in the guidelines to identify which boards and committees need to be included were unclear. In the 2007-08 annual report the EPA will report that there are 44 boards and committees, of which 42 have non-public servant members. The EPA used the Queensland Treasury guidelines to identify which of these remunerate their non-public sector members. There are six boards and committees identified in the 2007-08 EPA annual report. The total remuneration amount was \$66,986.

**CHAIR:** We will go back to that question, but I was just wondering if you could refer to a budget line item for us please, member for Gympie.

**Mr GIBSON:** Sorry?

**Mr McNAMARA:** Coming back to your procurement question—

**CHAIR:** Sorry, Minister, but I have just asked for a budget line item on that question. Are you referring to a—

**Mr GIBSON:** I am referring to expenditure that is listed under the balance sheet—that is, the SDS at page 3-155.

**Mr McNAMARA:** I thank the honourable member for the question and I will take it on notice. There are some issues in terms of asking about these sorts of commercial contracts where we are on the verge of making some announcements about contracts and so forth. The director-general does have capacity to make an exemption in certain circumstances, but I will just get further advice on that before I go out and announce something that is not quite ready yet. But I will get back to you with some more detail on that a little later in the day.

**Mr GIBSON:** Minister, continuing with that issue and you may need to get back to me on this next question as well—I am quite happy for that—could you provide to the committee a list of all contracts let by the Office of Climate Change greater than \$500,000 either as a sole value or where the accumulated value of multiple contracts is greater than \$500,000 to one supplier?

**Mr McNAMARA:** Of course I am happy to provide that level of detail in the answers to you. I will have to undertake to get that information for you. It is not the sort of stuff that we carry around with us but we are happy to provide details about individual contracts. Indeed, the point that needs to be understood too is that the Office of Climate Change does not do these contracts. The director-general has the designated power to enter into contracts. So it is perhaps just a bit misconceived to suggest that the Office of Climate Change is somehow out there contracting. It needs to be said that the Office of Climate Change is doing a great job in challenging circumstances. Engaging in the provision of services to Queenslanders to assist them to lower their greenhouse footprint is precisely the job that I want it to be doing and to be doing in a timely fashion. To be working with the private sector to rollout services like ClimateSmart Home is a fantastic nation-leading set of achievements.

I could not possibly be happier with the work that is coming through there in terms of both the quality of the science and the quality of the engagement with the homes and business sectors of our society. That has been first class, as has the capacity to produce such high-quality work in very short time frames. This office has been effectively working for just over nine months, and I think it should be recognised that we often do not quite understand the quality of the people who offer themselves to work in our public sector and who work very long hours and produce very fine work. At the end of the day, the Office of Climate Change is no different to any other division within the EPA. It is accountable through to the director-general and it operates with exactly the same financial constraints and legal constraints as any other division. As I said, my only concern about the office is just how much we continue to ask it to do and how hard we work it.

**Mr GIBSON:** Minister, I refer to your answer to non-government question on notice No. 7. Could you advise the committee which organisation, if any, has been designated to receive the \$375,000 in funds to offset the EPA's carbon emissions? If an organisation has been selected, could you advise what the process was for that selection?

**Mr McNAMARA:** I thank the honourable member for the question. The carbon neutrality of the EPA is something of which I am very proud. The short answer to your question is that Energex will be providing the offsets for the EPA but the scale of the job is significant, because for the EPA to be carbon neutral requires us to offset about 13,500 tonnes of greenhouse gas a year. It is a significant job and will cost something in the vicinity of \$375,000 to purchase the offsets to support that carbon neutrality in the coming financial year. This represents something like 50c per employee which I think is a small price to help play our part in securing the planet's future. But the EPA has a responsibility within government to be first and to be leading in these areas and to rollout mitigation strategies which of course, firstly, avoid greenhouse gas emissions, secondly, reduce them, and, thirdly, offset them. That is very much our priority. We do not aim to simply produce willy-nilly and just pay to offset them. Our aim is to avoid at the outset and reduce in the next instance.

We have a range of strategies in terms of being a carbon neutral EPA, and again this is working with whole of government. I am delighted of course to be part of a government that is so very green in its commitment to working across government to reduce the emissions of our car fleet and to raise building standards and even the standards of buildings that we rent and of course the standards of buildings that we legislate to control. We have a strategy of course for all Queensland government buildings to be carbon neutral by 2020. That is ambitious stuff, but we have along the way commenced doing all of the simple things such as changing air-conditioning levels, switching off office equipment out of hours and working to do those things that do not require major structural change to buildings. Over time as we continue to raise standards we think that the Queensland government can play a leading role in showing the private sector how it is done. Obviously the private sector has a critical role to play, but I am greatly encouraged in my first nine months in the job. I have only been lobbied by people from the building industry to say, 'Let's have higher standards,' and that is a good thing.

**Mr GIBSON:** Minister, I will give you some praise there. You did better than the Premier last Tuesday in that you were able to actually give your department's greenhouse gas emissions. She struggled with that, so well done. With regard to what you were just touching on in terms of buildings, in accordance with the Queensland government's strategic energy efficiency policy that was released in January this year, can you advise the committee if the EPA has developed an energy management plan for its building portfolio and has this plan been recorded on the DPW central register as required under the policy and if not why not?

**Mr McNAMARA:** I thank the honourable member for the question. It was nice of you to give me a compliment; now I just have to fess up. I think I said Energex before; it is actually Ergon. Close but no cigar; second time better. I thank you in relation to that second question. The EPA is utterly committed to its carbon neutrality in terms of making sure that it is a very real and accountable program. PricewaterhouseCoopers was engaged to conduct an assurance of our carbon emissions inventory in line with established accounting standards. We are serious about this and we are serious about making

sure that we can look the people of Queensland in the eye and say, 'Yes, this agency is independently being assessed as having a proper approach.' We are developing a greenhouse gas mitigation plan which will, again, identify a series of actions to avoid, reduce and offset greenhouse gas emissions. That plan is still under development, but I am a big believer in the internet. Basically every document that I get winds up on the internet about 15 minutes later. We want to be open about this. We want to lead. We want to inspire. We want to say to Queensland, 'Yes, we can collectively do this.'

Consequently, in terms of the issue of putting things up on the web, we will put up everything that we can that shows that we are real, that we are serious and that we are switching wherever possible to green power. We will get independent certification wherever possible and we will put that up on the internet as well. But at the end of the day it is a matter of course of not losing focus here and making sure that it is about reduction of our footprint. We think that over time we can continue to have energy reductions in the order of 60 per cent in what we do. But we do not want to be stuck to a plan and then have to work within that. We will constantly revise these plans and objectives to get better outcomes. We have a commitment to being carbon neutral. That is the first point and that is being oversighted by PricewaterhouseCoopers. We now have to get on with the job of actually doing it.

**Mr GIBSON:** Minister, I am not sure the Premier will feel too comfortable with you saying that you do not want to be a stuck with a plan when it is government policy for strategic energy efficiency. But I will let you have that discussion with her. On your emission levels, with what PricewaterhouseCoopers has done, can you advise the committee what your scope 1, scope 2 and scope 3 emissions are?

**Mr McNAMARA:** I thank the honourable member for the question. We have that material available here today and I think we can give that to you in tabular form a little bit later.

**Mr GIBSON:** Okay. I will take that on notice. With what you have announced here—and I again commend your department for the work that it is doing in determining what its carbon footprint and its greenhouse gas emissions are—with the work that PricewaterhouseCoopers has done, can you advise the committee whether that has been independently audited? Has a check been done on it to make sure that it has come through correctly?

**Mr McNAMARA:** Again, maybe we are at cross-purposes here. PricewaterhouseCoopers is doing the independent audit.

**Mr GIBSON:** So they are doing it? Sorry.

**Mr McNAMARA:** They are doing the assurance on our inventory to make sure that it matches. We have internally said, 'This is what we are producing and this is what we are aiming to reduce it by.' Then PricewaterhouseCoopers come in independently and look at what we are doing and say, 'Yes, those are appropriate values to give yourself a reduction tick for on those activities. That is what this activity genuinely does.' So maybe I misunderstood you, but we will not be hiring someone to then check PricewaterhouseCoopers. There is a limit.

**Mr GIBSON:** Thank you for the clarification. I thought you had engaged PricewaterhouseCoopers to do the assessment. But no, they are doing the independent audit. That is fantastic. With regard to the Premier's advice to estimates earlier that this year we can expect to see in every annual report a department's greenhouse gas emissions—and the Premier has put a great deal of emphasis on that information being adequately assessed and being benchmarked properly—can you advise if your department, either through the Office of Climate Change or through any other staff in there, is assisting other government departments in those calculations?

**Mr McNAMARA:** Sure. I thank the honourable member for the question. There are a couple of aspects here that I would like to embark on. Certainly, the EPA has a role in assisting other agencies to develop capacity in both their reporting and their reduction around greenhouse areas. I was very, very pleased that cabinet earlier this year chose to make Queensland the first state in Australia that required climate change impact statements in all cabinet submissions across all departments. This is very much nation-leading stuff. The idea that any minister—not just the climate change minister but any minister—who comes to cabinet with a proposal to build something or to have a policy that is going to do something will have to, in their formal submission to cabinet, quantify their greenhouse gas emissions and how they have moved to avoid emissions, then how they have reduced them and how they offset them and the impacts of what they cannot reduce or offset, is something that I think Queensland should be very proud of. It is indicating a level of commitment at government level that recognises the scale of the problem we face. Of course, the EPA is working with other agencies to assist them in building those skill sets across government. I will ask the director-general, Terry Wall, to give you a bit more detail on the specifics of the question you asked in relation to annual reports and the role the EPA is playing there with other departments.

**Mr Wall:** Yes, Mr Gibson, the EPA has been having discussions with both the Premier's department and the Department of Public Works. Largely, we have been informing them of the model that we have used in terms of identifying our emissions—scope 1, scope 2 and scope 3, as you mentioned before. We are using that. Essentially, the government will this year require agencies to report their emissions in annual reports. The model will be very similar to the approach that the EPA has

used in identifying mainly three areas, which will be electricity, motor vehicles—and the third area escapes me at the moment. It will be pretty much consistent with the method we have used, although a little more extensively in the EPA, to determine our carbon emissions.

**CHAIR:** Thank you. The time for non-government questions has just about expired. So we will go to the government's side for their block of questions. I call the member for Barron River.

**Mr WETTENHALL:** With reference to page 3-142 of the Service Delivery Statements, can you explain how the government is planning to make changes that would assist local governments to better address minor water pollution and environmental nuisance?

**Mr McNAMARA:** I thank the honourable member for the question. It is an important one. We ask a lot of local government, and one of the prime drivers for the local government reforms, which have led to stronger and larger local governments, is to give them the capacity to undertake work on behalf of their communities in areas such as water pollution and environmental nuisance—things that really are important but also sometimes get under people's skin.

Proposed changes to the Environmental Protection Act 1994 will empower local governments to manage local issues and give them a wider choice of enforcement tools. I plan to bring legislation to the parliament later this year to increase the penalties for environmental nuisance and minor water pollution to provide an adequate deterrent and to give parity with other similar offence provisions in Queensland and interstate. Local governments will also be able to make their own local laws to reflect local requirements. That is very much a vote of confidence in the capacity of local government to recognise what needs to be done in their areas.

The process for issuing a nuisance abatement notice will be simplified and replaced by a new direction notice, which will also apply to minor water pollution matters. A direction notice can be issued to require a person to take actions or refrain from taking actions that are causing a nuisance or minor water pollution. Following feedback from the community and local governments about difficulties in applying the current regulations, the process for the direction notice is being streamlined to provide a more efficient and effective management of nuisance complaints. Local government will have the flexibility to respond to complaints administratively, for example through education or advice or by using regulatory tools under the Environmental Protection Act.

The specific noise standards in the EP Act will be the default benchmark for noise. These now reflect local issues more accurately by prescribing an allowable decibel level above the background noise level. Local governments will be able to make their own local laws to reflect local amenity requirements, but they will not be able to abrogate their responsibilities to deal with nuisance.

Earlier this year the EPA consulted publicly on the proposed changes to environmental nuisance and minor water pollution. This was part of the regulatory impact statement on the review of the Environmental Protection Regulation 1998. The community saw logic in a more streamlined process and local governments expressed support for a greater range of enforcement tools and higher penalties. Public consultation has now closed and the commencement of those revised laws is scheduled for 1 January 2009.

**CHAIR:** Thank you.

**Mrs MILLER:** I refer to page 3-149 of the Service Delivery Statements in relation to the ecoBiz program. I know that it is one of our most important programs insofar as sustainable business is concerned. Could you outline some of the benefits of the program to Queensland businesses and also some of the successes to date of this ecoBiz program?

**Mr McNAMARA:** I thank the honourable member for the question. There are some terrific stories to tell around ecoBiz. EcoBiz is, of course, the EPA's signature partnership program with Queensland business and industry. It assists Queensland enterprises to identify efficiencies in waste water and energy for financial and environmental benefits. EcoBiz uses a six-stage assessment, change and reassessment process to monitor, develop and report sustainable change in Queensland business practice.

There are 322 companies throughout Queensland that are actively working towards sustainable change in the way they do business through the ecoBiz program. Of these, 24 companies have achieved ecoBiz partner status, demonstrating outstanding levels of environmental and economic performance. Queensland businesses have invested over \$13.5 million on ecoBiz assistance for sustainable change through the installation of best practice or innovative technologies. EcoBiz rebates, which specifically target sector innovation, have supported these companies with over \$2.3 million provided in rebates since 2005.

The annual projected savings from ecoBiz assisted projects include 700 megalitres of potable water, which is the equivalent to the water consumption of over 2,700 homes; 96 terajoules of energy, which is the equivalent to the consumption of over 1,660 cars; 26,000 tonnes of waste, which is equivalent to the waste production of 76,000 people; and 25,000 tonnes of greenhouse gas emissions, which is equivalent to the emissions of over 6,100 cars.

To take your question in relation to some specific examples of ecoBiz supported projects, a couple of good ones include the pioneering of ozone instead of detergents in a commercial laundry environment by a Sunshine Coast laundry—that project has reduced chemical use by 30 per cent and power consumption by eight per cent—and the installation of a recycling system by Wagners Concrete at its Wacol plant, which I know the members are well acquainted with. That system has reduced waste by over 9,000 tonnes per year and reduced cement use by over 1,600 tonnes per year.

EcoBiz is a complementary program to the Business Water Efficiency Program, which is managed by the Queensland Water Commission and the Smart Energy Savings Fund, which is managed by the Department of Mines and Energy. EcoBiz provides free training in sustainable change practices to any Queensland company in addition to also providing access to the network of ecoBiz facilitators. There are 25 consultants who are currently recognised by ecoBiz as ecoBiz facilitators. It is a fantastic program doing great work.

**Mrs MILLER:** I refer to pages 3-142 and 3-144 of the Service Delivery Statements. Could you outline to the committee what the EPA is doing to improve its environmental protection policies, specifically for air and noise?

**Mr McNAMARA:** Thank you very much for the question. The EPA is currently reviewing the environmental protection policies for air and noise in order to set the direction for air and acoustic quality for the next 10 years in Queensland. The review has included public consultation and a government decision to develop a state planning policy on air and noise emissions to improve the integration of environmental protection issues into land use planning and development assessment. Final environmental protection policies for air and noise will be considered by the government later this year and will commence on 1 January 2009.

The intent of the remake is to improve the existing policies for air and noise by including updated lists of environmental values, focusing on the protection of human health, amenity and ecosystem health. The proposed air and noise policies may also include an expanded list of air and acoustic quality objectives to provide safe ambient standards. The quality objectives are maximum ambient levels used to inform decision making and to improve the management of air contaminant releases and noise emissions into the environment. The proposed environmental protection policy for air may also include an expanded and updated list of contaminants designed to reflect contemporary understanding of risks from air pollution. The proposed environmental protection policy for noise is likely to include a modernised and expanded list of noise levels modified from the World Health Organisation guidelines.

I thank the honourable member again for that important question. Queenslanders expect us to continuously improve the levels of not only air quality but also noise. As you are well aware, honourable member, because you have raised it on a number of occasions, noise levels are a critical issue in the amenity of our suburbs. Accordingly, it is appropriate that we continue to raise standards in this way.

**Mr WETTENHALL:** The EPA has undergone a recent organisational change. How will this improve services in the regions?

**Mr McNAMARA:** I thank the honourable member for the question. These recent organisational changes have combined the EPA's major service delivery areas into the one group: Conservation and Environmental Services. This group incorporates the Queensland Parks and Wildlife division and the Environmental Services division, to take a whole-of-landscape approach to managing the present for an environmentally sustainable future. The progress and development of a unified public customer service interface is critical.

The agency has increased from three regions with six senior staff to 19 regions with 19 senior staff. This includes 10 Queensland Parks and Wildlife regions and nine environmental services regions with shared boundaries where practical and considerable alignment exists with local government boundaries. These 19 smaller regions will provide better service for clients at the local level and improve the agency's capacity to respond to compliance monitoring and enforcement. It will also raise the profile of the EPA within communities and increase capacity to develop partnerships with stakeholders and local government. Changes to improve the performance of regional service delivery include greater clarity of roles and responsibilities, and the enhancement of on-ground implementation of government policy by better alignment of locally and centrally delivered services to achieve coherent and seamless service delivery.

The EPA's new strategy, which is presented in the strategic plan 2008-12, enables innovation and allows the agency to manage the present while creating the future. The new strategy has established a clear vision and mission to clarify the agency's role and redefine output strategies, products and services. It focuses on providing environmentally sustainable solutions for Queensland's future by providing leadership in conserving Queensland's landscapes, enabling sustainable development, improving business and industry environmental performance and building community knowledge and participation in realising an environmentally sustainable Queensland. To deliver on the government's policies, the EPA will focus on innovation and proactive problem solving working in partnership with

government, business, industries and community groups, providing excellent customer service which is efficient, responsive, transparent and integrated, and creating and using knowledge to build a strong evidence base for action.

**Mr LAWLOR:** My question is about the northern hairy-nosed wombat, which is a thing you do not see a lot of these days. What is the Queensland government doing to reduce threats to the critically endangered northern hairy-nosed wombat population?

**Mr McNAMARA:** Regretfully, the honourable member is incredibly accurate when he says they are a creature you do not see a lot of these days. At last count there were about 115 of them left in the world. As I am sure the honourable member is aware, they are listed as critical. They are top priority under the EPA's Back on Track species prioritisation framework. They are more endangered than the Sumatran tiger, the central African mountain gorilla or China's giant panda. Therefore, when the honourable member makes the observation that you do not see a lot of them, unfortunately and regretfully that is absolutely true.

The wombats have been increasing in numbers, but they are currently found in one small area the size of Brisbane's CBD within the Epping Forest National Park in central Queensland. They have reached the point now where it is feasible to move some of the colony to a second site to provide a safeguard for the species. Although moving these creatures is not without risk, the reality is to have the entire population in one tiny spot leaves them open to being decimated or, worse, becoming extinct by the simple act of fire or flood. Indeed, the floods earlier this year inundated half of their habitat at Epping. Of course, disease or a breach in their fence defences by other predators are also risks.

The recovery plan for the northern hairy-nosed wombat aims to achieve a total minimum population of 150 northern hairy-nosed wombats in two sites. I know that that does not sound like many but when you are talking about a species that is really down on its knees, going from 115 to 150 would be a wonderful achievement. There are two major actions being undertaken to manage the critically endangered northern hairy-nosed wombat. The first is to establish the new colony. That will be achieved through, again, a groundbreaking initiative whereby the Environmental Protection Agency has entered into a three-year, \$3 million sponsorship deal with Xstrata. A very large miner will help a very little digger to survive. We are very proud of the arrangement that has been entered into with Xstrata to provide cash and resources to facilitate the reintroduction. Also I would like to mention Ed and Gabi Underwood, who have made available their property at South George for use as a second site. They are wonderful people.

**CHAIR:** Minister, you spoke earlier about climate change impact statements. Could you give us more detail about how those statements are working and how the Queensland government is ensuring that its own decisions take climate change into account?

**Mr McNAMARA:** This is an important issue and perhaps one that has not received as much public understanding as it should have. In March this year cabinet approved a requirement to include climate change impact statements in all relevant cabinet and Cabinet Budget Review Committee submissions. It is the first requirement of its kind in Australia. The purpose of the statement is to inform decision making by the entire cabinet, or the CBRC as the case may be, on the climate impacts of a proposal or policy option within the broader context of Queensland's greenhouse gas emissions profile and our strategy to reduce both emissions and risk. The issue means that when putting forward a cabinet proposal every cabinet minister and every department has to say, 'What does this mean for the climate?' This is ultimate whole-of-government hard-wiring of action and understanding about climate change issues into everything we do as a government. I think it is a serious step that indicates just how seriously the government treats this issue.

The assessment is a step-by-step evaluation of the potential greenhouse gas emissions and climate change risks associated with any proposal. Through the process, agencies will estimate where possible the greenhouse gas emissions associated with the proposed option. They will be required to identify potential mitigation strategies. They then have to assess the risk of the proposal from any future climate change which might be happening and identify adaption options. That is a lot of work. This is a serious demand on the time and resources of other agencies, but it is absolutely worth it and it is essential if, as a government, we are to change the culture and to change our thinking around climate change.

Climate change is, of course, the ultimate whole-of-government challenge. The development of succinct statements of climate change impacts within budget submissions is a great discipline for making sure that we do not lose sight that this is indeed a whole-of-government challenge. It is a whole-of-society challenge. In preparing the climate change impact statement, agencies are now working with the EPA to develop skills and resources to measure those impacts. The climate change impact statements coming through then allow cabinet to better consider the impacts of the decisions on the state's greenhouse gas profile. It allows cabinet, on every occasion, to consider whether this proposal, no matter how worthy, is still the right thing to do in relation to the climate.

**Mrs MILLER:** Minister, I refer to Service Delivery Statements page 3-142 in relation to major air monitoring projects. Could you tell the committee what approach the EPA is taking to address the environmental and health issues related particularly to industrial air emissions?

**Mr McNAMARA:** Certainly this is an important and a topical question. During 2007-08 the EPA, in collaboration with Queensland Health, commenced a number of major air-quality projects as part of its enhanced compliance program. Three projects focused on monitoring and analysing the potential health and environmental impacts resulting from industrial air emissions in Townsville, Gladstone and Swanbank. They continue in 2008-09.

The Townsville dust monitoring program was established in response to community concerns regarding black dust from the Townsville port. Previous air projects in Townsville had found no evidence to suggest that dust levels cause adverse health or environmental impacts. However, given ongoing community concerns, residential encroachment on the port of Townsville and the proposed future port expansion, further monitoring of particulates and metal concentrations was considered appropriate and is the basis of this project.

The Clean and Healthy Air for Gladstone project, which we have already discussed this afternoon, was initiated in response to community concerns about the cumulative impact of emissions from industry on the health and wellbeing of that community. This project is the most comprehensive scientific investigation of industrial air emissions and the impact of the quality of the air that people breathe on human health conducted in any Queensland city.

**CHAIR:** The session time for government questions has now expired. We will now revert to questions from non-government. I call the member for Gladstone.

**Mrs CUNNINGHAM:** On pages 3-142 and 3-143 of the Service Delivery Statements it states that in 2007-08 \$2 million was allocated for enhanced fire, pest animal and weed management on the EPA estate. What budget is allocated for fire, pest animal and weed management separately for the EPA property and what additional funds have been allocated for each in recognition of good rainfall in some areas of the state at the start of the year?

**Mr McNAMARA:** I refer to question on notice No. 9. You sought a clarification that we said we would get you on notice. You asked a question about the relatively low expenditure sums for weeds and pests in the central Queensland marine area. I note that this area is, in fact, the islands in the marine park and the majority of funding is spent on the terrestrial estate, and the relevant area for Gladstone is the Capricornia region. That is why that number looks small; it is not the same area.

However, I think that the member was asking whether or not funding has been decreased as a result of the new structures. Can I confirm to you that our funding for pests and fire has remained at the record level that has been set for the past three years. I have obtained weed and pest funding totals specifically for the Gladstone electorate for last year and the coming year. I confirm that they are of a similar level. In fact, a small increase of approximately five per cent has been forecast. I trust that puts the member's mind at rest that Gladstone is still receiving an adequate share of this important funding.

I turn very quickly to the issue generally of pest and weed management. As I mentioned earlier, the EPA will invest a total of around \$4.5 million in the 2008-09 financial year to manage pests on its estate. In 2008-09 \$1.5 million of these funds will be spent on 84 specific projects. In 2008-09 a total of \$750,000 will be spent on 50 specific projects to manage pest plants involving class 1 pests, weeds of national significance and significant environmental pest plants. In this financial year a total of \$750,000 will be spent on 34 targeted projects to manage pest animals including feral pigs, feral horses, feral cattle, wild dogs, feral goats, deer, foxes, camels and feral cats. \$370,000 of project funding will be spent on 19 major projects involving pig eradication and control. Some of these projects also involve the management of other pest animals such as goats. In 2008-09 \$210,000 of project funds will be used for four pest animal control programs including feral horses, and a major and cooperative program at the Carnarvon National Park which the honourable member is aware that we have been pursuing.

**Mrs CUNNINGHAM:** Minister, again on page 3-141 you refer to the department's intention to deliver a ClimateSmart Home Service to provide Queenslanders with the tools to monitor and reduce energy use. You have referred to that and given some information earlier. Does the government plan to raise revenue to fund these activities through punitive financial levies, fees or fines for those families who do not take up your program?

**Mr McNAMARA:** I thank the honourable member for the question. The answer is no. The ClimateSmart Home Service is funded through an annual allocation over the next three years from the Climate Change Fund. We have a \$431 million fund that has been set aside, and that fund will produce something in the vicinity of \$30 million a year in interest. That fund is what is being used to run the ClimateSmart Home Service, so no other taxes or charges are required. This is simply part of making sure that we have a dedicated fund, a trust effectively, that raises money which we can then direct towards climate programs, particularly focusing on the community.

The government recognises that dealing with climate change has expenses. It does not matter whether you run an aluminium smelter or a three-bedroom home: there are costs inherent in being climate smart. We want to work with the community. We have to engage with the community broadly. We have to give them the information, the tools and also some financial assistance to change the way we think about climate and how we continue to live.

The ClimateSmart Home Service is absolutely aimed at the household sector. It is a remarkably good deal. For the cost of \$50 participating households can get someone to come out and put in a meter that attaches to your meter box which then gives you the cordless real-time meter that you can move around the house. You also get the energy audit to tell you how you can better manage your energy, 15 compact fluorescent light globes and a shower head. It is at least \$250 worth of value for \$50. Some councils around Queensland think it is such a good idea that they are actually going to pay the \$50 for their residents. The Brisbane City Council thought it was such a terrific notion that they have offered anyone in Brisbane who pays the \$50 for the service to bring in their receipt and get it rebated by the council.

I am working with the South East Queensland Council of Mayors to make sure that we can try to raise the level of input that councils have. I am happy to partner with councils in this regard. I would like to see them value add, not just rebate the \$50. If you bring your receipt of \$50 for the ClimateSmart Home Service to the council, it would be good if the council then gave you something that assisted to further reduce greenhouse gas emissions at home. These programs are new and they are rolling out. I think they will be well supported. The ClimateSmart Home Service aims to provide 260,000 services across Queensland in the next couple of years.

**Mrs CUNNINGHAM:** Minister, in your response to non-government question No. 2, you stated that when the Coordinator-General looked at 13 possible sites all in the same general area for an SDA they did not look at the environmental constraints. You have said that you are consulting on the EIS process for the LNG plant. If the area is declared an SDA, is your department then consulted in any deliberations about the use of the SDA land in the future?

**Mr McNAMARA:** I thank the honourable member for the question. The short answer is yes. The Environmental Protection Agency remains involved even after a declaration. If that is the way it goes, we will be closely working with the Coordinator-General's office, and that is the way it should be.

Again, I assure the local member that it is the intention of the Bligh government that economic development in Gladstone should not be at the expense of Gladstone's environment. The further industrial development of that great city must also recognise that every one factory you add and every one industry you add has an impact and every air shed has a limit. Although we are certainly nowhere near that at this time, it is worth recognising that close monitoring of what is happening as an area develops is an important part of how we do environmental regulation these days.

We will certainly be working with the Gladstone council and with the community in making sure that environmental monitoring is done in detail and that any new project will receive the proper, full and thorough environmental impact assessment that it requires. My agency takes a role in that and takes that role very seriously.

**Mr GIBSON:** Minister, I refer to the issue of waste recycling on page 3-152 of the SDS. It is my understanding that up to 65 per cent of drink bottles end up as landfill in Australia. As you would obviously be very aware, with the manufacturing of these bottles using crude oil, this does present some serious sustainability issues. I note in your ministerial statement for World Environment Day that you said—

... we recognise that a rapidly growing population consuming more land, more energy and more water, while generating more waste, is putting pressure on the natural systems that support life.

Minister, can you advise how many bottles of water did the EPA give away at the World Environment Day 'Kick the CO2 habit'?

**Mr McNAMARA:** I thank the honourable member. That was going to be such a good question and then you went silly at the end. Obviously we can get back to you with advice about how many bottles of water may have been used on a particular occasion, I think. I suspect we might get back with some sort of dollar cost of the overall impact of the event. The issue of container deposits and the overall issues of waste management are incredibly important issues. If you want to ask me a serious question about them, I would be delighted to go into them, but I will have to take on notice the question you asked.

**Mr GIBSON:** Minister, perhaps you could share with us your opinion then, in light of the issues with plastic drink bottles, whether you feel it is appropriate that your department distributes those free of charge as a promotional stunt?

**Mr McNAMARA:** I thank the honourable member for the question. The issues of how we store water and how we use plastics are absolutely at the heart of how we become a sustainable society. But of course on any given occasion there may be perfectly good reasons to use plastics. The broad issue of air miles and the transporting of food and indeed water are, again, serious issues which we as a society have to grapple with. We have become used to cheap transport and we have become used to

plastic as a commodity container and something that we take for granted. I think Aldous Huxley once observed that human beings have an almost limitless capacity to take things for granted and perhaps no more so than in how we transport and store food.

While there is a good argument for looking at ways to reduce the use of plastics in our society—and, indeed, the environment and heritage ministerial council is looking fairly and squarely not only at container deposit legislation for drink bottles but also at the broader issue of plastic bags—nevertheless, there are also perfectly good reasons why plastics produced locally and recycled can still form a reasonable part of packaging in Australia. The EPA giving out some bottled water at a particular event really does not prove anything much in terms of our commitment in this regard.

What I can assure you is that I will continue to work with the Commonwealth and with other states to address these issues and to wind up with a uniform national approach. The Environment Protection and Heritage Council has asked Queensland, along with WA, to co-chair a working group on container deposit legislation. We will produce an interim report a little later this year and a final report in March next year. The interaction of issues like that might seem straightforward but it is not. We have very good working recycling systems being run across Queensland by councils. We do not want to do something that will undermine the profitability of those systems by striking off on our own. The development of national systems for dealing with containers and plastics generally is a real challenge for our society. I do not want to trivialise the issue at all. I think it is very important.

**Mr GIBSON:** Minister, continuing on with the waste theme, since the inception of the National Packaging Covenant, can you advise which companies have won consultancies from EPA to conduct studies on areas such as waste management, container deposit legislation and improvements to kerbside recycling; what projects have they worked on; and the amounts that they have been paid for their consultancy work?

**Mr McNAMARA:** I thank the honourable member for the question. I offer some free advice that this sort of question works better as a question on notice in that the level of detail if asked for a week or two ago would have allowed you to come to this meeting with the answer in front of you and then you could explore presumably whether that was a good idea in terms of consultancies or not. I am more than happy to take the question on notice and get you the information. In terms of advancing the committee's work, that sort of level of detail in questioning is not going to help much.

In relation to an earlier question, I have the scope 1, 2 and 3 emissions material, which I will table for the benefit of the committee.

**Mr GIBSON:** Is leave granted?

**CHAIR:** Yes, you have to ask for leave, Minister.

**Mr McNAMARA:** I seek leave to table that material.

**CHAIR:** Leave is granted.

**Mr McNAMARA:** In relation to an earlier question on the Office of Climate Change and state government procurement processes relating to recent tenders, the suggestion that the process has not been followed is certainly not the case. The only Office of Climate Change expenditure of the magnitude that is required—\$500,000 was the amount the honourable member specified—is the cloud seeding project, which is a \$7 million plus project. That particular tender was offered to a small group because there is only a very small group of national and international companies who have the relevant expertise. They also needed to be in a position to start in December 2007 to capture the relevant cloud formations and they required operational and research staff and equipment. So there was some time urgency but it is also just the reality that it is a rare area to work in. A probity auditor has reviewed the offer documents and the procurement processes in relation to the cloud seeding project and is satisfied that the correct processes were followed.

**Mr GIBSON:** Minister, with regard to managing climate change, I note that the Australian government, through its now Department of Climate Change, has the system of OSCAR, which from 1 July all Queensland government owned organisations are required to report through it, as are all private businesses, and it is voluntary for state governments to be involved in it. I note from the web site that the governments of the ACT, New South Wales, Northern Territory, South Australia, Victoria and Western Australia are all involved in this project. Could you enlighten the committee as to why the Queensland government is not involved in the OSCAR reporting project?

**Mr McNAMARA:** I thank the honourable member for the question. I will take that on notice and get you some more detail on that as soon as possible.

**Mr GIBSON:** Minister, I refer to page 3-141 of the SDS, again, on managing climate change. I also note your earlier work before you were a minister with regard to peak oil and the report that you submitted as a backbencher, so I am sure you will be quite across this. You made a recommendation in that original report with regard to the formation of a high-level, interdepartmental committee to develop a Queensland oil vulnerability mitigation strategy and action plan. Now that you are the minister and obviously with such a keen interest in peak oil, could you advise the committee of the progress of that action plan and when we could expect to see it made available?

**Mr McNAMARA:** I thank the honourable member for the question. You cannot have asked me this with only 43 seconds left in the session!

**Mr GIBSON:** Sorry. It was not deliberate, I assure you.

**Mr McNAMARA:** It is very harsh! That is such a good question I reckon you should ask it again in the next session, but the short answer is, yes, there is an oil mitigation strategy and action plan being developed. It is a whole-of-government process involving representatives from almost every government department. I anticipate taking a report to cabinet in the second half of this year in relation to the request from cabinet after that original report was considered that the EPA develop an oil mitigation strategy. As I said, I regret that I did not get 10 minutes on that one.

**CHAIR:** The time for non-government questions has expired. I call the member for Barron River.

**Mr WETTENHALL:** With respect to page 3-141 of the Service Delivery Statements in connection with an environmental offsets policy, Minister, can you outline the Queensland government's approach to offsets for environmental impacts and current work to make them consistent and transparent to industry and the public?

**Mr McNAMARA:** I thank the honourable member for the question. It deals with a very important area of public policy. The Queensland government's new environmental offsets policy came into effect on 1 July this year. An environmental offset, as the member is well aware, is a positive action taken to compensate for unavoidable negative environmental impacts of a development after all attempts have been taken to, first, avoid and, secondly, mitigate those impacts. This policy has been developed through consultation with government and with industry and environmental stakeholders. The policy will apply a common set of principles and best practice guidelines on the use of offsets in Queensland. It will provide a means to coordinate and make consistent the Queensland government's current and environmental offsets policies.

Queensland currently has three specific issue offsets policies: vegetation management, which is administered by the Department of Natural Resources and Water; marine fish habitat, which is administered by the Department of Primary Industries and Fisheries; and koala habitat, which is administered by the Environmental Protection Agency. The Queensland Government Environmental Offsets Policy is based on seven policy principles that must be followed when applying offsets and used to prepare any new specific issues offsets policies. I would like to run through them. I apologise if they sound a bit like Asimov's Three Laws of Robotics, but they are as follows—

Principle 1: Offsets will not replace or undermine existing environmental standards or regulatory requirements, or be used to allow development in areas otherwise prohibited through legislation or policy.

Principle 2: Environmental impacts must first be avoided, then minimised, before considering the use of offsets for any remaining impact.

Principle 3: Offsets must achieve an equivalent or better environmental outcome.

Principle 4: Offsets must provide environmental values as similar as possible to those being lost.

Principle 5: Offset provision should minimise the time-lag between the impact and delivery of the offset.

Principle 6: Offsets must provide additional protection to environmental values at risk, or additional management actions to improve environmental values.

Principle 7: Offsets must be legally secured for the duration of the offset requirement.

A policy applies where current legislation triggers state government assessment of environmental impacts. It applies to Queensland government assessments of environmental impacts where the state is either the decision maker—for example, granting development approval—or a concurrence agency for specified issues, and it applies to both the public and private sectors.

**CHAIR:** Can the minister advise what the government is doing to further the 2006 election commitment in relation to 'living the Queensland lifestyle'?

**Mr McNAMARA:** I thank the honourable member for the question. The Great Walks of Queensland project represents a total investment of \$16.5 million to develop 10 world-class walking track systems across the state. I know the honourable member is a keen runner and would be keen to not walk these tracks but run them in due course.

Six of these Great Walks are already open, having been developed over the last five years at a cost of over \$10 million. This second, \$6.5 million round of more Great Walks funding is to develop four new Great Walks over the next two years—at the Whitsunday Islands, Cooloola, the Conondale Range and Carnarvon. The Carnarvon, Cooloola and Whitsunday walks are expected to be completed next week, and the Conondale walk—which I assure people will not be for the faint-hearted; it is meant to be a tough walk—is due to be finished in mid 2010.

Our national park system is one of Queensland's biggest tourist attractions, hosting more than 13 million visits each year and generating substantial economic benefits for all Queenslanders. Spending by park visitors contributes more than \$2 billion each year to the Queensland economy and supports more than 6,000 jobs directly and many more indirectly. Some 500 commercial tour operators and 40 near-park resorts rely on national parks for much of their business.

The Great Walks of Queensland is a real on-the-ground commitment to maintain and enhance the state's natural environment, to encourage a healthy outdoor lifestyle and to foster economic development for local communities through ecotourism. These projects will provide opportunities to experience our beautiful protected area of our state in a healthy, safe and low-impact way but also, very importantly, to position Queensland as a premier bushwalking destination for the burgeoning ecotourism market. Bushwalking is a fantastic, low-impact and healthy outdoor activity that also provides a welcome tourism boost for surrounding communities.

Construction on all walks has commenced after a year-long consultation, planning and approval phase. All walks are on track for completion within the specified time frames, and the concept plans for the new Great Walks can be viewed and downloaded from the agency's web site.

**Mrs MILLER:** Minister, you would be aware that I have had a lot of trouble in my electorate of Bundamba, particularly in the Swanbank area and also the Bundamba area, in relation to businesses that I could only describe as environmental vandals. Can you tell the committee what progress the EPA has made to date with the delivery of the three-year industrial estate inspection program?

**Mr McNAMARA:** I thank the honourable member for the question. This is a very important issue to all Queenslanders as it deals with the location of factories, particularly those that produce regulated waste streams or use large amounts of chemicals. We have come a long way in Queensland, and I do not mean to suggest in any way that we are resonant of what Blake called in his poem *The new Jerusalem* 'dark satanic mills'. Environmental regulation has become of a much higher standard.

Nevertheless, following the Binary Industries fire in August 2005, the Queensland government initiated the Accelerated Planning Initiative, which involves 10 cross-agency projects. One of the commitments made was that the EPA would lead a three-year program commencing in 2006-07 to characterise industrial estates across the state with a focus on the former department of state development estates. Of the 59 established industrial estates across Queensland, 58 are being inspected as part of a three-year industrial estate inspection program. The other one has already been inspected as part of the large dangerous goods location audit undertaken by the Department of Emergency Services and the EPA in 2007-08. I am pleased to advise the committee that the EPA has already inspected 33 industrial estates comprising more than 1,500 industrial sites. The EPA will inspect 25 more estates, or another 900 industrial sites, during the financial year 2008-09.

The objectives of this industrial estate inspection process are to identify any noncompliance with environmental legislation and the immediate risks associated with the operation of licensed industries within the estate, taking remedial action where required; to provide a characterisation of the estate based on the actual and potential environmental impact, including environmental nuisance, from the operation of all industries in the estate; and then have these finalised inspections prepared and considered so that the EPA can then characterise each industrial estate and respond to any compliance issues.

I am pleased to say that the presence of EPA officers on estates, often in partnership with local governments, has increased environmental awareness and environmental performance across industry. Characterisation of the estates has informed improvements to chemical incidence responses and industrial land use planning in Queensland. The EPA is committed to maximising the investment into the program. It is analysing the findings of the program and collaborating with other agencies to improve the future environmental regulation of industrial estates. This program has also aided an improved understanding of cumulative impacts. This knowledge is being utilised in the development of new compliance planning tools. The EPA plans to trial environmental performance indicators at two industrial estates in 2008-09.

**Mr LAWLOR:** Minister, can you outline the progress to date in allocating the first year's funding as part of the Bligh government's \$20 million investment to improve long-term water quality in south-east Queensland?

**Mr McNAMARA:** I thank the honourable member for the question. The South East Queensland Healthy Waterways Strategy 2007-2012 outlines approximately 500 actions to improve the health of waterways and catchments in south-east Queensland. Waterways in south-east Queensland face increasing pressure from population growth and urban and industrial development. Industries such as tourism, fisheries and recreation rely on the condition of our region's waterways. Protecting them is vital to maintaining and improving the lifestyles and livelihoods of our industries and communities.

The South East Queensland Healthy Waterways Strategy 2007-2012 is a comprehensive plan of action based on scientific evidence to secure the health of our region's waterways. For the 2007-08 financial year, the EPA has allocated \$5 million towards priority projects that aim to maintain and improve the health of the waterways and catchments of south-east Queensland, including Moreton Bay. This includes: \$2.1 million towards reducing diffuse pollution loads from the rural and non-urban landscape in the priority catchments of the Bremer, Lockyer and Logan rivers; \$600,000 on better management and avoidance of coastal algal blooms, including the hazardous Lyngbya and Hinksia, and managing impacts of toxic algae on the dugongs and turtles in Moreton Bay; \$420,000 on reducing diffuse pollution from the urban footprint, including a major capacity-building program for water sensitive

urban design and the development of a new policy and planning framework for water quality improvement; \$300,000 for updating stormwater management of main road developments; and \$1.58 million for projects that will enable the more efficient and effective delivery of waterway health for south-east Queensland.

There is also allocation in the \$1.58 million to enable actions for south-east Queensland, which includes: \$400,000 for communication, education and motivation projects; \$250,000 for a management strategy evaluation framework; \$250,000 for policy and program coordination; \$200,000 for waterway ecosystem health monitoring and reporting; \$180,000 for traditional owner engagement; \$100,000 for the determination of sustainable loads for waterways; \$50,000 for water pollution offsets policies; \$50,000 for research into impacts of water resource planning; \$50,000 for a point source discharge database; and \$50,000 for the determination of environmental values and water quality objectives for freshwaters. The strategy outcomes will make a significant contribution towards achieving waterways health that supports the lifestyles and livelihoods of the community in the fastest growing region of Queensland.

**Mr LAWLOR:** Minister, in 2007-08 the EPA received an additional \$5 million to establish an enhanced compliance program. What outcomes have been achieved to date?

**Mr McNAMARA:** I thank the honourable member for the question. The EPA has enhanced its compliance program in 2007-08, and I can assure the committee that further improvements are planned for delivery in 2008-09. In 2007-08, the EPA received \$5 million in new funding to enhance its compliance program. The two key enhancements were improved targeting of compliance activity to areas with the greatest environmental risk and the recruitment of additional staff to carry out this proactive compliance work.

A new state regional office, as mentioned before, has been opened at Ipswich, and compliance activity has been strengthened within the Brisbane north and south regions to meet the increased demands created by economic development and population growth. Decentralising staff out of the agency's central office to focus on these outer suburban areas will bring the EPA closer to its client base and the businesses it regulates. The 50 additional compliance officers will strengthen the EPA's ability to focus on industrial estates and regulated industries undertaking high-risk activities. These include mines, chemical manufacturers, aquaculture sites, quarries, food-processing facilities, metalworks, waste management and sewage treatment plants.

A compliance and investigations branch has been established, pulling together existing and new teams with the common objective of raising the levels of voluntary environmental compliance in Queensland. The EPA has also improved its capacity to detect, deter and respond to noncompliance with environmental performance standards through the recruitment of additional regional officers, investigators and lawyers.

In 2007-08 major compliance projects such as the Clean and Healthy Air for Gladstone project and other major air projects were established. The EPA continues to deliver the three-year statewide industrial estate inspection program just mentioned. More than 1,500 industrial sites were inspected in 2007-08, with an additional 900 site inspections planned for 2008-09. That is a very vigorous level of inspection and oversight by anyone's standards.

The EPA will further improve its compliance program by identifying and targeting areas of greatest environmental risk. These areas of risk will be identified through an analysis of the environmental values, the inherent risks of an activity, and emissions data. The EPA is preparing to release a new compliance strategy for 2008-12 which will set out the EPA's commitment to fostering voluntary compliance. The EPA will also publish its tactical compliance plan for 2008-09 which will detail the major proactive compliance program commitments for 2008-09. The EPA will also further refine its compliance planning methodology in 2008-09 with greater analysis of information regarding the environment itself, activities that impact upon the environment and the data in relation to releases to air and water.

**CHAIR:** Minister, how is the government helping the owners of heritage properties maintain these important places for the benefit of future generations of Queenslanders?

**Mr McNAMARA:** I thank the honourable member for the question. It is an important one. As a society and as a state, we feel that heritage sites should be protected. It is therefore incumbent, I think, upon government to assist owners of these properties with the upkeep and maintenance of them. In November 2006 the Queensland government made a commitment to provide that financial assistance to owners of Queensland heritage places and established the Queensland heritage funding initiative known as Living Buildings and Places. The main objective of the \$5 million initiative is to provide financial support to the owners of Queensland's heritage places for the continued use and conservation of these sites.

Heritage buildings are best protected when they continue to be occupied and when their connections to Queensland communities can then continue into the future. In the first round, \$2.6 million was distributed to 107 projects. The second round concluded recently with \$950,000 being granted to

60 projects. The scope of works funded is for essential repairs, core structural works and upgrades to meet modern building codes. Projects include, for example, repairs to roofs and guttering, repairs to timber verandas and conservation of stained-glass windows and stonework.

Places that have received funding across Queensland range from Brisbane, the Burke and Wills 'dig tree' near Birdsville in the west, and north to Normanton. Prior to the inception of the Living Buildings and Places grants program, Queensland had not had a dedicated heritage incentive grants program for more than four years. This three-year Living Buildings and Places grants program is one of the three main outcomes of the state's broad review of heritage management in Queensland which commenced in 2004.

Grants play an important role in encouraging and assisting in the conservation of heritage places. They help balance the impact on owners of regulatory controls that follow when a place of state heritage significance is entered in the Queensland Heritage Register. Places that are eligible for assistance include those that are entered in the Queensland Heritage Register, local heritage places noted in an approved planning scheme, properties identified as part of the statewide survey, rural heritage places and National Trust historic properties. The third and final round of funding under the program will be open for application in November of this year. Applications for funding are invited from eligible property owners, community groups and local governments.

**Mrs MILLER:** Minister, I refer to page 1-43 of the SDS and the koala conservation plan. Can you outline to the committee the funding to local governments to promote mapping of new areas of koala habitat in south-east Queensland?

**Mr McNAMARA:** I thank the honourable member for the question. This is certainly an issue of concern and one that my office receives numerous inquiries about. In 2007-08, \$534,000 was allocated for the second-year allocation of the implementation of the koala conservation plan. That is out of \$2.1 million over four years. In this financial year, \$542,000 will be allocated to implement this plan.

The koala was classified as vulnerable in the south-east Queensland bioregion in 2004 under the Nature Conservation Act. Although not abundant, it is still classified in the least concerned category elsewhere in Queensland. Key threats to the species are the obvious ones—habitat loss and fragmentation, car strikes, dog attacks and disease. The Nature Conservation (Koala) Conservation Plan 2006 and Management Program 2006-16, more commonly referred to as 'the koala plan', commenced on 2 October 2006. It identifies and applies koala assessment criteria to development applications within mapped koala habitat areas in south-east Queensland to further ensure the conservation of koalas.

The plan currently maps 72,000 hectares of key koala habitat, koala conservation areas and koala sustainability areas, and 47,000 hectares as urban koala areas within south-east Queensland. The koala plan requires that development within these areas be assessed against koala conservation criteria contained in the plan. The additional mapped areas are being incorporated into the relevant local government planning schemes, expanding protection in south-east Queensland for this iconic species.

**CHAIR:** Thank you, Minister. The time for government questions has expired. We have time for a short block of non-government questions. We just need a moment to reset the clock.

**Mr McNAMARA:** There were a couple of questions taken on notice and the director-general has answers to them. There is one in relation to a question asked by the honourable member for Gladstone about environmental services and other functions of the Gladstone EPA. Again, I seek leave to table that document.

**CHAIR:** Is leave granted? Leave is granted.

**Mr McNAMARA:** Perhaps the director-general could quickly provide an answer to a couple of those outstanding issues to make sure we get them in before the end of the day.

**CHAIR:** Sure.

**Mr Wall:** Mr Gibson, you asked about the EPA strategic energy management plan. The EPA's strategic energy management plan has been prepared as a draft and has been submitted to the Department of Public Works for its early information. The final document will be submitted after the EPA prepares a final greenhouse mitigation strategy within the next three months.

You asked a question in relation to government reporting under OSCAR. While the Premier has announced that the Queensland government will report its emissions in annual reports, no decision has been made about further reporting at this stage. That will be a whole-of-government decision, and the EPA will contribute to providing advice in relation to that decision.

You asked a question about water bottles distributed at Central Station on World Environment Day. The EPA works with Queensland Rail to promote better transport and climate smart living to commuters on World Environment Day. I am advised that Queensland Rail distributed the bottles of water. The EPA does not know the cost of that, which Queensland Rail incurred. EPA staff, I am advised, did not distribute bottles of water. The cost of this part of the event to the EPA is estimated at \$4,000, and that included the cost of promotional materials distributed to commuters.

**CHAIR:** Thank you very much. We will start with that short block of non-government questions.

**Mr GIBSON:** Minister, as much as I would love to go back to peak oil, because of the time I am going to focus on the Solar Homes Program announcement that you have made and reported to the committee, as I want to get some clarification on a couple of issues. Firstly, can I say congratulations because I think it is an achievement and it is something that is definitely needed in bringing down the price of solar PV. I commend the government on this initiative. I hope that it is not just a thousand panels and that it rolls out across a whole range of areas. I would love to see my electorate included in that. That is something for the future.

Since the original announcement, the federal government has changed its rebate strategy. The question is: in light of those who have applied, will the state government be providing any further assistance for those who would have been eligible under the old rebate but who now are no longer eligible?

**Mr McNAMARA:** I thank the honourable member for the question. I need to clarify something which I mentioned earlier in relation to your question about offsetting EPA carbon emissions. I made the comment that the \$375,000—which it will cost the EPA to do that this year—worked out to about 50c per employee. It is actually 50c a day per employee.

**Mr GIBSON:** That is in your answer.

**Mr McNAMARA:** I just wanted to make sure I had that right in my head. In relation to the Solar Homes Program and the comment in your preamble, one of the fantastic things about today's announcement is that the successful tenderer has said that they will offer the solar panels at this price to everyone in Queensland. Although they are committed with the contract that they will be entering into with the Queensland government to provide the 1,000 people who were successful in the ballot first, they are saying that anyone else in Queensland who would like to take advantage potentially of a one-kilowatt system on their roof for \$185 should give them a call.

To the extent that we have managed to make this a Queensland-wide situation, I am delighted with that outcome as well. Clearly, they are committed to rolling out a thousand panels to those successful ballottees first and to do that within 12 months, but the company is confident that it will have excess capacity and will seek, through agents across Queensland, to try to do this. This will have a very significant impact on the market and a very positive one as well. Certainly it has exceeded our most optimistic assessments of what we could do by this program, and we are very pleased about it.

In relation to the substance of your question about the means testing of the Commonwealth program of the \$8,000 rebate, I have expressed my disappointment that the Commonwealth chose to do that. I think the \$8,000 rebate was never an income support policy and in any event does not save any money to the federal budget because the amount of money available is still there. It is simply now being targeted to those whose household income is not over \$100,000. My understanding of the policy was that it was an industry support policy, not an income support policy. Nevertheless, it is not my business to tell other levels of government how to spend their tax dollars. Queensland does not have any plans to step into that marketplace. We think that the market will be fully occupied with people who want to go ahead under the existing scheme and who qualify under the existing rebate. We are all about trying to increase the capacity of the industry to supply a lot more solar panels across Queensland.

**CHAIR:** That concludes the examination of the estimates for the portfolio of the Minister for Sustainability, Climate Change and Innovation. Thank you, Minister, and your advisers for your attendance. That also concludes the committee's consideration of the matters referred to it by the parliament. The transcript of this part of the hearing will be available on the Hansard web site within two hours from now.

Before I conclude, on behalf of the committee I would like to thank the Hansard staff, the timekeepers and the attendants for their assistance today. I would particularly like to thank Rachelle Stacey and Margaret Telford—the committee staff—for their invaluable assistance through the process so far.

**Mr McNAMARA:** One last thing from me, Mr Chair: I join with you in offering my thanks. I thank the committee for the very professional and diligent way in which it has gone about its work. I also thank Hansard, the attendants and the secretariat staff for all of their work. There is an enormous amount of work that goes on behind the scenes to make something like this work, and everyone has done an excellent job. I also thank my DG, Terry Wall, and all of the Environmental Protection Agency staff who have worked so hard to get us to this point today. I also thank my own office staff, who have learned to live without sleep.

**CHAIR:** Thank you, Minister. I declare this public hearing closed.

**Committee adjourned at 4.28 pm**