



Estimates Committee E 2008

Report to the Legislative Assembly

INTRODUCTION

Pursuant to Standing Order 167(3), the Legislative Assembly, by Order made on 1 May 2008, referred to Estimates Committee E for investigation and report certain proposed expenditures contained in the *Appropriation Bill 2008*. Organisational units within the portfolios of the following Ministers were allocated to Estimates Committee E:

- the Minister for Mines and Energy;
- the Attorney-General and Minister for Justice and Minister Assisting the Premier in Western Queensland; and
- the Minister for Emergency Services.

The committee held public hearings on Tuesday, 22 July 2008. A transcript of the committee's hearings is available on the Queensland Parliament website at: <http://www.parliament.qld.gov.au/Hansard/>.

Prior to the public hearing, the committee put 20 questions on notice to each Minister. Responses to all the questions were received on 21 July 2008.

The committee has considered the estimates referred to it by examining information contained in:

- the budget papers;
- answers to pre-hearing questions on notice;
- oral evidence taken at the hearing; and
- documents tabled at the hearing.

Answers to questions on notice, together with minutes of the committee's meetings, are included in a volume of additional information tabled with this report.

MINES AND ENERGY

The proposed appropriations within the portfolio of the Minister for Mines and Energy compared with the previous financial year are set out in the following table:

Department of Mines and Energy	Budget 2007-08 \$'000	Budget 2008-09 \$'000
<i>Controlled Items</i>		
Departmental Outputs	87,946	134,195
Equity Adjustment	2,705	38,108
<i>Administered Items</i>	628,292	485,349
Vote	718,943	657,652

Source: *Appropriation Bill 2008*

Highlights for the Department of Mines and Energy in 2008-09 include:¹

- \$12m for the Smart Energy Savings Fund;
- \$20m for the Queensland Renewable Energy Fund;
- \$2.3m for the ClimateSmart Homes Rebate Program;
- \$3.2m for the Carbon Geosequestration Initiative;
- \$10m to aid Collingwood Park residents whose houses have been damaged by mine subsidence;
- additional funding of \$0.55m to enhance the service delivery capacity of the Petroleum and Gas Inspectorate;
- additional funding of \$1.8m to enhance the delivery of safety and health services to the mining industry;
- additional capital funding of \$2.6m for the upgrading of hardware and software to the department's critical customer information and processing systems;
- additional capital funding of \$2.4m for the construction of a new drill core facility at Mount Isa;
- \$3.7m for the Smart Exploration program; and
- \$11.2m for the Smart Mining – Future Prosperity program.

¹ 2008-09 Queensland State Budget – Service Delivery Statements – Department of Mines and Energy – 2-205 – 2-206.

ISSUES CONSIDERED BY THE COMMITTEE

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

- estimated royalty revenue from mineral and petroleum industries;
- provision of geothermal energy exploration permits;
- funding and expenditure for the Queensland Renewable Energy Fund;
- funding and expenditure for the Smart Mining – Future Prosperity program;
- expenditure on maintenance and upgrading of existing electricity distribution infrastructure;
- investment in new electricity distribution infrastructure to expand the network;
- generation capacity and fuel source of Queensland’s electricity industry;
- electricity consumption by Queensland’s electricity consumers;
- the age of the electricity distribution network;
- assistance for Collingwood Park residents, whose homes were affected by mine subsidence;
- consumer confidence in electricity retailers;
- health and safety initiatives in the mining industry;
- investment and support for clean coal initiatives;
- gas scheme targets;
- rebates for reticulated natural gas and electricity customers;
- billing issues in relation to rebates and ambulance levy charges;
- consumer policy development in the electricity and gas industries;
- investment in exploration and mines development;
- regional electricity distributor subsidies;
- services provided by the Energy Ombudsman;
- rights and relationships between landholders, miners and exploration companies;
- the impact of a carbon reduction scheme on energy-intensive industries;
- rebates and initiatives for energy efficiency and energy conservation;
- price capping on electricity charges;
- advertising policies of government owned corporations;
- commercial viability of building power stations in north Queensland;

- vegetation management programs in relation to electrical safety and maintenance; and
- initiatives to reduce greenhouse gas emissions from electricity generation.

JUSTICE AND ATTORNEY-GENERAL

The proposed appropriations within the portfolio of the Attorney-General and Minister for Justice and Minister Assisting the Premier in Western Queensland compared with the previous financial year are set out in the following tables:

Department of Justice and Attorney-General	Budget 2007-08 \$'000	Budget 2008-09 \$'000
<i>Controlled Items</i>		
Departmental Outputs	261,389	317,351
Equity Adjustment	73,794	294,058
<i>Administered Items</i>	145,940	142,058
Vote	481,123	753,467

Source: Appropriation Bill 2008

Electoral Commission of Queensland	Budget 2007-08 \$'000	Budget 2008-09 \$'000
<i>Controlled Items</i>		
Departmental Outputs	11,613	11,374
Equity Adjustment	(108)	(76)
<i>Administered Items</i>
Vote	11,505	11,298

Source: Appropriation Bill 2008

Office of the Ombudsman	Budget 2007-08 \$'000	Budget 2008-09 \$'000
<i>Controlled Items</i>		
Departmental Outputs	6,034	6,709
Equity Adjustment	(51)	300
<i>Administered Items</i>
Vote	5,983	7,009

Source: Appropriation Bill 2008

Highlights for the Department of Justice and Attorney-General in 2008-09 include:²

- \$236.2m for the construction of the new Brisbane Supreme Court and District Court building;
- increased funding of \$1.8m for an additional Brisbane coroner and support staff for the Brisbane and Cairns coroners;
- continuation of the civil and administrative tribunal project; and
- additional funding of \$0.5m for the Office of the Director of Public Prosecutions.

Highlights for the Electoral Commission of Queensland in 2008-09 include:³

- finalising the redistribution of State electoral boundaries;
- implementing the recommendations of the State Redistribution Commission;
- planning and preparing future electoral events; and
- further investigating potential vision-impaired voting systems and processes.

Highlights for the Office of the Ombudsman in 2008-09 include:⁴

- relocating to new premises and using the opportunity of co-location with the Commission for Children and Young People and Child Guardian, Anti-Discrimination Commission Queensland, Health Quality and Complaints Commission and the Queensland Office of the Commonwealth Ombudsman to take a more co-ordinated approach to delivery of complaints services;
- continuing to assist agencies to meet internal complaints management systems compliance;
- continuing to deliver the Good Decisions Training program; and
- continuing the Office's investigative role.

ISSUES CONSIDERED BY THE COMMITTEE

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

- funding and caseloads for Queensland courts and tribunals;

- funding and expenditure for the Office of the Director of Public Prosecutions;
- capital expenditure on the Integrated Justice Information System;
- Crime and Misconduct Commission complaints;
- Office of the Ombudsman complaints;
- matters dealt with by the Coroners Court;
- victim support services;
- matters involving juvenile offenders;
- the work of the Legal Services Commission;
- the Neighbourly Relations Review;
- the Courts Innovation Program;
- mediation and restorative justice processes;
- amendments to the Drugs Misuse Act 1986;
- the establishment of Mental Health Chambers;
- the Whistling While They Work project;
- redress through the Office of Fair Trading;
- the Victims of Crime Review;
- funding and staffing for major prosecutions;
- extradition expenses;
- confiscation of proceeds gained from crime;
- the community justice group program;
- the new Supreme and District Court complex;
- the judicial registrars pilot program;
- appointment of a judicial magistrate in far-north Queensland;
- self-education and development allowances and funding for magistrates;
- the Office of Fair Trading compliance activities in relation to service stations;
- funding for coronial services;
- collection of unpaid fines through the State Penalties Enforcement Registry;
- timeliness of services from the Registry of Births, Deaths and Marriages;
- legislation regulating licensing of security providers;
- the role of the Crime and Misconduct Commission in monitoring and reviewing the criminal justice system;
- the Crime and Misconduct Commission's role in investigating and preventing organised crime;
- witness protection services under the Crime and Misconduct Commission;
- consideration of telephone interception powers for the Crime and Misconduct Commission;
- funding and staffing for Legal Aid Queensland;

² 2008-09 Queensland State Budget – Service Delivery Statements – Department of Justice and Attorney-General – 1-131.

³ 2008-09 Queensland State Budget – Service Delivery Statements – Department of Justice and Attorney-General – 1-158.

⁴ 2008-09 Queensland State Budget – Service Delivery Statements – Department of Justice and Attorney-General – 1-170 – 1-171.

- Legal Aid services in the Cape Circuit;
- the Electoral Commission of Queensland's community awareness activities;
- the Office of the Ombudsman's multicultural awareness activities;
- the Office of the Ombudsman's complaints management initiatives; and
- funding and services of the Public Trust Office.

EMERGENCY SERVICES

The proposed appropriations within the portfolio of the Minister for Emergency Services compared with the previous financial year are set out in the following table:

Department of Emergency Services	Budget 2007-08 \$'000	Budget 2008-09 \$'000
<i>Controlled Items</i>		
Departmental Outputs	479,303	529,125
Equity Adjustment	97,335	37,885
<i>Administered Items</i>
Vote	576,638	567,010

Source: Appropriation Bill 2008

Highlights for the Department of Emergency Services in 2008-09 include:⁵

- implementation of demand management strategies;
- employment of 250 additional ambulance officers;
- capital funding of \$29.3m towards building the Queensland Emergency Operations Centre;
- funding of \$16.9m for more than 145 new ambulances;
- funding of \$13.4m for 30 new or replacement urban fire and rescue appliances;
- commencement or completion of two new ambulance stations and 21 replacement or redeveloped ambulance facilities, and three new fire stations and 11 replacement or redeveloped firefighting facilities;
- service commencement in Cairns of a AugustaWestland 139 rescue helicopter;
- additional \$2.7m for helicopter services overhaul, safety staff, Townsville hangar leasing costs and

regional disaster management staff;

- funding of \$3.9m for the purchase of essential helicopter equipment;
- location of temporary flood barriers in north and south-east Queensland for deployment to affected communities;
- continuing to improve operational systems in communications, incident management, early warning systems, damage assessment and evacuation planning;
- continuing to ensure Queensland communities are prepared for natural disasters and emergencies;
- ensuring best practice capability, competency and safety practices that support the staff and volunteer workforce, including funding of \$1.3m towards finalising the redevelopment of the Queensland Combined Emergency Services Academy; and
- continuing to work with a range of community groups to mitigate the consequences of emergencies and disasters.

ISSUES CONSIDERED BY THE COMMITTEE

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

- progress of the Queensland Emergency Operations Centre project;
- funding for rural fire services;
- progress on new and replacement ambulance and fire stations, appliances and services;
- equipment and training for the State Emergency Service;
- Queensland Ambulance Service response times;
- implementation of the Emergency Services Computer-Aided Dispatch System;
- recruitment of additional emergency service personnel;
- provision of ambulance services across Queensland;
- performance management measures for the Department of Emergency Services;
- the number and experience levels of frontline paramedics and employees in the Queensland Ambulance Service;
- the number and experience levels of frontline firefighters and employees in the Queensland Fire and Rescue Service;
- recruiting and attracting firefighters to the Queensland Fire and Rescue Service and

⁵ 2008-09 Queensland State Budget – Service Delivery Statements – Department of Emergency Services – 2-92 – 2-94.

- attracting volunteers to the Rural Fire Service;
- expenditure on entry-level paramedic and fire officer training;
- revenue for the Queensland Ambulance Service;
- funding for natural disaster mitigation;
- the effect of an audit and senior management changes on the direction of the department;
- contract arrangements for senior officers;
- service provision in the Ethical Standards Unit;
- implementation of audit recommendations;
- the roster system for Queensland Ambulance Service officers;
- enterprise bargaining agreements for the Queensland Ambulance Service and the Queensland Fire and Rescue Service;
- resources and recruitment of volunteers in the State Emergency Service;
- reports in relation to cases of cancer among former and current staff at the Atherton Fire Station;
- statistics in relation to smoke alarm installation;
- recruitment of paramedics from overseas;
- reducing energy consumption and implementing water saving plans;
- location of additional ambulance officers;
- investment in the Queensland Ambulance Service fleet;
- use of fire officers as first responders in medical emergency call-outs;
- overseas travel expenditure in the department;
- fire service levies;
- capital works expenditure and delivery times;
- the Rural and Remote Paramedic program;
- the introduction of new drugs for cardiac arrest patients; and
- provision of uniforms for Emergency Management Queensland officers.

RECOMMENDATION

The committee recommends that the proposed expenditure, as detailed in the *Appropriation Bill 2008* for the organisational units and portfolios allocated to it, be agreed to by the Legislative Assembly without amendment.

Mr Evan Moorhead MP, Chair

August 2008

COMMITTEE MEMBERS

Mr Evan Moorhead MP (Chair)

Member for Waterford

Mrs Julie Attwood MP

Member for Mount Ommaney

Mr Gary Fenlon MP

Member for Greenslopes

Mr Ted Malone MP

Member for Mirani

Mr Mark McArdle MP

Member for Caloundra

Mr Jeff Seeney MP

Member for Callide

Ms Lillian van Litsenburg MP

Member for Redcliffe

SECRETARIAT

Miss Josephine Mathers (Research Director)

Ms Jaana Hokkanen (Executive Assistant)

STATEMENT OF RESERVATION

Mr Evan Moorhead MP
Chair – Estimates Committee E
Parliament House
Brisbane Qld 4000

Dear Mr Moorhead,

I refer to the draft report for Estimates Committee E and submit a statement of reservations on the report and some general comments on the process of Estimates Committees hearings.

This year has once again shown major deficiencies in the Estimates Committee process that has limited the effective scrutiny of the expenditures of Government Departments and agencies. The following general reservations are held with regards to the Estimates Committee Process:

Regarding the portfolios scrutinised by the Committee, the following reservations are raised:

- The overall Estimates process has failed to allow for any real analysis of the expenditures detailed in the Queensland Budget Statements.
- The limited time available to scrutinise each of the portfolios and agencies outlined in session timetables fails to ensure adequate analysis of each portfolios expenditure.
- Reservations are held with regards to the limited number of Questions on Notice allowed for each portfolio, which limit the ability to examine in depth all areas of the allocated budget items.
- The failure of Estimates Committees to allow direct questioning of Senior Public Service administrators.
- Receiving responses to Questions on Notice less than 24 hours prior to the actual commencement of Committee hearings greatly inhibits the capacity to further research the completeness and accuracy of answers provided.
- In addition to limited time provided for questions, the avoidance tactics of Ministers who reply to questions in such a way as to evade the issue being scrutinised was a consistent theme throughout the hearings. Despite numerous follow up questions, Ministers either avoided answering questions or simply read prepared briefing notes on subjects not related to the Issues raised in the questions.
- The structured nature of the Committee proceedings into blocks of questions with set times from Government and Non-Government Members prevent Members being able to follow a line of questioning in a logical and consistent manner to finality.
- The integrity of the Estimates Committee process is grossly compromised due to amendments made to the Criminal Code Act 1899 (Qld) in June 2006, which abolished the crime of knowingly providing false evidence to the Legislative Assembly or a committee.

Regarding the specific examination of expenditure of public monies on the area of Mines and Energy, the following reservations are raised:

- The Minister for Mines and Energy failed to provide a clear answer to questions of how he set his \$3.5 billion coal royalty for 2008-09, a vital component for the Treasurer to claim his budget would be in surplus. We sought several times to elicit a clear and concise answer from Minister Wilson how he arrived at the budgeted higher coal royalty of \$3.5 billion for 2008-09 - spiking from \$1.3bn in 2007-08. The Minister was either unable or unwilling to provide this information. We are concerned that the figure is not based on expected figures and has only been arrived at as a figure of what the Treasurer needed to balance the budget.
- We are also concerned Minister Wilson was unable to provide simple answers on why the Bligh government was refusing to pay the full 44 cents/kilowatt hour feed-in tariff for all solar power generated by Queensland households.
- In addition we are concerned by the level of Ergon's and Energex's distribution network that is more than 30 and 40 years-old. The Minister's answer to my question on notice is troubling given 65 per cent of Ergon's network at least 20 years-old and 38 per cent at least 30 years and older, Energex's network is a bit better, but still more than half is over 20 years-old and 31 per cent more than 30 years-old.

Overall we are concerned that the Minister's level of knowledge of his portfolio is substandard and he appeared less than prepared for the Estimates process. The Minister's responses to specific questions were met with only generalised responses about the importance of the industry and lacked the specificity the Opposition and the public would expect from a Minister.

Sincerely

Jeff Seeney MP
Shadow Minister for Mines and Energy

STATEMENT OF RESERVATION

Attorney General

Secretary of Committee E

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Attorney General and Justice-

With consideration complete for the Justice and Attorney General portfolio the following reservations are held –

- The budget papers are poorly broken down and do not allow for serious analytical consideration of expenditure in each of the areas.
- There is no budgetary break down for the ‘Office of Fair Trading’ in the budget papers.
- The Attorney General failed to answer questions on notice with regards to the number of matters coming through the children’s court instead using a wait and see response.
- The number of budgetary performance measures that have been discontinued.
- The extraordinary amount of court case back logs in both civil and criminal matters.
- The failure to provide for increased staffing in the courts system as reported in the budget papers.
- No increase in judicial officers for the 2008/09 financial year.
- Three hours was grossly inadequate to examine 8 different portfolio areas budget expenditure.
- The Minister avoided answering questions during the committee stage that related to his conversations with CMC chairperson Robert Needham, specifically about Telephone Interception powers.
- The lack of staff in the ODPP will be compounded further when staff are taken off day to day matters to work on high profile cases, such as Patel and Nuttall.
- The 11th hour announcement by the premier regarding additional funding to the ODPP was not broken down adequately explained and needed to be to allow for adequate analysis during the committee process.
- There appears to be an inconsistency in reporting the budget for the Courts Innovation Program (CIP). In response to government question on notice 3 the Attorney claims that CIP has a budget of \$8.755 million in 2008/09, yet response to non government question on notice 1, the budget allocation for CIP is only \$2.858 million.
- The Attorney General refused to provide details of a letter sent to the ODPP by the Director of Legal Aid. This letter contained concerns legal aid had regarding the cape court circuit.

Signed

Mark McArdle
Member for Caloundra
Shadow Attorney General
Shadow Minister for Justice and Fair Trading

STATEMENT OF RESERVATION

4 August 2008

**Mr Evan Moorhead MP
Chair – Estimates Committee E
Parliament House
BRISBANE QLD 4000**

Dear Mr Moorhead

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Sincerely,

Mr Ted Malone MP
Member for Mirani
Shadow Minister for Emergency Services