

## WEDNESDAY, 20 JULY 2016

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### ESTIMATES—INFRASTRUCTURE, PLANNING AND NATURAL RESOURCES COMMITTEE—INFRASTRUCTURE, LOCAL GOVERNMENT AND PLANNING AND TRADE AND INVESTMENT

#### Estimate Committee Members

Mr J Pearce (Chair)  
Dr MA Robinson  
Mr CD Crawford  
Mr MJ Hart  
Mr S Knuth  
Mrs BL Lauga

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#### Members in Attendance

Mrs DK Frecklington  
Mrs JR Miller  
Mr IB Walker  
Mr RJ Pyne  
Mr AC Powell  
Mr AP Cripps  
Mr SA Bennett

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#### In Attendance

Hon. JA Trad, Deputy Premier, Minister for Infrastructure, Local Government and Planning and  
Minister for Trade and Investment

Mr M Collins, Chief of Staff

#### **Department of Infrastructure, Local Government and Planning**

Mr F Carroll, Director-General

Mr S Moseley, Deputy Director-General, Planning Group

#### **Building Queensland**

Mr D Quinn, Chief Executive Officer

#### **Trade and Investment Queensland**

Mr J Noye, Acting Chief Executive Officer

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#### Committee met at 9.00 am

 **CHAIR:** Good morning everyone. Welcome to the Infrastructure, Planning and Natural Resources Committee public hearing for the examination of the Appropriation Bill 2016. I acknowledge the traditional owners of the land upon which we are meeting today. I would like to introduce the members of the committee. I am Jim Pearce, the member for Mirani and chair of the committee. Dr Mark Robinson, the member for Cleveland, is deputy chair. Other members of the committee include Mr Michael Hart, member for Burleigh; Mr Shane Knuth, member for Dalrymple, Mrs Brittany Lauga, member for Keppel, and Mr Craig Crawford, member for Barron River. The committee has granted leave for non-committee members to ask questions at the hearing today.

Today the committee will consider the Appropriation Bill 2016 and the estimates for the committee's areas of responsibility. We will examine the estimates for Infrastructure, Local Government and Planning, and Trade and Investment; State Development, and Natural Resources and Mines; and Housing and Public Works.

I remind everyone present that any person may be excluded from the proceedings at my discretion as chair or by order of the committee. The committee has authorised for its hearing to be broadcast live, televised and photographed. Copies of the committee's conditions for broadcast of proceedings are available from the secretariat. I ask that mobile phones or other electronic devices be turned off or switched to silent mode.

On behalf of the committee I welcome the Deputy Premier, departmental officers and members of the public to the hearing. I ask that departmental officers identify themselves when they speak and speak directly into the microphone. I now declare the proposed expenditure for the portfolios of the Deputy Premier, Minister for Infrastructure, Local Government and Planning and Minister for Trade and Investment open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Deputy Premier, you may wish to make an opening statement. No more than five minutes, please.

**Ms TRAD:** Thank you. I wish a good morning to your good self, all the committee members and of course the committee secretariat, all of whom I know have been working very hard to bring today's proceedings to us.

As Minister for Infrastructure, Local Government and Planning and Minister for Trade and Investment, I am acutely aware that my portfolio plays a central role in delivering on the Palaszczuk government's plan to grow and diversify our state's economy to support jobs right across Queensland now and into the future. My agencies are focused on building on three key cornerstones of the government's economic plan: infrastructure, investment and innovation. Nowhere in this portfolio is this commitment clearer than in our ambitious infrastructure reform agenda, spearheaded by the landmark State Infrastructure Plan, which I handed down in March this year.

The Palaszczuk government's Infrastructure Plan is guiding the rollout of Queensland's \$10.7 billion capital program, supporting more than 31,000 jobs throughout Queensland, with around 46 per cent of this being invested in our regional areas. Over the next four years we will invest more than \$40 billion in new infrastructure. To supercharge our plan we have also established the \$2 billion State Infrastructure Fund to deliver the next phase of priority infrastructure needs, informed by the independent advice of Building Queensland. Through this fund we are already fast-tracking \$300 million of transport projects to unlock economic activity across the state, \$180 million in economic and social projects for regional and rural Queensland, and \$20 million to progress business cases for other infrastructure priorities.

To bring rigour to infrastructure decision-making, we have established Building Queensland as our independent infrastructure adviser. Building Queensland's inaugural infrastructure pipeline report was released last month. It reaffirmed that Cross River Rail is the state's No. 1 infrastructure priority, vital not only for future network capacity but also to boost economic opportunity, productivity and job creation in the South-East Queensland region. This is why our government has provided an in-principle commitment of \$800 million to this project from the State Infrastructure Fund. This is the biggest funding commitment to Cross River Rail by any government in its history.

Major reform for the benefit of all Queenslanders is also happening in planning, through changes to both the state's planning legislation and system. The new Planning Act will ensure Queensland has the best planning and development assessment system in Australia, providing enhanced and more transparent decision-making that better balances the needs of the community, the environment and our economy.

In local government, we are ensuring councillors and mayors will be more transparent and accountable to their community. Today I am pleased to announce that the government will implement major changes to the transparency and accountability of local government as a result of the CCC's report titled *Transparency and accountability in local government*, released late last year.

We also are continuing to drive jobs through the Queensland government's global agency Trade and Investment Queensland, with a particular focus on growing our international education and training sector. This budget invests \$25.3 million over five years to roll out a government-wide strategy to grow this industry, which we expect could annually generate up to \$7.5 billion in export income and create

an additional 6,800 jobs for our state by 2026. We are also establishing two new trade offices—in Chengdu in western China as well as Singapore—to help continue to drive new trade related jobs in Queensland.

This budget charts a strong course for jobs and our economy. I am proud of what we have achieved in the past year and look forward to continuing to deliver for Queenslanders through the 2016-17 state budget.

**CHAIR:** Thank you, Deputy Premier. I should also say that Jo-Ann Miller, the member for Bundamba, will be sitting at the table today, as will Deb Frecklington, member for Nanango; Ian Walker, member for Mansfield; Rob Pyne, member for Cairns; and Andrew Powell, member for Glass House.

**Mrs FRECKLINGTON:** Good morning to the Deputy Premier and to the departmental officers here today. My first question is to the CEO of Building Queensland. Does the financial and affordability analysis of the Cross River Rail business case include the cost of new trains?

**Mr Quinn:** The independent rigorous assessment undertaken by Building Queensland captures all the costs and benefits associated with that project.

**Mrs FRECKLINGTON:** I table page 31 of the executive summary. I have 10 copies.

**CHAIR:** Could you reference the SDS?

**Mrs FRECKLINGTON:** I am referring to paragraph 3 on page 33 of the SDS. It clearly outlines the statutory body for Building Queensland.

**Ms TRAD:** Can I ask that we receive a copy of the document that has just been tabled. It is a cabinet-in-confidence document.

**Mrs FRECKLINGTON:** I note that page 31 of the executive summary of the Cross River Rail business case shows that nearly \$5.4 billion, of the cost of new trains, has been excluded from the financial and affordability analysis. How can Building Queensland exclude the cost of new trains from the Cross River Rail business case, or is it the case that the Deputy Premier asked for a tunnel without trains?

**Mr Quinn:** The independent rigorous assessment Building Queensland did of the business case identified a capital cost of the project of \$5.4 billion. The operating costs associated and all other costs were also factored into the economic analysis.

**Mrs FRECKLINGTON:** The figures quoted by the Deputy Premier are not in the financial business analysis for the ongoing cost of future trains that would be required for the Cross River Rail project?

**Mr Quinn:** There are two aspects to the business case: the economic analysis, which is done for the purposes of making an economic decision; and a financial analysis, for the purposes of making a decision in relation to funding of the project.

**Mrs FRECKLINGTON:** Was it the case that the Deputy Premier instructed you to do a business case without the funding of new trains?

**Mr Quinn:** There was no instruction received from the Deputy Premier.

**Mrs FRECKLINGTON:** Deputy Premier, did you instruct Building Queensland to develop a business case for a tunnel without trains?

**Ms TRAD:** I thank the member for Nanango for the question. I think there are a couple of issues that arise from this particular question and from this line of questioning. First, as the CEO of Building Queensland articulated, the business case did look at both capital costs and operating costs. The capital expenditure touted by the former government, the Newman-Nicholls government, for the Bus and Train tunnel was approximately \$5 billion. That reflects the fact that operating costs were not included in that assessment. Similarly, Building Queensland is not given instructions on how to develop business cases for major infrastructure projects.

We committed to the people of Queensland that we would introduce a high degree of rigour and independence around the assessment of major infrastructure projects in this state. Building Queensland has done a significant amount of work to put this out in the public domain. I refer the member for Nanango to the Building Queensland website, which does include the business case development framework. That clearly articulates the way in which Building Queensland and all other government agencies will go about developing detailed analysis and business cases around major infrastructure projects. To recap, first, we are talking about capital expenditure for a major infrastructure project. That approximately \$5 billion—although who would know, because there was no business case, there was no cost-benefit analysis—

**Mrs FRECKLINGTON:** We haven't seen your business case, either.

**Ms TRAD:** Well, apparently you have because you tabled a document from the business case. I think—

**Mrs FRECKLINGTON:** From the executive summary. You will note that it says 'Executive summary'.

**Ms TRAD:** I think that is a particular issue of concern. Chair, I bring to your attention that it is a cabinet-in-confidence document. I think it is incumbent on the member to articulate how she did come to be in possession of this. We are talking about capital expenditure for an infrastructure project. There is a cost around operating costs but, clearly, when the LNP put out the Bus and Train tunnel they did not include operating costs. As I said, in terms of developing business cases, I refer the honourable member and everyone from the LNP opposition to the Building Queensland website, which has incredibly detailed frameworks around developing business cases and a whole range of other issues including preliminary assessment.

**Mrs FRECKLINGTON:** It is around five pages, Deputy Premier.

**Dr ROBINSON:** And no trains.

**Ms TRAD:** I think it is really important—

**Mr HART:** And no transparency.

**Ms TRAD:**—that I refer those members opposite to that.

**Mr WALKER:** Mr Chair?

**Dr ROBINSON:** Point of order.

**CHAIR:** Hang on a minute. To start with, I am not really happy about the number of interjections that are happening simply because—

**Mrs FRECKLINGTON:** It is possibly because she is not answering the question.

**Dr ROBINSON:** She is avoiding the question.

**CHAIR:** Are you challenging me?

**Mrs FRECKLINGTON:** No, Mr Chair.

**Dr ROBINSON:** There is a point of order, Mr Chair.

**CHAIR:** I will come to that.

**Mr WALKER:** My point was a follow-up from the point the Deputy Premier just made. She seems to be regarding the rolling stock as not part of the capital cost, as though it is an ongoing cost. In fact, if the trains are not included in the cost it leaves a huge hole that the taxpayers of Queensland have to fill that is not, in fact, dealt with by this business case. Isn't it as simple as that?

**Ms TRAD:** Mr Chair, if I can address that question, because I do understand that in terms of additional rolling stock, particularly for the Cross River Rail project, if we look at that issue, and those opposite have brought up this issue, then I think that we should look at the New Generation Rollingstock that has been provided, that has been ordered by the previous government, and which will come online. The previous government also developed the Bus and Train Tunnel.

**Mrs FRECKLINGTON:** We are actually talking about your project, Deputy Premier.

**Ms TRAD:** This was a significantly flawed project, and the BaTT's complexity and an untested tunnel design—

**Mrs FRECKLINGTON:** Deputy Premier, if you don't know about your own project—

**Ms TRAD:** Mr Chair, if I could just draw a comparison between the fact that those opposite want to prosecute a line of questioning—

**Mrs FRECKLINGTON:** So you don't need new trains for Cross River Rail?

**CHAIR:** I ask you to cease interjecting. The minister has the right to respond to a question in the way that she wishes to without interjections. If you want to keep interjecting and drawing it out and using up your own time I am happy to go along with it, but I would rather get on with the job that we are here to do.

**Mrs FRECKLINGTON:** With the greatest respect, Mr Chair, if the Deputy Premier could answer the question in relation to Cross River Rail which is now, it seems, a project without trains.

**CHAIR:** I will remind you that the Deputy Premier has the right to answer the question in the best way that she thinks it should be answered.

**Ms TRAD:** Thank you, Mr Chair. What I will say is that the Cross River Rail design and the underground stations have been designed to accommodate nine-car trains and that is an important issue when we are confronting the fact that we are going to be reaching capacity constraints in the not-too-distant future and one of the best solutions to dealing with capacity constraints is to make good use of the infrastructure that we have.

**Mr HART:** Trains aren't capital items, are they?

**Ms TRAD:** I will remind those opposite that in terms of construction and in terms of operation, we are talking about quite a number of years. So in terms of ordering rolling stock I think it is quite clear that we have significant time in which to make that determination and to put in that order. But I will say for the benefit of those opposite that, in terms of the Bus and Train Tunnel design, this was a significantly flawed project and I will say that the tunnel design—

**Mrs FRECKLINGTON:** Again, we are talking about your project.

**Dr ROBINSON:** Point of order.

**Mrs FRECKLINGTON:** You are embarrassed about your own so you have to talk about ours.

**CHAIR:** Order! We have a point of order.

**Dr ROBINSON:** My point of order is on relevance. The Deputy Premier is not answering the question that she has been asked. She is delving into other things and not addressing the Deputy Leader of the Opposition's question.

**CHAIR:** From what I am hearing she is responding to the question from the very beginning. If you are going to keep interrupting and not let her finish we will be here all day.

**Ms TRAD:** Mr Chair, thank you very much for your assistance. We are talking about Cross River Rail and there are a number of elements to Cross River Rail. There is the business case, obviously, which those people—

**Mrs FRECKLINGTON:** Trains?

**Ms TRAD:** If we want to talk about trains then let us talk about the fact that the bus and train stations were too small, at 170 metres long, to accommodate nine-car trains which offer 50 per cent capacity.

**Mrs FRECKLINGTON:** Relevance, Mr Chair.

**CHAIR:** It is relevant if you interject putting a point up like trains and the Deputy Premier has a right to respond to it. Do not bring it into the conversation. Let her answer the question.

**Mr HART:** Point of order, Mr Chair. Are we running a protection racket here, Mr Chair?

**CHAIR:** I thought somebody would say it, but I do not run a protection racket for anybody. Deputy Premier, I will ask you to try to bring it back to the question.

**Ms TRAD:** I will, and unfortunately I think that these interjections are about avoiding a really embarrassing fact and that is that the rolling stock that has already been ordered will provide capacity on Cross River Rail. So this is rolling stock ordered in the last term of government that will have capacity to run on the new Cross River Rail. So here we have additional rolling stock, I think 72 trains, 75 trains, but let me confirm, for the benefit of the committee, that that will be able to run on the Cross River Rail line. The problem in terms of the BaT tunnel is because it was two tunnels on top of each other the gradient was so steep that there is a very serious technical question as to whether the New Generation Rollingstock could have actually run on the Bus and Train tunnel because the gradient was so steep.

**Mr HART:** Where in the budget is the BaT tunnel?

**Ms TRAD:** Those opposite cannot talk about ordering infrastructure, ordering rolling stock or designing infrastructure because they have got a very chequered history.

**CHAIR:** We will move on to the next question.

**Mrs FRECKLINGTON:** My next question is to the CEO of Building Queensland as well. Does the European Train Control System project delay the need for Cross River Rail?

**Mr Quinn:** The theoretical capacity of the network in Queensland will reach capacity in 2021. The European Train Control System is a requirement within the Cross River Rail tunnel, but theoretical capacity on the network will be reached in 2021.

**Ms TRAD:** If I could just add to that, because I do think—

**Mrs FRECKLINGTON:** My question was actually answered. We have been given a certain amount of time to ask questions.

**Ms TRAD:** I do think it is important to understand that the ETCS is required for Cross River Rail. The ETCS will only provide us capacity to about 2023, 2026.

**Mrs FRECKLINGTON:** If I can then ask, and continue with my questions—

**Ms TRAD:** And it will not provide additional capacity for the south side, south of the river, and that is an important issue. The only solution to the capacity constraints for the South-East Queensland rail network—

**Mrs FRECKLINGTON:** My question was actually to the CEO of Building Queensland.

**Ms TRAD:**—is, in fact, Cross River Rail.

**CHAIR:** Did you want to ask the Deputy Premier a question?

**Mrs FRECKLINGTON:** No, I would like to ask a follow-up question to the CEO of Building Queensland. I refer to the cost-benefit analysis for the European Train Control System and I ask: is the cost-benefit ratio of 2.9 based on a P90 cost estimate or a P50 cost estimate?

**Mr Quinn:** The 2.9 benefit cost ratio on ETCS is based upon a P90 cost estimate.

**Ms TRAD:** If I can just add—

**Mrs FRECKLINGTON:** No, Deputy Premier.

**Mr WALKER:** Give him a go.

**Ms TRAD:** I am happy to say that the P90 is because—

**CHAIR:** Deputy Premier, can I just say that the question has been directed to the CEO and he has a right to answer the question. Do you have any follow-ups to it at all?

**Mrs FRECKLINGTON:** I just wanted to clarify, to the CEO of Building Queensland again, with the European Train Control System that has been budgeted for in this year's budget, you are suggesting that that would push out the need for Cross River Rail in your previous answer?

**Mr Quinn:** What I indicated in my previous answer was the theoretical capacity of the network is reached in 2021. The ETCS solution of the inner city network does not provide any support for the southern areas of population growth. The ETCS, however, will be required within the Cross River Rail tunnel itself.

**Mrs FRECKLINGTON:** Just so I am really clear, Mr Quinn, the cost of the new trains is not allocated in the financial analysis in the business case for Cross River Rail? The business case is a business case for a tunnel without trains based on the figures that the Deputy Premier has been talking about—the cost of Cross River Rail, on her figures, of \$5.4 billion.

**Ms TRAD:** Thanks, Mr Chair. 75 six-car trains have already been ordered by the former government.

**Mr WALKER:** Give the chief executive a go.

**Ms TRAD:** I think the question has been answered.

**Mrs FRECKLINGTON:** This is your officer, Deputy Premier. You might like to let him answer.

**Ms TRAD:** I think there are imputations.

**Mrs FRECKLINGTON:** I know you are not happy, Jackie, but come on. Actually, you are smiling today.

**Ms TRAD:** I have been smiling all morning.

**CHAIR:** I have a set of rules here that I have to follow.

**Ms TRAD:** I understand.

**CHAIR:** I would appreciate it if you would let the chief executive officer answer the question.

**Mrs FRECKLINGTON:** I have a follow-up question to the CEO of Building Queensland. How much did the Cross River Rail business case and supporting documents cost, and I am referring to page 33 of the SDS, the project costs of the business case?

**Mr Quinn:** The combined cost of the ETCS business case and the Cross River Rail business case was \$8.25 million.

**Mrs FRECKLINGTON:** Again to you, Mr Quinn, did Building Queensland provide a draft cost-benefit analysis summary for Cross River Rail to the Deputy Premier's office prior to releasing the document?

**Mr Quinn:** No, we did not.

**Mr KNUTH:** Will the Deputy Premier advise the percentage of small to medium enterprises that will be engaged in the delivery of projects in the \$2 billion State Infrastructure Fund referred to in the Department of Infrastructure, Local Government Planning SDS on page 9?

**Ms TRAD:** I thank the member for Dalrymple for that question. I will have to take it on notice, I think. It can only be projections at this stage because, as the honourable member would be aware—and can I just confirm are you talking about the SRIP program, the Significant Regional Infrastructure Projects Program?

**Mr KNUTH:** Yes.

**Ms TRAD:** These projects have been announced through the budget process. Many of them will be in the preliminary procurement phase. We do have a commitment, as the Premier has said on more than one occasion, around ensuring that our infrastructure dollars do get reinvested in regional communities via jobs and subcontractors and small business. That is our desire and our commitment. In terms of the preliminary procurement phase, we will be making sure that in negotiations with potential contractors there is that focus on local communities. But I will, member for Dalrymple, take that question on notice. As you would be aware, there are some 25 projects right across the state, some in very remote locations like Aurukun, for example, and that poses some difficulties in relation to procurement, but procurement will be in line with whole-of-government policies managed by the Department of Housing and Public Works and the charter for local content which has the core objective of maximising local content. That is our desire. I will get you more information, or potentially you can also ask the Minister for Housing and Public Works who has responsibility for whole-of-government procurement, later on today.

**Mr KNUTH:** Just following on from that question, page 9 of the Service Delivery Statement of the Department of Infrastructure, Local Government and Planning discusses the Significant Regional Infrastructure Projects Program and the State Infrastructure Fund. Can the Deputy Premier outline any of the major projects that will be delivered in North Queensland as a part of the \$2 billion State Infrastructure Fund?

**Ms TRAD:** I thank the honourable member for the question. There are some projects that are statewide, I think off the top of my head some three that are statewide, that will obviously have benefits for North Queensland, but some of the projects that I can talk to immediately and in the member's own electorate are the Herberton replacement fire station at \$1.2 million; the Dimboola extension of their fire station and that is some \$700,000; the Malanda State High School will be receiving \$323,000 for a range of works on site; the Ravenshoe State School will get some \$3.65 million for improvements, as well as the senior campus which will get \$200,000, I think for key maintenance works; Moranbah State High School will also get some \$300,000. As you can see, there is a real focus on social infrastructure, particularly in your electorate, member for Dalrymple. But other projects that I think would be beneficial for the committee to know include an extension of the Port Douglas fire station. I think that is something that has been sought after for quite some time. In Townsville I was very pleased to announce the refurbishment and the extension of the paediatric wing of the Townsville Hospital. I think it is something that the community has wanted for a very long period of time. That will mean more beds, it will mean better services and a better capacity for families to stay together while children are going through a significant period of medical treatment in the Townsville Hospital. These are some of the projects that have been identified and funded through the Significant Regional Infrastructure Projects Program through the State Infrastructure Fund.

**CHAIR:** The time for non-government members has expired. I refer to page 5 of the SDS, local government elections. What has been done in response to the CCC's report into transparency and accountability in local government?

**Ms TRAD:** I thank you for the question, Mr Chair. I start by tabling the government's response to the Crime and Corruption Commission's *Transparency and accountability in local government* report, which was handed down in December last year. As I said in my opening remarks, these significant reforms aim to ensure electoral donations to local government candidates are more transparent and accountable. These reforms, outlined in the government's response, address the six recommendations made by the independent watchdog in their report, which, as I said, was tabled in December last year. Since that time, an expert committee, including the Electoral Commission of Queensland and the Local

Government Association of Queensland, has worked with agencies within the state government to develop the government's response. Our changes build on the Premier's announcement yesterday that the government will introduce an electronic, real-time donation disclosure system at both a state and a council level.

We know that transparency and accountability are paramount when it comes to political donations. Queenslanders expect accountability from their local government candidates—in fact, all candidates at every level—and they have every right to have visibility over electoral donations before heading into the polling booths. Legislative amendments now under development to implement our reform plan include changes to the Associations Incorporation Act 1981 to make it clear that incorporated associations cannot be used to receive or hold electoral campaign funds that benefit a member. The Local Government Electoral Act 2011 and the Local Government Act 2009 will also be amended to ensure consistency between disclosure requirements for candidates, third parties and sitting councillors. There will also be a new legislative provision requiring candidates, groups of candidates or third parties to account for any unspent donations.

We have undertaken a thorough assessment of the CCC's report; however, clearly new issues have arisen as a result of donations to candidates in the 2016 local government elections. For example, my agency has referred the issue of donations collected by the Fadden Forum and provided to a group of independent candidates to the Electoral Commission of Queensland for investigation. As committee members would be aware, yesterday the Electoral Commission released a statement confirming they have now launched an investigation into the financial campaign activities surrounding the Gold Coast City Council elections. While we await the outcome of the Electoral Commission's investigation, I have asked my department for advice on whether the existing legislation is meeting its objectives with regard to relationships between candidates and whether changes are needed to further improve transparency and accountability in local government elections. If further changes are required, legislation will be introduced into parliament well before the next council elections.

This reform package demonstrates that the Palaszczuk government is serious about accountability and transparency in local government. I look forward to bringing legislation to the parliament later this year.

**CHAIR:** I refer to page 4 of the SDS, review of the councillor conduct complaints process. What will a review of the councillor conduct complaints process achieve?

**Ms TRAD:** Mr Chair, thank you for that important question. In terms of a comprehensive approach, this is the second prong of our approach in relation to the councillor complaints system. The government is very committed to promoting transparency and accountability in local government. To achieve this, we acknowledge that the councillor complaints system must be reviewed. It has been in place for quite some time now.

The Local Government Managers Association Queensland wrote to me and requested that a review be conducted of the current system, because it was considered overly confusing and difficult to navigate. The LGMA also expressed concerns about the way in which statutory processes can place local government chief executive officers in a difficult position when undertaking a preliminary assessment of complaints. The Local Government Association of Queensland also contacted me to express concerns about the length of time, the cost and the lack of provision for review or appeal when a conduct matter against a mayor or councillor is sustained.

In response, on 21 April this year I announced an independent review of how complaints about the conduct of mayors and councillors are managed in Queensland. Former integrity commissioner Dr David Solomon is leading an independent panel of local government experts undertaking this review to ensure there is a modern, fair, transparent and accountable system. Other members of the panel are Gary Kellar, the former chief executive of the Logan City Council, and Noel Playford, the former mayor of Noosa shire. Dr Solomon was appointed by the Department of Infrastructure, Local Government and Planning, while Playford and Kellar were nominated by the LGAQ and the LGMA Queensland respectively.

The review will thoroughly examine the statutory provisions in the Local Government Act and the City of Brisbane Act relating to complaints about councillor conduct and make recommendations about any changes required to improve the system of dealing with complaints. Crucially, the review is also designed to ensure there is public confidence in holding councillors to a high standard of ethical and legal behaviour. I am advised that the panel anticipates release of a discussion paper in the coming weeks, inviting Queenslanders to have their say on a fair, transparent and accountable system. Key

stakeholders will continue to be consulted throughout the process and the panel's final recommendations are expected to be developed within six months. The outcomes will be reported to parliament, of course.

**Mr CRAWFORD:** Deputy Premier, I refer to page 10 of Budget Paper No. 3, which indicates that the government's total Capital Works Program for 2016-17 will be \$10.666 billion and will support around 31,000 jobs. How does this capital budget actually go about supporting significant economic activity and jobs, particularly in the construction industry and sectors providing associated support services?

**Ms TRAD:** I thank the honourable member for Barron River for the question. I know that the member for Barron River has been quite a strong advocate for local infrastructure projects in his electorate. I place on record his very strong advocacy and lobbying in relation to infrastructure projects in the Cairns region and in Barron River specifically.

The Palaszczuk government's capital budget is an incredibly important tool to deliver vital infrastructure and support jobs in this great state. This financial year we are investing \$10.666 billion in our capital program. This investment will see around 31,000 jobs being supported this financial year. This means real jobs for real people with families. If we look over the forward estimates, we are forecasting a total capital spend of nearly \$40.8 billion. This spend is made up of capital purchases—the things we build and buy—as well as capital grants. If you are in local government, for example, these capital grants are vital to delivering essential infrastructure. This year we will also see funding going to public-private partnerships, including in the capital spend.

The growth in capital expenditure also reflects the additional investment that we are making through our State Infrastructure Fund. We see a funding injection of \$2 billion for the State Infrastructure Fund over the forward estimates. We will also now have additional tracking of project delivery performance through the new Infrastructure Portfolio Office. Coupled with guidance from the State Infrastructure Plan, this will add to our capacity to build the infrastructure needed to support jobs, support economic growth and support livability into the future. A significant portion of the State Infrastructure Fund will be dedicated to projects to be value added through Building Queensland.

The budget also supports the market-led proposals framework, which is being led by the Treasurer and announced in the 2015-16 budget as part of the government's plan to create jobs and stimulate the economy. We are seeing great results coming through the market-led proposals process already. For example, the Logan Motorway Enhancement Project, the Brisbane international cruise ship terminal, the Queensland Aquarium and Maritime Museum in my electorate and the Mount Cotton driver training centre are all progressing. They have the potential to support more than 1,600 jobs during construction. Building our Regions is receiving \$175 million over the next four years, in addition to \$200 million in new funding allocated in the 2015-16 budget.

Across the state we are seeing significant infrastructure investment in our regions in this year's budget. In the Darling Downs, the Toowoomba Second Range Crossing has received \$400 million out of a \$1.6 billion total spend to construct a bypass route north of Toowoomba. In Far North Queensland, your home, \$10 million will be provided to the James Cook University for the construction of its \$50 million Cairns Innovation Centre, which is something that the member for Barron River has raised with me personally. In Fitzroy, \$22.7 million is being spent to improve and expand social housing in the region, and \$60 million has been provided for the construction of a new high school at Calliope. On the Gold Coast, \$104 million has been provided out of a \$163 million total spend to duplicate the Gold Coast rail line from Coomera to Helensvale station. In Mackay, almost \$32 million out of a \$189 million total spend has been provided to realign the Peak Downs Highway at Eton Range. In Outback Queensland, more than \$6.6 million has been provided for pavement widening on the Flinders Highway, and the Aramac Primary Health Care Centre redevelopment has received \$2.2 million towards the replacement of the existing facility.

Finally, we have a range of other major projects progressing through assessment, procurement or delivery. Some examples include Cross River Rail; the North Queensland sports stadium which has always been supported by the Labor side of politics; the north coast rail line upgrade; the expansion of the government wireless network; the Herston Quarter redevelopment; the Queen's Wharf Brisbane development; Gold Coast Light Rail Stage 2; and the Gateway Upgrade North. All of those projects will continue to grow jobs in Queensland, particularly in regional Queensland, and in the sectors providing associated support services.

**Mrs LAUGA:** I refer to page 3 of the SDS, which refers to a series of priorities for the department related to infrastructure. Deputy Premier, can you outline the key elements of the government's significant infrastructure reform program?

**Ms TRAD:** I thank the honourable member for the question. I know that as a planner the member for Keppel understands the need around planning before you can actually invest and deliver significant development or projects. I thank the committee for the opportunity to outline the exciting new reforms that the Palaszczuk Labor government has put into place to support the delivery of the infrastructure that our state needs to thrive and grow. While this government is committed to building the infrastructure that our state needs to thrive and grow beyond the mining boom, we also recognise that the way that Queensland has traditionally planned and delivered its infrastructure needs to change. That is why we have been methodically reforming the way we deliver infrastructure in Queensland.

As part of this reform agenda, the government launched the State Infrastructure Plan in March this year. The plan outlines our vision for the future of infrastructure in this state. It is an infrastructure strategy and program that underpins economic growth, supports jobs and will create long-term prosperity for all Queenslanders beyond the mining boom. The plan includes a framework to plan and prioritise infrastructure investment and delivery. It also demonstrates the government's commitment to addressing the state's infrastructure needs in a timely, sensible and cost-effective way.

The State Infrastructure Plan's program provides confidence and certainty to industry, local government and the community by outlining a clear program of works and continuing the government's investment program over the next four years. It encourages the private sector to partner with government and put forward innovative market-led proposals that respond to Queensland's challenges in an efficient and value-for-money way. It is about ensuring that we have the right infrastructure in the right place at the right time. We are doing it by making smarter decisions about how we use the scarce capital that we have and by working in partnership with the private sector.

A key implementation action from the plan is the creation of an Infrastructure Portfolio Office. I can happily report that the office has now been set up and one of its key tasks is to monitor and regularly report on the capital program with a statewide and cross-agency focus. This will involve regular reporting by agencies through the office to enable the government to better understand and track its total investment.

Alongside the State Infrastructure Plan, in March this year the government announced the establishment of a new State Infrastructure Fund. This demonstrates the government's clear commitment to planning and delivering infrastructure. With an initial injection of half a billion dollars, the State Infrastructure Fund will help to build the infrastructure needed to grow the economy, and our half-a-billion-dollar initial investment will also support more than 1,000 jobs in Queensland.

This fund received a further injection of \$1.5 billion in the 2016-17 budget to add to the government's capacity to build the infrastructure that we need. An additional major step in my reform agenda was the establishment of Building Queensland last year. This independent statutory body will rigorously assess infrastructure proposals for Queensland and take the politics out of decision-making on large-scale infrastructure projects. Building Queensland is assisting with business cases where government investment is more than \$50 million and taking the lead where investment is more than \$100 million.

I am delighted to report that this significant reform agenda is being well received by industry. I can report that the Property Council of Australia, Engineers Australia and the Urban Development Institute of Australia have all welcomed the release of the State Infrastructure Plan. These significant reform initiatives will continue to improve the way infrastructure is planned and delivered in Queensland. We will keep looking to partner with industry to continue much needed infrastructure reform. This includes support for innovative new ways to plan, fund and deliver transformational city building infrastructure and much needed productivity enhancing regional infrastructure.

**Mrs MILLER:** I refer to page 9 of the SDS which relates to the Significant Regional Infrastructure Projects Program. In relation to this program and the distribution and decision-making regarding the allocation of funding, did the minister establish an independent advisory committee? Who was appointed to the committee and what were their qualifications? Was there a departmental process for all of these projects—that is, were all decisions based on departmental or agency advice?

**Ms TRAD:** I thank the member for the question. There are a few questions emanating from that single request. I can say absolutely that there was an independent departmental process. It was not just my department. It involved departmental officers from Treasury, DPC and other infrastructure portfolios.

Members will well recall that when the State Infrastructure Plan was released in March this year and we identified \$180 million for significant regional infrastructure projects I did stand in parliament and suggest that members of parliament might like to put forward infrastructure projects in their communities. I also pointed out that in the State Infrastructure Plan there was a significant section related to proposals that had been brought up through the community consultation process.

Quite clearly, there are a number of communities right throughout Queensland that have already identified infrastructure projects that they would like to see government or the private sector invest in. That is quite clearly articulated in the State Infrastructure Plan.

Proposals were put to a departmental panel for assessment against a criteria. We have made absolutely no secret of the fact that we wanted projects to deliver maximum economic growth and jobs within regional Queensland. It is quite important to understand that this was not a grants process. This was a process whereby members of parliament, whereby local communities, whereby agencies within government could put forward projects that they believed met the criteria that the government had articulated in the State Infrastructure Plan, which was about driving economic growth and job creation in regional Queensland.

I was very pleased, as advised by the agency, that quite a number of proposals were put forward and were tested against the criteria. Every single proposal that was put to me was assessed through the infrastructure cabinet committee which then made a recommendation to cabinet for endorsement.

**CHAIR:** We now move to non-government questions.

**Mrs FRECKLINGTON:** My question is to the Deputy Premier. I refer to page 9 of the SDS where it states 'to develop and implement a value capture sharing policy and alternate funding models that leverage instruments'. When did you first present the cost-sharing policy to cabinet given your election commitment was no new taxes or charges?

**Ms TRAD:** I thank the member for the Nanango for the question. Quite clearly, the deliberations of cabinet are confidential, including the business case for the Cross River Rail. Despite that, I will advise the honourable member that the State Infrastructure Plan did go to cabinet and was released in March this year. There is a whole section around value capture in the State Infrastructure Plan, which, if the member for Nanango would like to read, would be quite instructive in relation to where the state government is—

**Mrs FRECKLINGTON:** Trust me, I have read it.

**Ms TRAD:** Well you would not have asked that question, but regardless—

**Mrs FRECKLINGTON:** It is for the benefit of the committee, Jackie.

**Ms TRAD:** I think it is important when we are talking about value capture or value-sharing policy, as the Turnbull government would like to frame it, that we look at the conversations and the policies that are being put forward in relation to value capture. In fact, the Turnbull government requires that all—

**Mrs FRECKLINGTON:** Irrespective of the new tax.

**Ms TRAD:** This is a really important issue. Value capture and value sharing is a really important issues. I would like to address it in full.

**CHAIR:** You are invited to carry on.

**Ms TRAD:** The Turnbull government—the new cabinet was sworn in yesterday—requires that all major projects seeking infrastructure funding assess value capture options as a condition for federal funding. That is a condition that has been put in by the federal government.

This is set out in the Infrastructure Australia business case assessment framework brought down in January this year, in the Australian government's Principles for Innovative Financing released in March this year and the Smart Cities Plan released in May this year, which was before the calling of the federal election. Section 2 of Infrastructure Australia's business case assessment framework requires project proponents to demonstrate that user and beneficiary pay options have been fully explored. That is another description of value sharing. One of the stated goals of the Turnbull government's Principles for Innovative Financing policy is to share transport projects fairly between those who benefit the most from the projects and the broader Australian community, with a focus on value sharing and moving towards cost reflective pricing. In the Turnbull government's Smart Cities Plan, released in May—

**Mrs FRECKLINGTON:** Mr Chair, I raise a point of order. I am happy to talk about the Smart Cities Plan. I can get onto that question next, but my question was: when did the Deputy Premier first present her increased taxes plan to cabinet? She has failed to answer that question.

**Ms TRAD:** Mr Chair, I absolutely rule out—for the benefit of the committee, the commitment that the Palaszczuk government took to the election in January last year stands. There will be no new taxes, fees and charges that impact Queenslanders brought in this term.

What the honourable member is asserting is that the investigation that the Queensland government is undertaking in terms of value sharing, which we are required to do if we want to secure federal government funding—the investigation that we are conducting in consultation with stakeholders and the community—is somehow new taxes, fees and charges. We are having a conversation with the community around value sharing.

**Mr WALKER:** A conversation that will end up in new taxes. That is what the conversation is about.

**Ms TRAD:** In relation to value sharing it was in fact the current Leader of the Opposition in the last term of government who talked about financing the bus and train tunnel through innovative financing. If those opposite want to discredit value sharing then they are at odds with Malcolm Turnbull, No. 1, and they need to be abundantly clear that their bus and train tunnel business case did not investigate value-sharing options in order to fund that project.

Quite clearly, the Deputy Leader of the Opposition and shadow infrastructure minister should absolutely rule out, for the benefit of the committee, that the former LNP government did not investigate value sharing in their bus and train tunnel business case. For those opposite to sit down and suggest that value sharing is somehow not to be pursued or investigated I think is either hypocritical or inconsistent with their colleagues at a federal level.

For the benefit of the committee, let me say that I have stood in the House on a number of occasions and I have made ministerial statements in relation to value sharing. I announced that I have requested my department hold a value-sharing symposium—

**Mr HART:** Mr Chair, I raise a point of order. The Deputy Premier is wasting time now. We need to move on.

**Mr WALKER:** It is not questions without notice; it is questions without answers. That is what we are getting.

**CHAIR:** You have asked the question.

**Mrs FRECKLINGTON:** But she has not answered it.

**Ms TRAD:** No, I am answering it. Quite clearly those opposite are not listening.

**CHAIR:** I think she is. What I have heard has been relevant.

**Ms TRAD:** That is right. I have stood in the House and said that value sharing is the way of the future. I have advised the House that my agency has held a value-sharing symposium. Even on my departmental website there is in fact the executive summary of the Ernst & Young review of value sharing to underpin a policy development process in Queensland. If those opposite would like to do their homework, all of the information is there and they can pull it all together and be better informed before they come to hearings.

**Mrs FRECKLINGTON:** My next question is to the CEO of Building Queensland. I refer to page 33 and paragraph 3 of the SDS that states that one of the key functions of Building Queensland is to develop rigorous business cases. Is the \$1 billion benefited area levy contained in the Cross River Rail business case a new tax?

**Mr Quinn:** As part of our rigorous—

**Ms TRAD:** That is asking for an opinion. I am not sure it is consistent with the standing orders.

**Mrs FRECKLINGTON:** I am asking for his professional opinion.

**Ms TRAD:** I raise a point of order, Mr Chair. I think that question breaches the standing orders.

**CHAIR:** Did you want to rephrase the question?

**Mrs FRECKLINGTON:** Mr Quinn, I ask you for your professional opinion. In the business case is the benefited area levy a tax?

**Mr Quinn:** As part of our rigorous and robust assessment of the business case for Cross River Rail, as the Deputy Premier has outlined, there was a requirement for us to fully consider a full range of value capture, value-sharing options. We did that. That was the end of our role.

**Mrs FRECKLINGTON:** Are people paying the benefited area levy that has been outlined by your organisation now?

**Mr Quinn:** We have considered that for the purposes of an independent, robust and rigorous business case, which is what we are required to do.

**Ms TRAD:** For the benefit of the committee—

**Mrs FRECKLINGTON:** You said that you wanted to take the politics out of this, Jackie, so I am asking—

**Ms TRAD:** There is a benefitted area levy now. The Brisbane City Council puts it on those businesses in the Brisbane City Council area so it is functioning now in the Queen Street Mall. The Brisbane City Council do it now.

**Mrs FRECKLINGTON:** You are hoping to tax more Queenslanders through your Cross River Rail business case. I am just ascertaining—

**Ms TRAD:** No, what we are hoping to do is that the delivery authority, which will be independent and established, will assess the business case—

**Mrs FRECKLINGTON:** You just will not let them answer questions—how independent.

**Ms TRAD:**—and will provide government with independent, cross-jurisdictional advice in relation to value capture, as per the requirements from the Turnbull government.

**CHAIR:** Move on.

**Mrs FRECKLINGTON:** My next question is around the \$2.6 billion public transport levy on property owners outlined in the Cross River Rail business case. Would you consider that a new tax?

**Ms TRAD:** Mr Chair, I raise a point of order. The member is asking for an opinion. The CEO of Building Queensland has advised that this has been work undertaken by the agency independently and these are not taxes that are being presented to government

**Mrs FRECKLINGTON:** What are you hiding from?

**CHAIR:** Deputy Premier, I will have to jump in here. You are coming in to answer the question when the question is directed at the CEO.

**Ms TRAD:** I have actually taken a point of order about an opinion, Mr Chair. I seek your ruling about whether an opinion can be asked for.

**CHAIR:** You cannot ask him to express an opinion.

**Mr WALKER:** I raise a point of order, Mr Chair. A question of whether this is a tax is not an opinion. It is a simple question. Is it money that is going to come out of someone's pocket into someone else's. It is something that the CEO could quite clearly answer without having to an express opinion. It is a matter of fact.

**CHAIR:** If the CEO feels that he is not in a position to answer the question because of the position that he holds he does not have to.

**Mrs FRECKLINGTON:** I am happy to move on. Mr Quinn, in relation to the estimated \$2.6 billion public transport levy on property owners how was that assessed, how many property owners are affected and where are those property owners?

**Mr Quinn:** What we provided for the purposes of our business case was a broad range of options for government consideration—

**Mrs FRECKLINGTON:** I do appreciate that that is what the Deputy Premier has requested, but my question is for the business case for Cross River Rail. I am quite sure property owners in a certain vicinity were used in your calculations, and that is quite simply my question. What are the areas and how did you come to the figure of \$2.6 billion of new taxes on Queenslanders?

**Mr Quinn:** All the options that were put forward in the business case were assessed against various criteria.

**Mrs FRECKLINGTON:** Roughly how many people would that have affected?

**Mr Quinn:** I would not be able to tell you what that number was at this point in time.

**Mrs FRECKLINGTON:** I would be quite interested—

**CHAIR:** Member for Nanango, I have heard you say ‘new taxes’ a couple of times. I do not think you are in a position to claim that it is a new tax. Let the CEO answer the question the way he is entitled to answer it. As the chair, I would ask you to—

**Mrs FRECKLINGTON:** I am happy to take it on notice, Mr Chair.

**CHAIR:** Okay.

**Ms TRAD:** Mr Chair, for the benefit of the committee, if I could underline—

**CHAIR:** Are you speaking policy?

**Ms TRAD:** Yes, I am speaking policy, Mr Chair. The member for Nanango is referring to contents of a business case that are cabinet-in-confidence and commercial-in-confidence.

**Mr HART:** It is a secret.

**Ms TRAD:** Mr Chair, when those opposite were in government they refused to release business cases because of commercial sensitivities. What the member for Nanango is asking for—

**Mrs FRECKLINGTON:** How are new taxes commercial-in-confidence?

**Ms TRAD:**—is something that could jeopardise this project.

**Mr HART:** You are hiding how many people will be taxed. That is what you are hiding.

**Ms TRAD:** Mr Chair, I think it is important to understand that there have been no decisions made around the value capture opportunities. What Building Queensland has done is put forward what other jurisdictions have done, modelled against what is the best option for this particular project as per the framework that is up on its website. Mr Chair, can I respectfully suggest that the line of questioning that the member for Nanango is pursuing is not only in contravention of the cabinet confidentiality provisions, because she has a document that is cabinet-in-confidence—

**Mrs FRECKLINGTON:** Why don't you rule out the property taxes then, Jackie?

**Ms TRAD:**—but she is also putting at stake the commercial sensitivity of this project.

**Mrs FRECKLINGTON:** Of new taxes.

**Dr ROBINSON:** You are hiding it from the public.

**CHAIR:** As the chair, I would ask that you do not claim that this argument is about new taxes, because there is no evidence to support that claim and it is more about scaremongering and getting attention rather than being a fact.

**Mr WALKER:** That is your opinion, Mr Chair.

**CHAIR:** Well, you have plenty of opinions.

**Mrs FRECKLINGTON:** I have a follow-up question for the CEO of Building Queensland. In relation to the value capture—if I am not allowed to use ‘new taxes’, as instructed by the Deputy Premier—in relation to the property levies, if I can put it that way, which property owners will be affected by those levies if the Cross River Rail business case goes ahead as proposed by your organisation? Roughly how many property owners will be affected? You must have known that to get to that figure of \$2.6 billion.

**Ms TRAD:** Mr Chair, my concerns expressed stand.

**Mr WALKER:** The Deputy Premier is continually intervening and answering questions that are not asked of her.

**CHAIR:** I am a pretty easygoing person and I do not want to get cranky. Let us go through the process here properly. The question is directed to the CEO, if the CEO feels comfortable to answer it. If you start crossing policy areas like that, the Deputy Premier is then entitled to have her say. Did you want to respond further?

**Mr Quinn:** I am fine.

**Mr HART:** He does not want to reply.

**Mrs FRECKLINGTON:** I am happy for a reply or I am happy to take that on notice.

**Ms TRAD:** Mr Chair, can I respectfully suggest that that is not an issue because of the concerns I have outlined in relation to commercial sensitivities—

**Mrs FRECKLINGTON:** New taxes.

**Ms TRAD:** I will not put the CEO in a position where he is breaching cabinet-in-confidence and nor will I be breaching the commercial-in-confidence—

**Mr HART:** Where is the transparency?

**Ms TRAD:** If those officers would like to talk about secrecy and nontransparency, perhaps they should produce the business case for the Bus and Train tunnel or 1 William Street or for the New Generation Rollingstock.

**Mr WALKER:** I raise a point of order, Mr Chairman.

**CHAIR:** There is no point of order.

**Mr WALKER:** You have not heard what I have had to say. You have not heard what it is. Mr Chairman, I wish to make a point of order.

**CHAIR:** Have your say.

**Mr WALKER:** Thank you, Mr Chairman. The issue of secrecy is being used by the Deputy Premier in circumstances where her own document has been leaked against her and is now in the public realm. She cannot therefore use that to say that she is not going to explain to the public what is there. The point that the Deputy Leader of the Opposition has just made in her question is that people now deserve to know, knowing what the figure is that has been calculated, how that has been calculated and how it will affect them.

**Ms TRAD:** Mr Chair, if I could respond to that?

**CHAIR:** Do you want to respond?

**Ms TRAD:** Yes, I do want to respond, Mr Chair.

**CHAIR:** Go for it.

**Ms TRAD:** I think it is very important to understand that the line of questioning being pursued in relation to secrecy around business cases is hypocritical and unjustified by those opposite.

**Mrs FRECKLINGTON:** You can solve that: just release the business case.

**Ms TRAD:** Mr Chair, when the shadow Treasurer was the minister for transport, when asked if he would release business cases he said—

I strongly support a common framework for assessment; that is a sensible approach to take. But I'm also very conscious there are issues of commercial confidence [with tenders] that have to be respected.

Both sides of politics understand that, in terms of commercial sensitivities, business cases once put in the public realm provide an advantage or put the government at a disadvantage in terms of receiving the best price for a project tender. I am unprepared to put this project at risk because those opposite want to play politics. To be abundantly clear, there is no policy to increase any taxes, fees or charges before cabinet.

**Mrs FRECKLINGTON:** So you have ruled that out?

**Ms TRAD:** The only level of government that has put on an additional levy or tax has been the Brisbane City Council to fund its Brisbane Metro, but those opposite did not cry or moan or condemn that move. Let me be clear: there is nothing before cabinet that looks to increase taxes, fees or charges around Cross River Rail.

**Mr HART:** Not yet.

**Ms TRAD:** What we have said is that we will establish an independent delivery authority to assess the value capture options and to make cross-jurisdictional independent recommendations to government about how to progress it.

**CHAIR:** Thank you for your response, Deputy Premier. We will move on to government members.

**Mr WALKER:** One more.

**CHAIR:** Well, if you can get it done in 40 seconds.

**Mr KNUTH:** I refer to page 48 of the SDS. Can the Deputy Premier explain how TIQ will utilise its global and regional networks to assist the struggling Queensland dairy industry?

**Ms TRAD:** I thank the honourable member for the question. I suspect that the member is referring to further trade and investment opportunities that the Queensland dairy industry might be able to access or investigate further because of the fantastic presence that Trade & Investment Queensland has in a number of markets throughout the world.

TIQ assists Queensland companies to grow exports of food and agribusiness products and services, and facilitates investment into the food and agribusiness sector in Queensland. Queensland and international companies have confirmed that they achieved 102 food and agribusiness export deals with the support of TIQ in the last financial year. That is a great statistic. The majority of these deals were in regional areas throughout the state.

TIQ has assisted Queensland companies to export food and agribusiness products to a range of countries including China, Hong Kong, Indonesia, Japan, Korea, Malaysia, Singapore, Taiwan, Thailand and the United Arab Emirates. With our two new trade offices—one in Chengdu and one in Singapore—which will serve as a gateway for the ASEAN countries, we hope to see that continue to increase.

Specific outcomes include a retail promotion in Thailand for a group of Queensland citrus growers in 2015. Twenty-three companies participated in promotions in Bangkok, Chiang Mai and Phuket and recorded export sales of approximately \$8.7 million. A follow-up promotion is planned for later this year engaging with beef and meat buyers in China, Hong Kong, Indonesia and Japan to facilitate approximately \$13½ million in beef sales and facilitating a major delegation to North Queensland and Brisbane from the Japanese Ministry of Agriculture, Forestry and Fisheries in March 2016 with 26 delegates interested in exploring opportunities to build partnerships in food production, food and agribusiness related research and development and investment in Northern Australia. Several lines of inquiry are ongoing following this mission.

Member for Dalrymple, I do think that, with the Australian dollar being at the level that it is and the growing middle class in Asia, there are significant opportunities for the dairy industry in Queensland to take advantage of that growth and that increasing appetite for Queensland's clean, green and high-quality produce.

**Mr CRAWFORD:** Deputy Premier, I refer to page 9, dot point 2, of the SDS regarding the State Infrastructure Plan. Can the Deputy Premier tell the committee how the plan has been received so far?

**Ms TRAD:** I thank the member for the excellent question. I am very pleased that the Palaszczuk government made an early commitment during the election to ensure that Queensland once again had a statewide infrastructure plan. What is more, we moved to deliver on this promise quickly. In fact, the draft State Infrastructure Plan was released for targeted consultation in less than 12 months from the government taking office, on 26 October last year. This draft delivered a clear, fiscally responsible, long-term vision for the future and encouraged private sector innovation.

The final plan was released on 13 March this year. I am delighted that Queensland now has an infrastructure plan that establishes a landmark reform agenda for Queensland. It is a plan that Queensland has been waiting for for some time. In fact, this is the first time the state government has had a State Infrastructure Plan since 2011. It is an infrastructure strategy and program that underpins economic growth, supports jobs and will create long-term prosperity for all Queenslanders beyond the mining boom.

The plan includes a framework to plan and prioritise infrastructure investment and delivery. It demonstrates the government's commitment to address the state's infrastructure needs in a timely, sensible and cost-effective way. The plan's infrastructure program provides confidence and certainty to industry, local government and the community. This is because it outlines a clear program of works and confirms the government's investment program over the next four years.

I am pleased to say that the Palaszczuk government also delivered on its commitment to deliver a State Infrastructure Plan that meets the needs and expectations of local governments, industry and the community. A wide range of stakeholders from across the state participated in two rounds of well-targeted consultation for the directions paper and the then draft plan. I want to place on the record my appreciation and thanks to my deputy director-general, Darren Crombie, for his excellent work in the consultation and the overall development of the State Infrastructure Plan.

I was delighted with the high level of engagement overall—about 155 written submissions were reviewed and over 295 stakeholders attended workshops during the development of the plan. The high-energy engagement resulted in common messages being received such as the importance of having a plan and that there should be a pipeline of projects included in the plan to provide confidence and certainty to the construction industry, investors and the community.

The Palaszczuk government listened to this important feedback and made sure it was captured and reflected in the final State Infrastructure Plan. I am even more pleased that when the government released the long-awaited plan it did so alongside the announcement of a new State Infrastructure

Fund. The messages from key industry stakeholders and constructors was that they needed certainty, and we heard that message. The government responded with an initial injection of \$500 million to support the implementation of the plan. This demonstrates the government's clear commitment to planning and delivering infrastructure.

The Palaszczuk government is working hard to deliver on the State Infrastructure Plan and is keen to partner with the constructors, investors and the community. That is why we have been so pleased to hear from industry peaks that they are supportive of the government's endeavours and that the plan has been exceptionally well received. For example, the Property Council of Australia, Engineers Australia and the Urban Development Institute of Australia all welcomed the release of the final State Infrastructure Plan. The Property Council noted that the SIP contains—

... a number of new strategic actions that do have the support of the property industry.

These include the creation of an Infrastructure Portfolio Office within the State Government to drive better coordination between infrastructure and land use planning.

Engineers Australia commended the state government for the consultation process they undertook in developing this plan. The Queensland infrastructure spokesperson for Engineers Australia, Chris Warnock, said—

It is evident that they have listened to industry and the community and incorporated much of that feedback into the final Plan.

The Urban Development Institute of Australia highlighted—

Our comments were taken on board and the SIP is now a stronger infrastructure program.

The State Infrastructure Plan has been very well received and I am keen to continue the good work with industry, local government and the community into the future.

**CHAIR:** I refer to page 9 of the SDS and the Department of Infrastructure, Local Government and Planning's role in coordinating and monitoring the delivery of the \$2 billion State Infrastructure Fund established to support the implementation of the State Infrastructure Plan. Can the Deputy Premier outline how the first injection of funds under the State Infrastructure Fund will be invested?

**Ms TRAD:** I thank the member for the question. As I have advised the committee already this morning, the State Infrastructure Plan was released in March this year and included a new State Infrastructure Fund with an initial injection of half a billion dollars. I am pleased to say that in June this year as part of the state budget an extra \$1.5 billion was announced, bringing the total investment to \$2 billion for the State Infrastructure Fund. The significant new investment is about funding projects that will create jobs, economic growth and investor confidence across our state, especially in regional communities. Under the initial \$500 million investment, we established three new programs—the \$300 million Priority Economic Works and Productivity Program; the \$180 million Significant Regional Infrastructure Projects Program, which we have talked about for some length of time already this morning; and, importantly, a \$20 million investment in a program called Maturing the Infrastructure Pipeline Program.

Our Priority Economic Works and Productivity Program will help deliver targeted productivity-lifting infrastructure. The Significant Regional Infrastructure Projects Program, or the SRIPP, is fast-tracking economic and social infrastructure projects right across regional Queensland. This money is seeing real projects being delivered throughout regional Queensland. Across a number of regions, we will see projects like the \$100 million being invested in the North Coast Line Capacity Improvement Project, delivering efficiency of rail freight along the coast. Similarly, under the SRIPP, we have investments in schools benefiting communities across regional and remote Queensland, some of which I have outlined already this morning, particularly in the member for Dalrymple's electorate.

We will also see investment being made in new smart electricity metering that will see the most vulnerable electricity consumers in this state getting access to digital meters that help them with the cost of living. In the Far North Queensland region, which includes the Barron River electorate and part of the Dalrymple electorate, we will see projects being funded like the upgrading of the Aurukun shire's council wastewater system, which I know is long overdue and something that the mayor has warmly welcomed. We will also see improvements being made to Pomppuraaw's water supply, which will see the community with additional drinking water during emergencies.

In Cairns—and thank you to the member for Barron River for his lobbying—we will see \$34 million being invested to duplicate the Bill Fulton Bridge on the Cairns Western Arterial Road. We will also see extensions or replacements of fire stations in Port Douglas, Dimbulah, Smithfield and Herberton, as I have already outlined. In the Townsville region, we will see a \$30 million duplication of Riverway Drive

from Gollogly Lane to Allambie Lane. We will also see the SRIPP providing vital funds for a new Palm Island primary healthcare centre, and the paediatric unit at the Townsville Hospital will be upgraded which will see the children's ward delivering the best care to local families well into the future.

In the Mackay region, which includes the Mirani electorate, we will see a new Step Up Step Down mental health unit being built. These new mental health units provide an alternative to hospital for people recovering from mental illness—something that has been in the news recently. We will also see funds going to a new tourism visitor information centre in Mackay and replacement fire stations in Proserpine and Mackay. Schools like Finch Hatton, Walkerston and Mount Morgan high schools are all benefiting from an investment we are making in education infrastructure under the SRIPP.

In the Central Queensland region, which includes the Keppel electorate, we will see a \$40 million timber bridge replacement package on the Dawson Highway between Gladstone and Biloela. The Rockhampton Road Train Access stage 1 project is benefiting from a \$10 million investment. Gladstone will also see a new Step Up Step Down unit being delivered. We will also see schools like Farnborough, Frenchville and Glenmore in the Keppel electorate benefiting from the investment we are making in education infrastructure.

In the Wide Bay region, the Mon Repos Turtle Centre is being funded for a redevelopment. This is a world-class ecotourism opportunity that, when completed, will allow sustainable visitor growth and will see Bundaberg's economy get a real boost. We will also see a Step Up Step Down unit in Bundaberg and a new state-of-the-art combined police and fire station in Howard.

In the outback Queensland region, we will see projects like the refurbishment of the Boulia community hospital and the refurbishment and expansion of the McKinlay multipurpose health service in Julia Creek. These sorts of facilities are absolutely critical in remote communities that have been doing it tough.

Finally, in the south-west Queensland region, we see communities benefiting from investments being made in education infrastructure. All of this activity is testament to this government's commitment to see the people of Queensland in regional and remote locations benefiting from our State Infrastructure Fund.

**Mrs LAUGA:** I refer to page 9 of the Service Delivery Statements for the Department of Infrastructure, Local Government and Planning focusing on the 2016-17 service area highlights for infrastructure policy and planning. Can the Deputy Premier tell the committee what the Queensland government is doing to assess value capture?

**Ms TRAD:** I thank the honourable member for the question. As the member would know, and as those on the committee who have been tuned into the proceedings of parliament and my statements earlier this morning would understand, value capture or value sharing is an important tool that we need to have in our infrastructure funding toolbox. Put simply, value capture is a type of financing that recovers some or all of the private sector value creation that public infrastructure investments generate. I will say it again for the benefit of the committee, because some of them were not listening. Put simply, value capture is a type of financing that recovers some or all of the private sector value creation that public infrastructure investments generate.

**Mr WALKER:** That is a lot of words just to say 'tax'.

**Mrs Frecklington** interjected.

**CHAIR:** Order!

**Mr WALKER:** You have gone on and on and you have said 'tax'.

**Ms TRAD:** How about I say 'value capture' instead of 'asset sales', because those opposite only know one thing when it comes to providing infrastructure and that is to sell assets.

**Mr WALKER:** The sort of sales QIC are doing to fund your super raid—those sorts of assets.

**Mrs FRECKLINGTON:** The vertical ones.

**CHAIR:** Non-government members!

**Mrs FRECKLINGTON:** We are just trying to protect her.

**CHAIR:** It is about giving everybody a fair go.

**Mr HART:** She is lost.

**CHAIR:** No, she is not lost. I will bet my bottom dollar she is not lost. Minister, carry on in response to the question please.

**Ms TRAD:** Thank you. Put simply, again, value capture is about a type of financing that recovers—

**Mrs Frecklington** interjected.

**CHAIR:** You are provoking them, Deputy Premier.

**Ms TRAD:** Mr Chair, who would have thought that I could provoke them around value capture or value sharing? I do not see them being provoked when Malcolm Turnbull steps up and talks about value capture when it comes to providing \$100 million for the Townsville stadium, or when it comes to the Gold Coast Light Rail extension or Cross River Rail. We know that this is a conversation being had at a federal, state and local government level. The only people who are not attuned to this conversation are those opposite. Those opposite are the only ones who have been unable to keep up with a conversation that has been had for a number of years across every level of administration.

**CHAIR:** You have responded to the question and I think we can move on to the next question. I have not got time to muck around.

**Mrs MILLER:** I would like to ask the director-general a question. I am obviously going to seek further information in relation to the process regarding the Significant Regional Infrastructure Projects Program because I am clearly not satisfied with the response given by the Deputy Premier. I would like to know the public administration structure for the analysis of this program. For example, I am just querying whether you have flow charts in relation to the structure as to how the decision-making took place. I would like to know the positions internally of those people who were involved in a committee or whatever and also the positions of the officers in other departments who took part in this process. I am happy for this to be taken on notice, but if you do have that available I would be very grateful for that information.

**Mr Carroll:** I thank the member for the question. In relation to this, the Deputy Premier did outline that it was not a grant program that was actually put in place; it was a collection of projects which were identified by departments. The committee that met on this was part of DPC, Treasury and the department.

**Mrs MILLER:** And what were the positions?

**Mr Carroll:** The deputy director-general of infrastructure, Darren Crombie, was the representative from the department on the committee from my part.

**Mrs MILLER:** Was there any formal flowcharting in relation to the decision-making process at all, or do I have to RTI it?

**Mr Carroll:** The criteria was based on projects would be unlocking productivity in infrastructure in relation to that.

**Mrs MILLER:** The Deputy Premier also said that there were 160-odd submissions, I think you said.

**Ms TRAD:** No, I did not say that. I said it was a \$180 million program.

**Mrs MILLER:** Okay. Well, submissions obviously came through. If those submissions came through to your office or through departments, I want to know exactly what the process was in relation to how the decisions were made. In other words, did the departments put up the projects to your office for the decision-making, or did projects come in directly to you? I would like to know that process from a public administration perspective, also for integrity, transparency and accountability.

**Mr Carroll:** Absolutely. I am happy to detail some of that criteria. Funding was prioritised to allocate projects below \$50 million that met the following criteria—ready to be brought to market and able to proceed within six months of receiving funds; procurement by the public sector, for example, a state department or agency could establish a funding agreement with local governments regarding such things as water infrastructure; aligns with the strategic directions that are outlined in the SIP; has demonstrated a need verified by a relevant state agency, government department or agency. I am happy to take the rest of your question on notice.

**Mrs MILLER:** Thank you. If you could do that, I would be very, very grateful.

**Mr CRAWFORD:** Deputy Premier, I know it was covered in detail before from those opposite but I am interested in the Commonwealth government funding request in relation to Cross River Rail. Could you make it clear for me how the basis for that request operates with the Commonwealth?

**Ms TRAD:** I thank the honourable member for the question because, although those opposite did ask the question, they were not very interested in the answer. There are two very important points to make in relation to Cross River Rail. No. 1 is that there is no escaping the fact that the Commonwealth

government has a critical role in funding major infrastructure projects and it needs to commit funds to Cross River Rail. That is abundantly clear. No. 2 is that Cross River Rail has been this state's highest priority infrastructure project for some years now.

In relation to my first point, the Commonwealth has made quite a fuss over the funding it announced for the Melbourne and Sydney Metro rail projects in the federal budget back in May this year. They have announced more infrastructure funding commitments all around the nation through the recent election campaign, but still there is nothing for Cross River Rail.

We are fighting for this project because it is more than just a rail project. This is a project that will deliver enormous benefits and help transform South-East Queensland and confirm this state's capital city as a new-world city. In fact, the cost-benefit analysis identified that the Cross River Rail project has the potential to deliver total productivity gains of more than \$2 billion. These productivity gains will benefit the local, regional and national economies. It is only fair that, as beneficiaries of this productivity gain, the Commonwealth also contribute their fair share of the funding.

In relation to my second point, since 2012 Infrastructure Australia—

**CHAIR:** Order! Deputy Premier, can I get you to finish off the answer rather quickly, because we are running out of time, in fairness to all members on the committee.

**Ms TRAD:** In relation to my second point, this has been a priority infrastructure project since 2012. Infrastructure Australia has made clear since 2012 that this is a critical national infrastructure project. I am confident that it will assess it again as such now that it has the business case. I will continue negotiations with the federal government around securing funding for this project because, unlike those opposite, we will not turn our backs on an agreement with the federal government to fund this project and make it a reality.

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

**Mr PYNE:** Deputy Premier, when did you become convinced of the need for greater transparency and accountability in local government? Importantly, what additional resources will your office be providing to make sure complaints regarding fraud and corruption in local government are fully investigated?

**CHAIR:** Member for Cairns, could you give me the SDS reference, please? I want to know where you are referring to—what part of the budget papers.

**Mr PYNE:** Pages 4 and 5.

**Ms TRAD:** I thank the honourable member for the question. As the member for Cairns may be aware, the Palaszczuk government was elected on a platform of restoring greater transparency and accountability in the political process that had been slashed and cut by the former Newman-Nicholls government. We were elected on a platform of restoring confidence in the transparency and accountability of the political process from a local to state level.

**Mr Hart** interjected.

**Ms TRAD:** I know that those opposite do not like hearing the words 'transparency and accountability' but I will continue to answer—

**Mr WALKER:** Always happy to have a conversation about it.

**Ms TRAD:** I will continue to answer the question asked by the member for Cairns because I do think it is an important question. The member for Cairns would also be aware that my agency has spent a considerable amount of time reviewing a number of complaints and concerns that have been tabled in the parliament by the member for Cairns. I think my agency alone has spent some \$50,000 investigating those concerns and complaints. Of course, there are other organs to the complaint assessment process, such as the Ombudsman and the CCC in relation to threshold issues of corruption or misconduct.

We have established a councillor complaints review process, as I outlined previously. That will be headed up by former integrity commissioner Dr David Solomon, and I did make that announcement in April this year. Dr David Solomon will be joined by Mr Noel Playford OAM, who was nominated by the Local Government Association of Queensland, and Mr Gary Kellar, who was nominated by the Local Government Managers Association of Queensland. Our current system has been in place since 2009 and it is time to relook at this, particularly because the LGAQ and the LGMA have some alarming concerns around the inordinate amount of time that councils are being asked to provide to investigating complaints. The responsibility of CEOs was something that the LGMA was uncomfortable with. Taking on board their concerns, we are looking at a system-wide review.

Let me also say to the member for Cairns in relation to the government's response to the CCC's report, which was tabled late last year, that the receipt of electoral donations into accounts that are titled in a lord mayor's or councillor's name is to stop. We will be progressing those amendments, as per the CCC's recommendations, through the parliament this year to improve transparency and accountability. To underscore all of that, very importantly, is the commitment made by the Premier yesterday in estimates that this government will move to real-time disclosure of political donations before elections take place so that electors at a state and local government level can know before they walk into the ballot box exactly who has donated to what.

For the benefit of the committee and particularly the member for Cairns, I do highlight the fact that the expert panel led by Dr David Solomon will be releasing a discussion paper in the not-too-distant future. I do encourage the member for Cairns to have a look at it when it comes out and to respond to the discussion paper and make a submission to the committee.

**Mrs FRECKLINGTON:** Mr Chair, I have a couple of short final questions for the CEO of Building Queensland. Mr Quinn, just to finalise the line of questioning, can you please clarify what are the assumptions that sit behind the \$2.6 billion public transport levy and also the assumptions that sit behind the \$1 billion ticket levy on public transport users?

**Mr Quinn:** As the Deputy Premier has indicated, the information within the business case is commercial-in-confidence and it is cabinet-in-confidence, so I am not at liberty to disclose the detail.

**Mrs FRECKLINGTON:** In relation to the levies, which would not be, in my opinion, commercial-in-confidence, we also have the—I will ask the Deputy Premier. Deputy Premier, in estimates last year you said that you would release the full business case, so I am interested as to how you think new taxes on Queenslanders would be commercial-in-confidence?

**Ms TRAD:** Mr Chair, could the honourable member detail exactly what taxes we are putting forward?

**Mrs FRECKLINGTON:** I am more than happy to list them out for you, Deputy Premier. Would you like me to?

**Ms TRAD:** Mr Chair, I think you have made it very clear—

**Mrs FRECKLINGTON:** You just asked me to. I am happy to answer your question.

**Ms TRAD:** We are actually not having a taxation discussion.

**Mrs FRECKLINGTON:** The new taxes that I am referring to are the \$1 billion benefited area levy, the \$2.6 billion public transport levy, the \$1 billion ticket levy on public transport users, the \$1.2 billion car park levy on motorists and the \$1.2 billion motor vehicle registration levy. Those are the new taxes that I am referring to.

**Ms TRAD:** Mr Chair, just so I can make it abundantly clear and I think very straightforward and simple for the benefit of the Deputy Leader of the Opposition, what she is referring to is a confidential business case. What this business case has done, as per the requirement of Infrastructure Australia and the Turnbull government, is to explore value capture opportunities if we are to secure federal government funding for Cross River Rail, and we intend to. We have explored that.

What the government—whichever government it is at the end of the day—decides to settle on will be a position put forward by the independent delivery authority that we will establish to deliver Cross River Rail which will have representation from the federal, state and local governments around the table, with independent experts making recommendations to government around what is the best long-term financing option for this project. The fact that those opposite continue to talk about a taxation regime is just scaremongering.

**Mrs FRECKLINGTON:** Rule it out and then no-one will be scared.

**Mr WALKER:** Then there is no more scaremongering.

**Ms TRAD:** Mr Chair, I think this is important. The member for Nanango is referring to the business case. On 9 March this year Paul Fletcher—he was then the federal Liberal minister for major projects—said in relation to the Cross River Rail project—

... the Turnbull Government has signalled a strong interest in value capture. In particular, we state that in our consideration of future joint projects, we will expect a greater level of disclosure from the States on potential value capture revenue streams.

We need to do this work if we are to secure funding from the federal government. Unlike those opposite, we are unprepared to make this project a political football that will never see it built.

**Mr HART:** It has been for years.

**CHAIR:** Can we take the next question, please.

**Mrs FRECKLINGTON:** Deputy Premier, I refer to your response to question on notice No. 9 which states that \$41 million has been allocated in the budget for public servants, contractors and consultants for Cross River Rail. Where in the budget is the funding for a business case for the Townsville eastern access corridor?

**Ms TRAD:** I thank the member for the question. Again, I refer her to a document that is in the public domain: the *Infrastructure Pipeline Report*, which was released in June this year, just after the budget.

**Mrs FRECKLINGTON:** That is right, so where was it in the budget?

**Ms TRAD:** For the benefit of the member, if I could just guide her to page 19, which has the pipeline of priority projects. The member will see that the Townsville—

**Mrs FRECKLINGTON:** All talk, no action.

**Ms TRAD:** The member will see that in terms of the pipeline of priority proposals, which is the first time that this has been published and it has been very well received by the sector—

**Mrs FRECKLINGTON:** Why did you not put any money in your budget for it?

**Ms TRAD:** Can I say that the Townsville Eastern Access Rail Corridor is under the assessing phase in terms of the options—the preliminary evaluation phase. I do welcome the Commonwealth's contribution in relation to this—

**Mrs FRECKLINGTON:** You did not during the election.

**Ms TRAD:**—project during the federal election, although it was inconsistent. They did say on the one hand when it came to Cross River Rail they had not seen the business case so they were not prepared to put money in.

**Mr HART:** Two days before the federal election.

**Ms TRAD:** However, TEARC does not have a business case, but they were prepared to put money into that.

**Mrs FRECKLINGTON:** Where is the business case for the Townsville eastern access corridor?

**CHAIR:** I ask non-government members to stop interjecting. You all know what the rules are. You are just being unruly by simply interjecting all the time and not giving the Deputy Premier the opportunity to answer the question without disruption. Carry on.

**Ms TRAD:** Thank you.

**Dr Robinson** interjected.

**CHAIR:** You have to be big and tough to take it.

**Ms TRAD:** Thank you, Mr Chair, and I thank you for the excellent job you are doing in trying to keep a sense of order in relation to the proceedings of this committee.

The Townsville Eastern Access Rail Corridor is a project within my scope. It is in Building Queensland, in the preliminary evaluation phase. I am advised that the Minister for Transport and the Commonwealth Games and the transport and main roads agency have sought funding from the Commonwealth to complete the business case. An amount of \$3 million has been provided through the Department of Transport and Main Roads in relation to progressing the business case. Given the federal government's keen interest in this project, given their commitment to the Townsville Eastern Access Rail Corridor and their commitment to proper planning, the Minister for Transport has sought assistance in relation to the business case.

Just to put this in perspective, this is a project that will cost in the vicinity of \$500 million to \$700 million. It is an important project for a very important port in Queensland and we want to see it built. We are looking forward to partnering with the Turnbull government to make sure it is built.

**Mrs FRECKLINGTON:** When will the business case for the Townsville eastern access corridor be released? You have no funding in your budget for it. You have just said it is such a priority project for you. Why did you not put any funding in your budget for this—in your words—very important project for Queensland?

**Ms TRAD:** Mr Chair, I thank the member for Nanango for the question and I will repeat myself so that she is clear. The Department of Transport and Main Roads is the responsible portfolio agency in relation to TEARC. They have provided \$3 million to get the business case up and running and are seeking assistance from the federal government to progress—

**Mrs FRECKLINGTON:** I will refer you back to your glossy document where it is clearly, as you stated before, within your ambit.

**Ms TRAD:** Yes, Building Queensland is an agency that is under my area of responsibility, and they are commencing the preliminary evaluation phase. For the benefit of the member for Nanango, this is a process that needs to be gone through before a detailed business case, which is a significant cost. As the member might be aware because of a response from the CEO of Building Queensland to a question that she put to him earlier, business cases are costly and before agencies embark on business cases a preliminary evaluation must be developed. That evaluation is being undertaken by the agency under my portfolio responsibility, Building Queensland. Funding is in the DTMR budget under the transport systems planning budget, and I refer the shadow infrastructure minister to that SDS.

**Mrs FRECKLINGTON:** It is clear that, whilst it is a priority project for you and Building Queensland, your department has no intention of using any of your allocated budget funds for providing a business case for this very important project for northern Queensland.

**Ms TRAD:** Mr Chair, I feel that I have answered this question. Perhaps the shadow minister for transport would like to go to the Minister for Transport's estimates hearing and ask about their budget allocation in relation to the business case and their discussions and negotiations with the Commonwealth around funding the business case development process.

**CHAIR:** I think the Deputy Premier has pointed out something that is rather important and you should follow her advice.

**Mrs FRECKLINGTON:** My question is for the Deputy Premier. I refer to Economic Development Queensland missing its target for investment enabled by its priority development infrastructure co-investment target by over 89 per cent in 2015-16. I refer to page 63 of your SDS, and I ask: given this complete failure, what actions have you taken other than discontinuing this reporting measure which you only included for the first time in last year's SDS?

**Ms TRAD:** I thank the member for Nanango for the question in relation to this item within the SDS. This is a discontinued measure. It was a program that was established by the former deputy premier and former infrastructure minister, the member for Callide. For the benefit of the committee, that program was set up not too long before we went to the election. At that election the government changed, and the government decided to discontinue this measure and create a new program that was much better targeted and did not disadvantage local councils, who had complained about the structure of the former program.

I will say that there has been significant interest in our Catalyst Infrastructure Program, and we are assessing a number of projects that have been put forward by councils to really drive economic growth and productivity in their regions and attract population growth as well. I think that the way that we have structured this program is a big success. Those opposite might want to have a look at the time line around when this announcement was made when they were in government and what occurred soon after.

**Mrs FRECKLINGTON:** The time line is that you included that measure in the SDS for the first time last year, so my question is what else have you done other than discontinue the measure, given that you have not been able to reach that priority target?

**Ms TRAD:** For the benefit of the member for Nanango, it was included in last year's budget because there had been grants provided to councils such as Scenic Rim which we honoured under the old program, which is why they were captured in last year's budget. We accounted for the expenditure. We restructured that program after we came to government so that it was much better targeted and responded to the needs of local councils without penalising them for not taking up particular criteria that the former deputy premier imposed which they found unfair.

Five further projects are under consideration through the Catalyst Infrastructure Program including: Gatton West Industrial Zone; Rubyanna Wastewater Treatment Plant in Bundaberg; Sunshine Coast Principal Activity Centre; Rocky Springs residential development in Townsville; and the Townsville Airport aprons. These are all projects that we are looking to fund through the Catalyst Infrastructure Program, and we know that councils are very happy with the way that it has been structured. I am very happy to report on more fantastic projects that we are looking at through this program.

**Mr KNUTH:** With the recent acquisition of the Springvale Station, can the Deputy Premier confirm that the state government will continue to pay the local council rates in order to have the local council continue vital pest management and the upkeep of roads?

**Ms TRAD:** I thank the honourable member for the question. It is an issue that I will take on notice to ensure that I provide sufficient detail in relation to what appears to be a well-established and perhaps complicated arrangement between the state and council in relation to the established funding and future funding process. I will take that question on notice.

**CHAIR:** I refer to page 9, dot point 7 of the SDS under 2016-17 services area highlights. What are city deals and to what extent has the government been investing in city deals with other levels of government for Queensland?

**Ms TRAD:** I thank the member for the question. I think city deals are a very exciting initiative, and I am proud to say that Queensland is at the forefront of city deals across Australia. We are the first state to commence the development of a comprehensive city deal between two or more levels of government. In simple terms, city deals have the potential to transform and grow our cities or regions through smarter infrastructure planning and prioritisation, which in turn means better investment for taxpayers and the city. As the name suggests, it is an agreement between different levels of government to prioritise infrastructure and support non-infrastructure programs that meet agreed economic and social outcomes for a region.

The idea was first developed in the UK with the Greater Manchester City Deal, which was struck in 2012. A feature of the UK city deal contracts is the inclusion of initiatives directly relevant to that region. Some of the great ideas or elements of the agreement that have come out of the Manchester city deal include: a growth hub program; a skills hub, a plan to employ 6,000 apprentices; a low-carbon demonstrator initiative, an innovative funding model to reduce emissions; an inward investment beacon, a program to attract international and patent capital to local projects; and a housing program that aims to deliver some 7,000 new homes by 2017. Essentially, it is a process for looking at how councils and governments, rather than competing for limited resources, get together and prioritise on a collective basis those projects that will benefit the region as a whole.

My department and I have been very active in working with various mayors and local governments to investigate city deals for the South-East Queensland region. We have committed \$135,000—and I announced that in March of this year—to a partnership with the Council of Mayors and the South-East Queensland Property Council of Australia to investigate how a UK city deals approach could be applied in South-East Queensland. Prior to the federal election I also met with, and have written to, the Australian government to seek their involvement in our city deal initiative for the south-east Queensland corner. I am very happy to report back to the parliament once those conversations are started up again now that we have a new federal ministry.

**CHAIR:** How do regional councils benefit from this grant?

**Ms TRAD:** I thank the member for the question. When Malcolm Turnbull announced funding for the Townsville stadium, he said that he hoped Townsville would be part of the Smart Cities Plan. That is about making smart investments in regional communities to ensure that infrastructure is properly planned and prioritised across the jurisdictions. I am very pleased that we are doing quite a bit of work in that area. One of the first pieces of work that we have to do is looking at land use planning. I have written to the North Queensland councils around a North Queensland regional plan, and I think that there will be some great progress in that area. Underpinning that is to work with the federal government and local councils to establish what would be a very good structured list of infrastructure priorities that we can collaboratively pursue to unlock all of the economic potential and growth of that region.

**CHAIR:** The committee will take a break until 11:30am. When we resume we will continue to examine the estimates for the areas of infrastructure, local government and planning and trade and investment.

#### **Proceedings suspended from 10.56 am to 11.28 am**



**CHAIR:** The hearing is now resumed. The committee will continue to examine the estimates for the portfolio areas of Infrastructure, Local Government and Planning and Trade and Development. I call the member for Barron River.

**Mr CRAWFORD:** Deputy Premier, I refer to page 51 of the SDS. What progress has Trade & Investment Queensland made since it was announced that the Queensland government would open two new offices?

**Ms TRAD:** I thank the honourable member for the question. The decision to open the office in Chengdu was a result of the Premier's recent trip to China where she visited Chengdu, and I am very pleased to say that we have moved quite swiftly towards opening this very important new trade office for the Queensland economy. Trade and investment are incredibly important to our economy.

Approximately 440,000 Queenslanders—that is one in five Queensland jobs—rely upon trade and investment for their employment. I have to say this is probably why the Premier was keen to see an expanded Queensland footprint in China, which we know is a rapidly growing economy, particularly in the services sector.

Trade & Investment Queensland will operate these offices—the one in Chengdu in the Sichuan province in western China and the other in Singapore—with the government investing \$1.5 million over three years towards the establishment and operations. Today I am happy to announce that Queensland's newest trade office in China is now operational. Just one month after the Palaszczuk government announced the expansion of the state's overseas footprint in a push to increase trade ties with Asia, the Chengdu office is now open for business. This is Queensland's fourth Trade & Investment office in China and the state's largest trading partner. I will officially open this new office in November this year, when I plan to visit China and Vietnam on a trade and investment mission.

**CHAIR:** Deputy Premier, I refer to page 48 of the SDS. What is the impact of the Chinese language version of the State Infrastructure Plan on promoting Queensland to Chinese investors? This is a very important question.

**Ms TRAD:** It is a very important question and I thank you, Mr Chair. I know that in terms of my trade mission there was significant interest in the government's planned infrastructure rollout for potential investors, and that is certainly the feedback I got from both the Premier and the Treasurer in respect of their overseas trade missions, particularly for potential Chinese investors. The State Infrastructure Plan, which I released in March, outlines a new strategic direction. I have talked about it in some detail for the benefit of the committee this morning. It will help the Queensland government deliver critical infrastructure projects to the state.

Queensland can benefit from the opportunities presented by one of our regional neighbours and largest trading partners, China. China has a particular policy now called the One Belt, One Road policy. It is a key foreign policy initiative of the People's Republic of China to improve regional connectivity through international infrastructure investment. One Belt, One Road—OBOR—has been given impetus through the Chinese government's establishment of the US\$40 billion Silk Road Fund and the US\$100 billion Asian Infrastructure Investment Bank and the US\$100 billion New Development Bank. The Queensland government is working hard to link China's One Belt, One Road initiative to investment opportunities in Queensland, particularly in Northern Queensland.

Some of the issues we have identified through our ongoing collaboration and discussions with Chinese government officials and potential investors include the need for more clarity around which infrastructure projects in Queensland would be attractive to Chinese investors, the need to better identify the barriers to entry to the Queensland market and what needs to be done to assist potential Chinese investment. That is why the Queensland government developed a Chinese language version of the State Infrastructure Plan: to provide more clarity to Chinese investors and greater understanding of our State Infrastructure Plan and the projects contained therein. This will allow the Queensland government to work more closely with Chinese private and state owned enterprises, along with major Chinese financial institutions, to examine any proposed Chinese investment.

I can also advise the committee that earlier this year the One Belt, One Road infrastructure investment forum was held. We sent departmental officials to China for that, which the Consul-General was very appreciative of. Additionally, I attended a One Belt, One Road forum here in Brisbane on 8 June. A significant number of investors, both from China and potential Chinese investors who are located in other jurisdictions in Australia, were in attendance and there is significant interest in investing in Queensland infrastructure from potential Chinese investors.

**Mrs MILLER:** I refer to page 33 of the SDS which is about Building Queensland, and I ask the minister about the funding. Building Queensland received \$20.2 million over four years and in this year's budget another \$14.4 million over four years, which totals \$34.6 million. There has been a lot of rhetoric about this, but there are a few things I would like to know. Firstly, how is this money being spent? Secondly, I would like to know a list of consultancies and the dollar value of those consultancies. I am particularly interested in the consultancies from a company called Urbis. I would also like to know if any employees from Urbis are on any government boards that might be under your control within your portfolio, please.

**Ms TRAD:** I thank the member for the questions. I will take the last one on notice and endeavour to provide an answer by the end of the committee hearing, but to the best of my knowledge there are no Urbis employees. That is to the best of my knowledge, but I will provide the actual detail to the committee. In case I am wrong, that will be clarified.

**CHAIR:** Thank you.

**Ms TRAD:** In relation to Building Queensland in reference to the actual budgeted cost, it is there on page 33. It is an annual allocation of \$8 million and is essentially total expenses. This includes staffing and, as the member has pointed out, potential consultancies to assist in the development of business cases. In relation to those consultancies, I am also happy to take that on notice to ensure that I provide accurate information to the committee.

Just to clarify, for the sake of the committee, Building Queensland is an independent statutory authority. It uses its allocation in the way that it sees fit according to the act that this parliament passed late last year in relation to conducting its business. They are not directed by the minister in relation to who they use. I expect that they will use contractors who can provide the critical expert advice and information that they need in order to deliver the business cases that large-scale infrastructure projects need in order to get government funding.

**Mrs LAUGA:** Deputy Premier, I refer to page 48 of the SDS. How will the government finalise the draft International Education and Training Strategy to Advance Queensland 2016-2026?

**Ms TRAD:** I thank the member for Keppel for her question, and I do note that trade and investment is an area that the member has great interest in. It does provide enormous opportunity for her electorate and her region in terms of future economic diversification and growth. As the member would be aware, I released the draft International Education and Training Strategy to Advance Queensland on 11 June this year. I prepared this strategy in conjunction with my colleagues the Minister for Education, Minister Jones, and the Attorney-General, who is also the minister responsible for training. I want to place on record my sincere thanks to both of them and their agencies for all of the assistance in relation to this endeavour.

We have made a commitment in this budget to international education and training growth for Queensland to the tune of some \$25.3 million over the next five years. This includes \$4 million in the 2016-17 financial year to support one of Queensland's most promising export industries—its world-class international education and training industry. The funding is in addition to the \$7.7 million over four years that we provided in last year's budget.

Today it is my absolute pleasure to announce that Ms Rebecca Hall has been recruited as an executive director within Trade & Investment Queensland to lead the implementation of the International Education and Training Strategy to Advance Queensland. Ms Hall has had a distinguished career to date, having been most recently the executive director of Trade Victoria and prior to that director of international education in the Department of Economic Development in Victoria. She is a current board member for the International Education Association of Australia and brings with her a wealth of experience in implementing successful strategies to attract international students to Victoria—a success we are looking forward to replicating here in Queensland.

Our draft strategy already articulates the Queensland government's vision and provides a framework for industry and government to work together to grow the industry and enhance the state's reputation as a leading global provider of international education and training services. I look forward to the feedback from key stakeholders and people right throughout Queensland, including local councils, who I know would like to get their fair share of international students coming to their regions and their world-class institutions to study. I am happy to report more feedback after the close of consultation.

**CHAIR:** Deputy Premier, I am sure that most of Queensland would be aware that Chinese tourism is a big future for us. What is the Queensland government doing to raise awareness of Queensland as a premier study destination and attract more international students to our world-class institutions?

**Ms TRAD:** I thank you for the question, Mr Chair. It is the case that, in terms of tourism and tourism growth, international education and training play a really key role in terms of boosting tourism. We know that when students come to Queensland it is a great opportunity for their friends and families to also come and visit and come and see some of the best World Heritage sites that the nation has to offer right here in Queensland.

In April this year I launched the Best Semester Abroad social program. It is a social media campaign, and we are seeking international students to participate in this campaign to win a \$30,000 costed semester here in Queensland. That money has been provided by the private sector, and I want to place on record my sincere thanks to those in the international education sector for stumping up money to the tune of, I think, \$500,000 in prize money to assist students come to Queensland from international markets to experience what it is like to study and live here in the best state in Australia.

The campaign will take the form of a competition. We will see 20 students win five months in Cairns, Brisbane or the Gold Coast including flights, accommodation, tuition and holiday experiences. Entries closed on 26 June—so that was last month—and the selection process is underway. I look forward to announcing the winners on 29 July 2016 via a live stream right around the world.

Some of the metrics which I think are really great to report on in relation to this campaign are that there were over 2,000 student entries from 10 destination markets, over 34,000 email subscriptions were harvested and there are over 6,000 new Facebook fans, so I think we got the message out there and I look forward to announcing the winners in the not-too-distant future.

**CHAIR:** Excellent.

**Mr CRAWFORD:** Deputy Premier, I refer to page 11, dot point 2 of the SDS regarding the review and preparation of the South East Queensland Regional Plan. Can you update the committee on the progress of community consultation?

**Ms TRAD:** I thank the member for the question. On 13 May I launched Shaping SEQ, the community consultation process for the review of the South East Queensland Regional Plan. I was very happy to have with me quite a number of mayors from the South-East Queensland region who were looking forward to working in partnership with the state government around the consultation process for the next iteration of the South East Queensland Regional Plan. We know that this plan is critical. It will deliver an effective growth management framework for South-East Queensland to make sure the region maximises the opportunities for our communities, our environment and our economy that come with a growing and changing population.

I am committed to ensuring the long-term vision for the region is underpinned by the values of the people who call South-East Queensland home. The Shaping SEQ community consultations provided for the first time the opportunity for the community to share their ideas for the region prior to the drafting of the South East Queensland Regional Plan. The campaign was run over seven weeks and included online engagement as well as 14 pop-up events with at least one event held in every local government area throughout the region. In addition, six Thought Leadership events featuring national and international speakers were also hosted in partnership with local councils, universities and industry across the region to attract some 720 people. Through this process, the community has generated approximately 1,250 ideas for our region, supported by an additional 2,782 votes. The department engaged with around 1,400 people and the Shaping SEQ website had more than 6,000 hits, which shows a high level of interest in the community in the future of the region.

We have heard that people are aware that population growth can bring economic benefits and improved infrastructure, but they also value the protection of local character and the natural environment. I look forward to hearing the outcome from these community conversations and working with the mayors of the South-East Queensland region to draft the draft South East Queensland Regional Plan and to ensure that it is released for public consultation in the not-too-distant future.

**Mr WALKER:** Deputy Premier, can I take you to page 14 of the SDS and also your answer to question on notice No. 4. This relates to the Better Planning for Queensland process and, in particular, the change from one set of planning schemes to another that the planning legislation will demand. Deputy Premier, there seems to be a lot of money sloshing around for this and what I am trying to do is to find out how much of that money goes to where it counts. Can I take you, firstly, to page 14 and the Better Planning for Queensland line there? It shows in the adjusted budget for 2015-16 a figure of \$60.3 million, which seems to have been underspent. If we look at the actual, \$37.715 million was spent. I am just interested to find out why the underspend and what has happened to rest of the money.

**Ms TRAD:** I thank the member for the question. The underspend was not intentional. As the member would know from having been in the chamber, there was some delay to the report back on the Planning Bill. That extended the time in which the bill was passed and the transition tools could be developed. It just caused a delay, which means that, in this financial year, we are spending the bulk of the money in terms of the transition process.

**Mr WALKER:** This year's budget shows \$57 million. Does that include the shortfall in the previous year or is that in addition to the underspend last year?

**Ms TRAD:** No, it includes the unspent money from the last financial year. There is a carryover, yes.

**Mr WALKER:** Can I then refer you to your answer to question on notice No. 4, which talks about a figure of \$59.4 million over five years. Could you tell me, firstly, how much of that money has been spent? In relation to what remains to be spent, is it also included in the \$57 million that is scheduled for this year's spend?

**Ms TRAD:** I might go to what the \$59.4 million will be spent on. I refer you to my answer to question on notice No. 4. In relation to the \$59.4 million, it will be allocated against some key initiatives that will see the transition from the Sustainable Planning Act to the new Planning Act by July 2017. There is a significant amount of work that is needed to occur in that phase. Primarily, in terms of assisting local councils, there is some \$15.84 million allocated to that process, as articulated in my response to your question on notice. In terms of plan-making transition, there is \$3.41 million. I think that is a very important process to assist councils in converting their current planning systems and planning systems that are currently underdeveloped to ensure that they are compatible with the new Planning Act. The development assessment systems transition, the statewide training communications and education process and the establishment of an improvement and innovation fund for local governments—we know that we do not have all the answers and, in conjunction with the LGAQ and the South-East Queensland council of mayors, we are looking to establish a process where councils can come to the government and showcase some innovative planning, innovative planning processes, whether that be around innovative consultation, innovative decision-making, but they can come to us and say, 'Look, we think this is a great way to transition, this is a great way to implement a better planning regime and we would like to get some funding to flesh it out further' and we fully support that.

**Mr WALKER:** Can I take you back to my question. The \$59.4 million referred to in your answer to question on notice No. 4 includes, for example, the first dot point, 'Ensuring the new Planning Act was extensively consulted on and delivered.' I can assume from that that some of that money has already been spent.

**Ms TRAD:** Yes.

**Mr WALKER:** My question was how much is left. My second question is: how does the \$59.4 million relate to the \$57.6 million in the budget figure?

**Ms TRAD:** I thank the member for the question. In terms of what is left from the \$59 million that has not already been expended, I am advised it is some \$49 million.

**Mr WALKER:** And how that does, in turn, relate—if at all—to the \$57.6 million referred to in the line item for this year's budget? Is it part of or different money from that?

**Ms TRAD:** It is part of.

**Mr WALKER:** Thank you. Deputy Premier, what I now really want to try to get to is how much of that expenditure trickles down to where I would suggest the rubber hits the road, which is planning schemes and application processes. I think that you would be aware that, over the last two changes of legislation—I think there are still some councils whose planning schemes relate back to two acts ago, not one act ago.

**Ms TRAD:** Absolutely.

**Mr WALKER:** In my view, the most important thing is getting money for planning schemes. I think if you wanted, for example, to compare the planning system to a railway arrangement, the big Planning Act is the tunnel and the trains going through it are the planning schemes. I am worried that, like your Cross River Rail, the tunnel has been costed but the trains have not. If you look at the budget that you have trickled down, as I would see it, in your answer to question on notice No. 4 there is plan-making transition of \$3.41 million and the development assessment system transition of \$3.83 million. We are talking about fairly small amounts of money here. Can I get an indication from you of the big picture—the \$60 millions, the \$59 millions—that we have been speaking about? How much of that goes on head office staff and consultants compared to what goes to local governments to improve their schemes—into their pockets to improve their schemes and their processes—to make sure that the Planning Act works?

**Ms TRAD:** I thank the member for the question. The money allocated to the planning reform process is not a grants process whereby local councils apply for money that will go into their back pockets, as you referred to. That is not the case. I will, for the benefit of the committee, step through what occurred when we came to government. I was advised when we came to government that there was absolutely no money allocated towards transitioning to a new planning scheme. Whilst you were in government, even though there was a proposal to pursue planning reform and there was legislation in the House, there was no budgeted allocation to assist in this transition.

The money that has been allocated will be used throughout the whole planning system to help local councils that have the responsibility to approve developments in their community and provide planning schemes that are consistent with state planning policy to assist them to transition to the new

legislation. We will ensure that they have the expert advice from my agency to assist them in that respect. We will ensure that consultation to assist in the transition is thorough and relevant. We will ensure that, where they have great ideas that we can support, there will be funding for that.

I can assure you that this money will be well spent, ensuring that there are the relevant tools available, the relevant expert officers available for councils to transition to the new planning scheme. Can I say that, from the start, we, in fact, responded to councils when they said, 'We want a longer period than just the 12-month transition process. We would like to see it align with our budgeting process and to see it occur after 1 July.' We have been responsive. The other issue, I think, that I need to place on record for the benefit of the committee is the absolute decimation that the planning agency experienced under the former LNP, where some 171 full-time effective staff were cut.

**Mr WALKER:** Point of order, Mr Chairman, this is not relevant to the budget expenditure of this year, which is what we are talking about. Deputy Premier, from what you say, I think the local government sector expected—and you rightly say you gave them a transition period and that is well done—that they are to receive assistance in getting their plans and their application processes in order.

**Ms TRAD:** And they will get that.

**Mr WALKER:** I was up talking to the Toowoomba Regional Council the other day. What are they to expect from the millions and millions of dollars that you are talking about in respect of money to get their staff, to get their plan up to speed so that it is ready for introduction, their staff to get their forms and their application processes up to speed, the IT behind it all to be ready? Are you saying that none of that money, other than someone to go and talk to them about it, is going to go to that process?

**Ms TRAD:** I am not saying that. I am saying—

**Mr WALKER:** I did not understand. Can you tell me what part of that money goes to local governments to spend on their schemes and their application processes, which is the most important thing, both for local government and for the development sector?

**Ms TRAD:** Yes, I understand that. As I listed in the response to your question on notice, there is a dedicated amount of money under particular headline programs to support local councils but, over and above that, there is a considerable amount of corporate support that the state is investing in assisting local councils transition to the new planning scheme.

**Mr WALKER:** That is very helpful, but can I go to question on notice No. 4?

**Ms TRAD:** Can I say for the benefit of the committee that it was the LGAQ that said, post state budget, that it was the state budget we have seen for several and it rained money for local government.

**Mr WALKER:** I would be very interested to see whether your detailed explanation confirms that. Your answer to question on notice No. 4 lists down the bottom of the first page, if I can put it that way, four points and you were talking about specific allocations. I am confused. You said in your earlier answer, I thought, that none of that would go—I think you put it in my mouth, but I do not know that I said it—into the back pocket of local governments.

**Ms TRAD:** I was rephrasing you.

**Mr WALKER:** Are you saying that that money will go to local governments or that is money that will be spent within your department to go and talk to local governments about these things?

**Ms TRAD:** Both.

**Mr WALKER:** There will be some of that money actually go to local governments for them to fund their scheme and application process changes?

**Ms TRAD:** As I said, both.

**Mr WALKER:** Thank you. Can I turn now to the South East Queensland Regional Plan? There were some questions about that earlier. I seek leave to table a letter from the Deputy Premier—and I have a copy for the Deputy Premier—in relation to the SEQ plan. Deputy Premier, it is a letter that you wrote to me last year in May 2015 about the process for the South East Queensland Regional Plan. You might note that, in the second last paragraph there, you say that it is anticipated that the new draft SEQ regional plan will be released for public consultation later in 2015. We are now halfway through 2016. We have not seen the draft. Can you give us some assurances as to when the draft will be released? It is important, again, to local government and the development sector and delay seems to have been the order of the day.

**Ms TRAD:** I thank the member for the question. When talking about a delay around the South East Queensland Regional Plan, I think it is important to note that the delay first occurred in 2014 when the previous government said that they would, in fact, release or complete the review of the South East

Queensland Regional Plan by mid 2014 and then they did not do it and then they said that it would be out by mid 2015. It was really clear when I came to government that the South-East Queensland mayors were incredibly concerned about the process that the former government had undertaken in relation to the South East Queensland Regional Plan review. They asked for a new framework, they asked for better engagement and they asked for better community conversations and consultation around the South East Queensland Regional Plan. That is exactly what we are delivering through a comprehensive project and review.

I appreciate the valuable feedback that mayors from South-East Queensland have provided to the regional planning committee I established. We are up to about our eighth RPC, and I look forward to continuing that engagement and the very professional level of engagement that has been occurring at an officer-to-officer level. We are talking about a significant piece of work that will see the accommodation of almost a doubling of the Queensland population in the next 25 years. This is a significant project into which we need to put a good amount of thought and expertise. I can confirm that there will be a draft released before the end of the year. I am committed to ensuring there is comprehensive consultation around a redrafted South East Queensland Regional Plan.

**Mr WALKER:** I appreciate that. I point out that it is still a year late, but it is important that it get out as quickly as possible. I direct a question to the director-general. A short time ago the Deputy Premier responded to a government member with respect to the level of engagement about the so-called Shaping SEQ conversation—yet another conversation. Director-General, are you happy with the level of interaction, given the numbers that the Deputy Premier mentioned in respect of people that responded to that invitation?

**Mr Carroll:** I thank the member for the question. Yes, I think I am.

**Mr WALKER:** Can you tell us the nature of respondents to the conversation? Are we talking about planning professionals, mayors or members of the broader community? I am trying to remember the figure, but I think the Deputy Premier mentioned 4,000 submissions. You may have those to hand. I am interested to know the level and breadth of that engagement?

**Mr Carroll:** The department hosted about 20 events and spoke to just under 1,400 people across the state—as the Deputy Premier said, it has generated 1,250 ideas—and the website has seen more than 6,000 hits. We are seeing a broad range of communication with the public, mayors and relevant professionals.

**Mr WALKER:** I think the sector's perception in developing these plans would be that past reliance on the broadhectare study and local government to facilitate land supply has not been enough. Director-General, what sophisticated demand and supply measures are you using in order to ensure there will be ample serviced developable land ready to meet community need in a range of situations and a range of markets over the short, medium and long term? What precise programs are you using to make that measure?

**Mr Carroll:** I will ask the deputy director-general, Stuart Moseley, who is responsible for that area in planning, to answer the question.

**Mr Moseley:** Thank you for the reference to respond to the question. It is a key issue for the SEQ Regional Plan. The analyses that we are drawing on at the moment include the data kept by the Queensland Government Statistician's Office in the Treasury department about broad-hectare land supply. We have commissioned further independent consultant reviews of those numbers. We have an internal—within government—working group that is also assessing how best to translate that information into policy in the SEQ Regional Plan. Then we rely quite heavily on the data sources held by local government. We are putting together those sources to provide advice on the best approach for land supply, not just for broad-hectare expansion at the fringe but also for infill and renewal development and for employment lands. We also will be preparing some advice for what needs to be improved and monitored moving forward so that future revisions of the plan can proceed readily on a reliable and consistent information base.

**Mr WALKER:** Mr Moseley, you say that you are gathering information from others but you have an investigative program of your own?

**Mr Moseley:** Yes. As I said, we have commissioned external consultants to review and advise.

**Mr WALKER:** What are the parameters of that consultancy?

**Mr Moseley:** The parameters relate not so much to how much land is out there—because we understand that—but to what is the practical ability of that land to be brought to market to meet housing demand under various scenarios. It is in the nature of a truthing exercise, to make sure that what we eventually recommend to government in the draft plan is a practically achievable supply of land rather than simply a theoretical line on a map.

**Mr KNUTH:** Can the Deputy Premier explain why out of the \$2 billion State Infrastructure Fund regional Queensland is entitled to only \$180 million, while \$800 million has been committed by this government to kick-start the Cross River Rail?

**Ms TRAD:** I thank the member for Dalrymple for the question. The State Infrastructure Fund and the projects that have been identified already through that Infrastructure Fund contribute quite a lot to regional Queensland. In fact, the allocation to Cross River Rail is only \$800 million from a four-year capital program of over \$40 billion. In this year, when we are projected to spend about \$10.666 billion in terms of infrastructure projects, 46 per cent is allocated in regional Queensland—outside the South-East Queensland corner.

We understand that there is a significant need in regional Queensland to make infrastructure investments. That is why we have been very clear about investing in projects such as the Townsville stadium. Also the member would have seen the announcement about Cairns, around the innovation centre and the performing arts centre. There is also a significant allocation of money for social infrastructure purposes—from hospitals to schools to emergency services facilities. We know that there is a need in regional Queensland. That is why our infrastructure spend this year reflects a 46 per cent allocation in regional Queensland.

**Mrs MILLER:** I refer to page 4 of the SDS in relation to local government. I understand that moves have been made to make local government more transparent and accountable, and I think that is really good. Congratulations on that. I understand that these do not cover council controlled entities such as companies et cetera. I table a research brief that was compiled for me earlier this month. In a council's annual report, ratepayers can see minimal financial information but not the detail of what these controlled entities, such as local government companies, are planning or undertaking, even though councillors and senior staff are directors of these companies. I was quite shocked that, for the top 15 local authorities in Queensland, there is in fact a whole page full of companies that local authorities own. Will you consider amending the Local Government Act or any other acts in Queensland to ensure that these council owned companies and entities are completely transparent to ratepayers?

**Ms TRAD:** I thank the member for the question. I understand that this issue was raised yesterday with the Queensland Auditor-General. Controlled entities within councils are subject to auditing by the Queensland Auditor-General. I think he made that clear yesterday. In terms of ensuring there is proper and full acquittal of moneys allocated or contained within these controlled entities, I think the Auditor-General has a very important role to play. How councils report on these controlled entities is at the nub of the member for Bundamba's question.

I am aware that in his report of May this year—please correct me if am wrong, Director-General—the Auditor-General recommended how these controlled entities are to report. I will defer to my director-general in terms of the activities undertaken since that report was handed down some four months ago in relation to controlled entities, but I am aware that controlled entities are reported on. They are just assumed within the normal reports of government. Whether or not we separate them out is a question that requires a level of scrutiny. We have corresponded with councils to make them aware of what the Auditor-General has recommended in terms of his report of May this year. I ask the director-general to provide further information.

**Mr Carroll:** The report tabled on 24 May 2016 by the Auditor-General made four recommendations. One recommendation was that councils make the financial statements of their controlled entities publically available. I have written to each council in this manner, emphasising the need for councils to consider each of these recommendations. I am waiting on responses from councils to advise the best way of going forward on this—to see which councils are reporting their controlled entities and how they do so. I will continue to work with councils to try to increase their transparency.

**Mrs MILLER:** Under the Local Government Act, councils are required within their annual reports to report basic information with regard to council controlled entities. That is undertaken at present in all annual reports of local government. Ratepayers across the state want to know the functions of these controlled entities, what they are actually doing, what they are buying and selling—that type of information—but they cannot get it. They are being told that they must pay whatever is the amount to go through ASIC to find out some information, but because they are told they are private companies

they cannot get any detail. It is a matter of great concern to many ratepayers across the state. I am not necessarily talking about the bottom line financial statements, which are reported in the annual reports. This is about more information—we want councils to be more transparent and open—not just what they want to provide. I think we need a legislative framework which says what they must provide. What is the timeline in relation to your written request to local authorities? When must they write back to you?

**Mr Carroll:** Since taking on the role, I have written twice in relation to controlled entities. That was in terms of disclosing controlled entities and updating the list of controlled entities so the department had a full list. That was required to be done before 30 June. In relation to this recommendation, we are working closely with councils on this recommendation of the Auditor-General. There are four recommendations in this report.

**Mrs MILLER:** So you cannot give me an exact time? Would it be within 12 months? Six months?

**Ms TRAD:** For the benefit of the committee, the member is quite right to raise the issue of whether the government will enact a policy to require legislative change in this area. I am very happy to report to the member and the committee that, after the director-general has completed his consultation process around all of these recommendations from the Auditor-General, recommendations will be made to me that I will progress to cabinet if legislative change is required. It is quite right that the recommendation from the Auditor-General be pursued and that there be a level of transparency around controlled entities. Of course we would like to see councils adopt that in a voluntary spirit, and I will ensure I firmly put this issue on the agenda of the LGAQ conference later this year.

**CHAIR:** I refer to page 49 of the SDS with regard to trade and investment missions. Which markets were visited by the Deputy Premier in 2015-16 and what outcomes for Queensland have been—

**Mr POWELL:** It would probably be easier if you asked which ones were not!

**CHAIR:** I would appreciate it if you would let me finish asking the question.

**Mr POWELL:** I did.

**CHAIR:** No, you did not; I have not finished. What outcomes for Queensland have been achieved from these missions?

**Ms TRAD:** If you could repeat the question, Mr Chair?

**CHAIR:** With regard to trade and investment missions, which markets were visited by the Deputy Premier in 2015-16 and what outcomes for Queensland have been achieved from these missions?

**Ms TRAD:** Thank you. Can I say, Mr Chair, trade missions are incredibly important. They are a way that we can open the door for many businesses in Queensland to have direct access to decision-makers in international markets where they can actually do some deals. Of course, it is also incredibly important that international markets and significant organisations, whether that is the Pentagon or national training institutions of India, understand that the government is very committed to ensuring that there are stronger trade ties with their country.

We know Queensland is a great place to do business, which is why in the 2015-16 financial year I personally led three trade investment missions to countries including Singapore, the United Kingdom, Germany, India, Indonesia and South Korea. I am pleased to say that these missions delivered some real outcomes for our state. On my mission to Singapore, the United Kingdom and Germany last year in June and July I represented Queensland in the 2015 UNESCO world heritage committee meeting in Germany. It was here that I was able to convey the Palaszczuk government's strong policies for environmental sustainability and fight to ensure that the Great Barrier Reef was not disastrously inscribed on the World Heritage in-danger list. After my mission to Singapore, where I met with YouTube officials at their regional headquarters, the Palaszczuk government went on to become the first state government in Australia to partner with the social media giant. Through this incredibly valuable partnership we are delivering the Create Queensland program which is now helping talented Queensland content producers launch their channels onto the world stage. It is through partnerships like these that our government will continue to build the knowledge based innovative jobs of the future.

In November last year I led my second trade and investment mission for the second time to Singapore and also to Indonesia and India. This mission was focused on promoting Queensland's world-class vocational education and training, urban planning and design, transport systems and knowledge industries. Highlights included representing Queensland at the Indonesia Australia Business Week in Jakarta and leading the infrastructure stream which focused on urban sustainability and urban connectivity. More than 70 delegates from Queensland attended the week which was the third largest

business delegation out of 320 Australian delegates all up. High level meetings in Singapore reinforced to me the importance of this market and the endless opportunities it represents to our state. As a result, the Palaszczuk government has committed in this budget to open a dedicated Trade and Investment Queensland office in Singapore.

In India, one of Queensland's key trading partners, I led discussion on vocational education and training opportunities arising from India's economic growth and a national target to skill some 400 million workers by 2022. I am pleased to announce that four commercial outcomes resulted for three of the businesses on the delegation that I led to deliver first-class training services to India, a foray into a market that offers huge opportunities for growth. I was also proud to witness the University of Queensland signing an MOU with Bangalore's prestigious Indian Institute of Management. UQ will work with IIMB to explore joint programs in executive education, exchange opportunities for students and staff, collaborate on research projects and organise joint research seminars, workshops and conferences.

Finally, in May this year I led my third trade and investment mission to Indonesia and South Korea. This mission included the launch of the inaugural Study Queensland Week in Indonesia in which 18 senior representatives participated from the higher education and VET sectors. Six leading Queensland universities sent their representatives on this mission. In both countries I promoted the government's important Advance Queensland agenda as well as our Best Semester Abroad campaign, an initiative to promote Queensland's first-class international education and training to the world by hosting 20 students from 10 key markets. Thank you.

**CHAIR:** Sounds like you are doing a great job there, Deputy Premier.

**Mr CRAWFORD:** Deputy Premier, referring to page 11 of the SDS, besides the South East Queensland Regional Plan, can you advise if there is any work being done on other regional plans for Queensland, in particular a North Queensland regional plan?

**Ms TRAD:** I thank the member for the question. It is something I alluded to just briefly before and I am very happy to provide more detail for the benefit of the committee. We are committed to better planning for regional and rural Queensland to drive economic development and build vibrant, sustainable, resilient and connected communities, improving their livability and prosperity. The review of the South East Queensland Regional Plan is currently a focus for this government, but due to delays under the former government the plan is now seven years old. However, we are not forgetting about other important regions around the state, especially in the north.

Following the local government elections in March this year, I invited the mayors of the Burdekin, Charters Towers, Hinchinbrook, Palm Island and Townsville councils to confirm their support for working with the government to prepare the first regional plan for North Queensland. I am pleased to announce that I have now received confirmation of support from all five councils. On 8 July this year I designated the North Queensland region in the Sustainable Planning Regulation 2009, signalling our intent to formally commence the regional planning process under the Sustainable Planning Act 2009. I will soon form a regional planning committee for the region to provide me with advice about regional issues and interests that should be addressed through the regional planning process.

Preparing a regional plan for North Queensland will present an opportunity for local governments and the community of the region to be part of addressing region-specific issues and to work together with the state to generate broader solutions, coordinate efforts and achieve outcomes. Unlike the previous government, our government's model of future regional plans will be holistic in approach, with collaboration with local governments and communities key to ensuring regionally-specific delivery and implementation occurs.

**CHAIR:** I refer to page 11 of the SDS. Could you please outline what steps have been taken to address local government concerns raised with respect to the immediate indexation of infrastructure charges?

**Ms TRAD:** I thank the honourable member for the question. Mr Chair, you would know that this has been an issue for local councils for quite some time. I am pleased to say that we have listened to the calls from councils to allow access to more funding for critical local infrastructure. Under the Sustainable Planning Act councils are responsible for providing trunk or shared infrastructure, such as treatment plants or roads, that are necessary to support all development. To recover some of the costs of providing trunk infrastructure a council may levy infrastructure charges on development. Currently the maximum charges for different types of development are set under the sustainable planning regulatory provision which has not been adjusted since it was first introduced in 2011. Councils have been concerned about the lack of automatic indexation of the maximum charges and this has meant

that charges have not increased in line with the rising cost of infrastructure provision. In listening to the concerns of our local government stakeholders, this government responded by providing for the automatic annual indexation of infrastructure charges in the Planning Act 2016 which will commence next year, as I have already stated. Ensuring these maximum charges are able to be increased in line with inflation is a step the government has taken to ensure councils are able to deliver the necessary infrastructure to support their communities.

I am also pleased to announce today that the Palaszczuk government has made the decision to take action now to ensure councils are supported in their role as infrastructure providers. The Local Government Association of Queensland has estimated that councils will be missing out on some \$26 million in revenue for delivering trunk infrastructure if these charges were to remain at their current level until commencement of the new act in 2017. In light of this I have approved the important step of commencing the immediate indexation of charges in 2016 to ensure our councils do not have to wait another year.

To clarify, the current maximum charge for a house with three or more bedrooms is \$28,000. Under the new indexed amounts councils will be able to charge up to an additional \$311.20 when the automatic indexation commences next year under the new act. It will be calculated on top of the new maximum charges introduced in 2016. This decision will be gazetted in the coming weeks and I will write to all councils to advise them of my decision. I am happy to support councils to implement a fair and equitable charging regime so that they can continue to deliver important local infrastructure for their communities.

**Mrs LAUGA:** I refer to page 17 of the SDS. Can the Deputy Premier update the committee on the MyDAS system?

**Ms TRAD:** I thank the member for the question. The committee may recall that last year I did raise my concerns with the MyDAS system which was implemented by the former Newman-Nicholls government. The MyDAS system is a system that is meant to support the electronic lodgement of development applications to the State Assessment Referral Agency. This system was rolled out by the member for Callide in July 2013 and is used by planners, developers and the community to lodge development applications for assessment by SARA. This is a really important system. SARA deals with thousands of development applications annually. As I reported at estimates last year, the MyDAS system was rushed by the former government to meet an arbitrary start date and as a result the system is seriously flawed. In fact, at the direction of the previous government MyDAS was built in less than six months as it was required to be operational for the commencement of SARA in July 2013. The condensed development of such a complex IT system that was implemented by the former Deputy Premier, the member for Callide, under the LNP Newman-Nicholls government was condensed to such an extent that it resulted in limitations in functionality and overall system performance. After it went live in July 2013 the department then continued to expend considerable resources making fixes to the system to improve its functionality and to moderate some of the criticisms from users. SARA customer satisfaction surveys showed it just did not meet user needs. In 2013-14 just 12 per cent of those surveyed were satisfied with it.

All up, MyDAS was originally expected to cost \$1.594 million but I am advised that it is now expected to cost more than \$13.521 million by the end of this financial year. This is just not good enough and shows what happens when you rush into projects without proper planning. Since inheriting this mess I have instructed my agency to find a solution that actually meets the needs of the community and the development sector. We have been progressively improving functionality and usability over the past 12 months. SARA customer satisfaction results for 2015-16 indicate user satisfaction with MyDAS is now at 41 per cent compared to just 12 per cent in 2013-14 when those opposite implemented this system. I anticipate these results will further improve once we have implemented MyDAS II as part of the introduction of the new Planning Act next year. MyDAS II is expected to provide an improved user experience and will be aligned to the commencement of the new Planning Act in July next year.

**CHAIR:** Non-government members?

**Mrs FRECKLINGTON:** Thank you, Mr Chair. My next question is for the CEO of Trade and Investment Queensland. My question to you is did Trade and Investment Queensland recommend the establishment of the new trade offices in Chengdu and Singapore? Did you recommend those new offices directly to the Deputy Premier?

**Mr Noye:** The Chengdu office was a result, as the Deputy Premier mentioned, of the Premier's trip to China under an arrangement or discussion with the governor of the province. The Singapore office was a recommendation from my agency.

**Mrs FRECKLINGTON:** Can you confirm then was there any analysis taken in relation to the opening of the Chengdu office or was that just on a whim of the Premier?

**Mr Noye:** No, analysis was taken.

**Mrs FRECKLINGTON:** After the decision was made?

**Mr Noye:** It was a recommendation of the Premier.

**Mrs FRECKLINGTON:** So I am clear, the decision that the Deputy Premier took to open the office was after the Premier's whim suggesting to you that there should be one there. There was no analysis taken, the analysis was taken after the fact?

**CHAIR:** You do not need to answer that.

**Ms TRAD:** Thank you, Mr Chair. I will say—

**Mrs FRECKLINGTON:** My question was to the CEO of Trade and Investment Queensland.

**Ms TRAD:** I think the Chair has ruled it out of order, if you could listen.

**Mrs FRECKLINGTON:** Thank you, Deputy Premier, for overruling your own chair.

**CHAIR:** No, I made the statement that he did not have to answer.

**Mrs FRECKLINGTON:** I have another question. I will refer this to the Deputy Premier. Will the commissioners in the new trade offices be locally engaged staff or will they be Queensland public servants?

**Ms TRAD:** In relation to the positions of trade commissioner, the recruitment process has already commenced for both Chengdu and Singapore. It will see two locally engaged staff—a full-time principal business development officer and a full-time business development officer—appointed to the Chengdu office, so it is a principal, a full-time business development officer and the commissioner. Both positions were advertised on 12 July. The closing date for applications is 25 July. The advertisements for both positions are live on the TIQ internet site, SEEK for Australian applicants, the AustCham Shanghai website and Zhaopin, a website in China that Austrade uses for these purposes. I can confirm for the benefit of the committee that this will be an independent recruitment and selection process.

**Mrs FRECKLINGTON:** Deputy Premier, you will confirm that you are committing to a full merit based appointment process?

**Ms TRAD:** Absolutely. For the benefit of the committee, the agency TIQ actually conducts this independent of government, as a statutory authority.

**Mrs FRECKLINGTON:** I should go back: you can confirm that through your budget you have allocated \$1.5 million. I also refer you to your answer to question on notice No. 10 in relation to the costs over three years for those two new offices. The staffing costs for these merit based appointments for those two offices will be held within that amount that you have allocated of \$1.5 million, which also includes the accommodation costs?

**Ms TRAD:** I refer the member to the answer to the question on notice.

**Mrs FRECKLINGTON:** I have that answer.

**Ms TRAD:** Good. You will see that there is supplies and services and there is employee expenses. Employee expenses will include both wages—

**Mrs FRECKLINGTON:** We are looking forward to making sure that it fits into the budget you have allocated there.

**Ms TRAD:** I can confirm for the committee that, yes, they will be included in the allocated budget, as in the answer to the question on notice.

**Mrs FRECKLINGTON:** Deputy Premier, I refer to the appointment of Steve Bredhauer as Trade & Investment Queensland chair. Can you advise the committee of the details of the processes in relation to selecting Mr Bredhauer for this senior board position?

**Ms TRAD:** I really do want to place on the record my sincere thanks to Mr Stockwell for his previous role as chair of TIQ. He brought an enormous amount of value to the organisation when it was transitioning from being incubated within government to being a statutory authority. As those opposite would know, I announced that the Hon. Steve Bredhauer would be chair of Trade & Investment Queensland on 18 December. Mr Bredhauer is absolutely well placed—

**Mrs FRECKLINGTON:** Deputy Premier, just to interrupt, my question was around your selection process.

**Ms TRAD:** The selection process in relation to Mr Bredhauer was that he applied for the position and he was awarded the position. My understanding was it was a very small cohort of people who applied.

**Mrs FRECKLINGTON:** And you advertised that position?

**Ms TRAD:** To the best of my knowledge, I think we did. Did we? No, we didn't.

**Mrs FRECKLINGTON:** There was no advertising for that position. Thank you, Deputy Premier.

**Mr POWELL:** I direct my first question to the director-general. Director-General, I appreciate the Deputy Premier has announced again today a review of the councillor complaints process, as per page 4 of the SDS. For the benefit of committee members and members of the public listening to this, can you outline the current process taken by your department to refer a complaint about a council, a mayor or a councillor to the CCC, please?

**Mr Carroll:** I should outline that the Local Government Act puts the CEO as the position to actually review the complaint before it comes to me.

**Mr POWELL:** The CEO of the respective council?

**Mr Carroll:** The CEO of the council, correct. When that comes to me, an evaluation is made in the office in relation to what it is. If there is misconduct in that office I refer to the CCC Act, and if it meets the criteria under the CCC Act I refer it to the CCC.

**Mr POWELL:** Just to be clear, initially the investigation is done by the CEO of the respective council. If they make a recommendation to you that it requires further investigation, under misconduct in particular, you would then refer it to the CCC?

**Mr Carroll:** I refer to the CCC Act. If it meets the criteria under the act such that I need to refer it to the CCC, I do so.

**Mr POWELL:** Director-General, was that process followed when making a referral regarding a complaint concerning the Brisbane City Council and Lord Mayor Graham Quirk during the local government elections?

**Mr Carroll:** Yes.

**Mr POWELL:** Did the CEO of the Brisbane City Council first consider that complaint?

**Mr Carroll:** No. What happened was that that came to me on a different channel. The normal process is what I just said. In relation to that, that was a request in relation to a sale of property, an exemption, which the minister needed to sign off and it is that case.

**Mr POWELL:** Just to clarify, you have just said that the standard process is for the matter to be referred to the CEO of a council. Your website confirms that a matter is first referred to the CEO of a council. You are now saying there is a different channel. Can you please elaborate?

**Mr Carroll:** No. The matter was referred to the minister for approval of an exemption. That is why it came to the department.

**Mr POWELL:** Please outline the grounds under which an exemption might be granted.

**Ms TRAD:** Can I clarify, for the benefit of the committee. We are actually talking about two different things. One is a complaint around a mayor or a councillor that is brought to the attention of the agency; the other is a request. That request from the Brisbane City Council was an exemption to go to an open public tender process for the sale of council land to an individual. We are talking about two separate processes. One is a complaint; one is a request to be exempt from a public tendering process. They are two separate issues. The director-general had to consider the request and provide advice to me in relation to the request for an exemption from a public tender process.

**Mr POWELL:** You are saying that the process for—

**CHAIR:** Is this question No. 2?

**Mr POWELL:** Thanks, Mr Chair. Deputy Premier, you are saying that the process for a complaint about a council is different from the process for a councillor or a mayor?

**Ms TRAD:** I am saying we are talking about two different things. We are talking about an apple and an orange here.

**Mr POWELL:** That is what I am asking you to clarify.

**Ms TRAD:** When an individual, a complainant, puts forward a concern in relation to a council or the elected officials of that council, it goes to the department for assessment as a complaint. In the first instance—and please step in if you need to—

**Mr POWELL:** He has permission to step in this time, has he, Deputy Premier? That is fantastic. Thank you.

**Ms TRAD:** Whatever, member for Glass House. Let us get to the nub of this very important issue. If a person complains about a councillor, a mayor, a CEO, it comes to the agency for assessment and the agency makes a determination whether it goes to the CCC, whether it goes back to council—where it goes—in order to assess in a preliminary way that complaint and move it through the system. The Brisbane City Council requested that I give ministerial approval for them to be exempt from a public tendering process for the sale of council land. Now, that is a separate process. It is not a complaint. They requested me to use my ministerial powers to say that they did not have to go through an open, transparent process for the sale of land.

**Mr POWELL:** Rather than just saying no, you referred them to the CCC?

**Ms TRAD:** I did not refer them. For the benefit of the committee, I did not refer them.

**Mr Carroll:** Under the CCC Act, if I become aware of possible misconduct—and in this instance, I actually took legal advice on the interpretation of the act—I have an obligation under the act to refer it to the CCC. Unfortunately, that is the obligation that I actually have under the act.

**Mr POWELL:** Director-General, how does the department investigate complaints made and assess whether they are, as your own website refers, frivolous, vexatious or lacking in substance?

**Mr Carroll:** This is a complaint made against a councillor? As I said, in the first instance a complaint made against a councillor is assessed by the CEO of the council where the complaint is made. The CEO needs to make a decision whether it is vexatious. If it is not vexatious it gets referred to the department. In that instance we look at multiple things in relation to it. It can be an internal review, it can be an external investigation or it can be a referral to other agencies.

**Mr POWELL:** To be clear, in regard to the case we were referring to before, when did you make the assessment that there were grounds for it to be considered further? When were you first made aware of a request to the Deputy Premier for that exemption?

**Mr Carroll:** The review of the information that came to me—and I would have to check the date—was within a couple of days of referring it to the CCC.

**Ms TRAD:** For the benefit of the committee—

**CHAIR:** That question was directed to the DG.

**Ms TRAD:** Sure.

**Mr POWELL:** Deputy Premier, again referring to the complaints process, why is an increase in the target cost of managing the complaints process per local government included in this year's budget?

**Ms TRAD:** What is the SDS reference?

**Mr POWELL:** Pages 4 and 5. You have a target cost of managing the complaints process which is increasing this coming financial year.

**Ms TRAD:** That was just modelled on the increased number of complaints.

**Mr POWELL:** On the assumption that there are more complaints coming in, you are increasing your expenditure on managing?

**Ms TRAD:** Correct.

**Mr HART:** Deputy Premier, I refer to an answer you gave earlier that the Gatton West Industrial Zone precinct was one of the catalytic projects being progressed by your department. Is the project on track, given the Lockyer Valley mayor announced today it has been deferred expenditure on the project? I table an article from today's *Gatton Star*.

**CHAIR:** We have a copy for the Deputy Premier.

**Ms TRAD:** I thank the member for the question. Before answering it specifically, I place on record my congratulations to Tanya Milligan on her election after the very sad circumstances of the death of Councillor Steve Jones earlier this year. I also thank the member for tabling the story in today's *Gatton Star*. As I said in my previous answer, this project is currently under assessment. If the council wishes to provide updated information and advice in relation to its prioritisation around this project and whether it would like to proceed within the current time frame, we will take that under advice in our assessment process.

**Mr HART:** It will not be a catalytic project anymore if the Gatton council decides not to proceed with it?

**Ms TRAD:** As I said, this is one of the projects currently being assessed. If the council want to revise their commitment to this project, we will absolutely take that on board in terms of the assessment process. We will not be funding something that council does not want us to fund, clearly.

**Mr HART:** Did you ask that question of council before?

**Ms TRAD:** We have been working in lock step with council in relation to this. I will take advice from my agency as opposed to whether or not there was preliminary information in relation to—

**Mr HART:** Is it a surprise to you that it has come to a dead halt?

**Ms TRAD:** I will say that very recently we held a Working Queensland Cabinet Committee meeting in Toowoomba that Councillor Milligan attended. I do recall that this was one of the issues that she expressed at that time was a priority for her region. I think the Working Queensland Cabinet Committee meeting was held during May or early June. I will confirm that. Clearly, it was after the election of council. At that time, certainly the mayor was expressing continued support for this project.

**Mr POWELL:** I refer to page 14 of the SDS and also to your answer to question on notice No. 8 regarding the significant underspend of some \$71.9 million or 30 per cent on funding programs and community initiatives. In your answer you provided that all funding in the funding program's budget was allocated to councils. Is it a case of you underallocating nearly \$72 million to local councils or are you saying that every local council got every project that they requested as part of those funding programs and as such it was a lack of projects that led to the underspend?

**Ms TRAD:** I thank the member for the question, although I disagree with the imputation in his question. Quite clearly the grants and subsidy payments deferred or carried forward represent payments for projects approved under funding rounds prior to the current financial year, but which have not been claimed by councils as yet. With a few exceptions, all projects have 12 months from the date of execution of the funding contract to implement the approved project. This means that the disbursement of approved subsidies as projects are implemented is likely to span two financial years which results in funds having to be carried over to meet the funding commitment. In other instances, delays in claiming scheduled payments can occur as councils have not progressed projects in accordance with the forecasted time frame, thereby triggering slippage in payment milestones.

Project delays are caused by many factors, including weather events, tendering processes, unexpected site issues and overly optimistic completion schedules. In fact, it was the Leader of the Opposition when he was the treasurer in the previous Newman-Nicholls government who said in relation to this very issue—

A project might not be ready to go. There may be a weather event. A supplier may not be available. A contractor may not be prepared to go. There may be any one of a myriad reasons funding needs to lapse.

That is from *Hansard* of 15 October 2014.

**Mr POWELL:** Deputy Premier, I would say the now Leader of the Opposition and then treasurer put it a lot more clearly and succinctly than you did in your answer to the question on notice. Had you taken the time to answer the question as you did just then we would not have had to waste the time of the committee now.

**CHAIR:** We now move to government questions.

**Mrs MILLER:** I refer to page 11 of the SDS which is in relation to better planning for Queensland. I particularly make reference to an issue not only in my electorate but also in other areas in the outer suburban fringe. I refer to tree clearing in outer urban areas. How many officers, planners or consultants are working on urban tree-clearing policy? The reason I am asking that is that a number of people believe that it has been hypocritical for the government to have tree-clearing legislation for other parts of Queensland and yet South-East Queensland is literally being mowed down by some developers that are not leaving any trees at all. It is in that context that I am asking you if any work has been done on that and what may occur in relation to that as soon as possible.

**Ms TRAD:** I thank the member for the question. For the benefit of the committee, I will advise the member that predominantly those with expertise in the vegetation management area are assigned to the department of natural resources. The Hon. Anthony Lynham has responsibility for that agency. Predominantly, those officers reside within that agency. My agency, SARA, the State Assessment Referral Agency, does play a role in terms of looking at development applications which includes vegetation clearing.

**Mr CRAWFORD:** I refer to page 11 of the SDS. What has the government done to plan for the future needs of the Quandamooka people of North Stradbroke Island?

**Ms TRAD:** I thank the honourable member for the question. I was recently very honoured to be part of the opening of the Quandamooka Festival which is a very important festival in—

**Dr Robinson** interjected.

**CHAIR:** I would ask you to cease the interjections and ask the Deputy Premier to continue.

**Ms TRAD:** As members of the committee would know, in July 2011 native title determinations made by the Federal Court of Australia recognised the Quandamooka people's native title rights and interests on North Stradbroke Island. This recognition was a significant milestone for the Quandamooka people, the Queensland government and the people of Queensland. This decision laid the foundation for the Quandamooka people's aspirations for North Stradbroke Island to be formalised through the Quandamooka Indigenous land use agreement, the ILUA. The Queensland government is committed to working with the Quandamooka people to ensure our obligations under the ILUA are met.

As part of an integrated, overall approach this government is undertaking a planning study over parts of North Stradbroke Island to help the Quandamooka people to maximise economic, cultural and residential opportunities on the island. This study is an integral step towards planning for the future needs of the Quandamooka people. This study identifies the parts of the island that may be appropriate for future recreational, tourism, industrial, commercial and residential uses.

I am currently considering recommendations that will assist in the delivering of outcomes of this study. In addition to the planning study, my department is working closely with the Quandamooka Yoolooburrabee Aboriginal Corporation, QYAC, and Redland City Council to develop a structure plan for the One Mile community. This structure plan is intended to resolve the future land use zoning, resolve existing zoning overlays, including bushfire hazards, impacts on sensitive environmental areas and potential impacts from coastal hazards and provide infrastructure network solutions. This process is necessary before any infrastructure is delivered on One Mile.

My department is dedicated to meeting this government's election commitment to resolve the unacceptable living conditions in that settlement. My agency is also working with the Department of State Development on the economic transition strategy. This strategy will increase economic activity and employment in sectors where North Stradbroke Island has a competitive advantage. The Palaszczuk government has committed up to \$20 million over five years to transition North Stradbroke Island to a more diverse and sustainable economy.

As I said, I recently attended the Quandamooka festival held on the island. I was so privileged to be part of this celebration of culture, country and people. My department will continue to work with the Quandamooka people to ensure their future economic prosperity and cultural values can coexist.

**Dr ROBINSON:** What about the Aboriginal workers that you sacked? It is disgraceful. Aboriginal people without work—great plan, Jackie. Disgraceful.

**CHAIR:** Are you done? Show a bit of respect, thank you. Can you please explain how the government will arrange the rolling stock requirements associated with Cross River Rail?

**Mr WALKER:** It is time for a bit of catch-up.

**Mr HART:** Dorothy Dixier.

**CHAIR:** We might run out of time for the minister to answer if you keep interrupting. There has been a lot of love here this morning and I do not want to ruin it.

**Mrs FRECKLINGTON:** We have had lots of opportunities this morning, Chair.

**Ms TRAD:** Let me make it abundantly clear that there will be trains for Cross River Rail. In fact, as I said earlier this morning, 75 new six-car trains are currently on order. The business case for Cross River Rail, developed independent of government by Building Queensland, takes into account the additional trains that will be required for this important project. In line with standard industry practice, the capital cost for the Cross River Rail project does not need to include the cost of new trains. This is consistent with other similar transport projects like Brisbane metro and inland rail. Let me get to the point—

**Mr HART:** Seriously!

**Ms TRAD:** Let me get to the point and repeat for those opposite that there will be trains for Cross River Rail.

**Opposition members** interjected.

**Mrs FRECKLINGTON:** There are now.

**Ms TRAD:** That is not what I said. I did say this morning, for the benefit of the member for Nanango who needs to have things repeated, that there will be—

**Mrs FRECKLINGTON:** That is a lovely attitude. It sounds like my teenage daughters.

**Ms TRAD:** As I said this morning, there are currently 75 new trains on order which will be delivered—

**Mr HART:** How many carriage is that?

**Ms TRAD:**—over the coming years that will provide transport services on the new Cross River Rail project. Our government will continue to monitor rail demand across the entire network and will assess rolling stock requirements, as we sought to, on a regular basis.

The primary purpose of the business case is to explore a project's return on investment to ensure it is worthy of taxpayer dollars and federal funding. The reality is that we are the first Queensland government committed to releasing summaries of business cases for major projects, including the crucial Cross River Rail. Queenslanders can determine whether or not major projects are value for money. It is hypocritical for the LNP to talk about businesses and transparency. Did the LNP release a BaT business case? No.

**Mrs FRECKLINGTON:** I raise a point of order, Mr Chair. The Deputy Premier just indicated, if I heard her correctly, that they were going to be the first government to release business cases. I ask the Deputy Premier when she is going to release the business case for Cross River Rail?

**Ms TRAD:** As I said, the reality is that we are the first Queensland government committed to releasing summaries of business cases for major projects, including the crucial Cross River Rail. Based on the summaries Queenslanders can make a determination whether or not major projects are value for money. If those opposite had released a business case for the BaT project we would have had an answer to the suitability of that project. If those opposite had even conducted or developed a business case for 1 William Street Queenslanders would not have been out of pocket for the life of the project by some \$2.6 billion. There was no business case and it has been a constant drain on Queensland taxpayer resources.

When it comes to new generation rolling stock, where is the business case for that? It is simply hypocritical for those opposite to talk about releasing business cases when they (a) did not even develop one in many instances and (b) refused to release them. This shows that the member for Nanango just does not know how to read or understand a business case.

**CHAIR:** We will move onto the next question. I can feel the love disappearing.

**Dr ROBINSON:** It has gone.

**Ms TRAD:** I have been trying hard.

**Dr ROBINSON:** Very trying and taxing!

**Ms TRAD:** You can always pop out for a cup of tea, Mark.

**Mrs FRECKLINGTON:** That is kind.

**CHAIR:** Have you finished your little chats? I would like to ask a question. I refer to page 11 of the SDS. Could you please explain what this government has been doing to strengthen the protection of state listed heritage places in Queensland?

**Ms TRAD:** Thank you for the question. This is a very important question. Many people would be aware of a number of heritage related issues that have been in the media cycle for quite some time. We have seen far too many significant heritage places jeopardised in recent times with the stroke of a pen. The community is passionate about preserving Queensland's heritage. That is why the Palaszczuk government is moving to strengthen the protection of state listed heritage places in the Queensland planning system. Emphasising heritage values in our planning system will preserve these places for generations of Queenslanders to come.

To date, work has focused on the state development assessment provisions and the new planning act thereby ensuring that the current and future planning system provides appropriate protection for heritage places. Amendments to SDAP now ensure that development applications that propose to destroy or substantially reduce the significance of a state heritage place will be referred to the Queensland Heritage Council for independent expert assessment.

The Queensland Heritage Council provides the best technical advice available and will further reinforce the role of the no prudent and feasible alternative to demolition test in the planning assessment process. The new planning act also provides formal recognition of the independent role of the Queensland Heritage Council in this process. I am also very pleased to announce today that the Palaszczuk government has commenced the process of reinstating a referral trigger for the development applications adjoining a state heritage place prior to 2012 which was taken out by the former LNP government.

Minister Miles has communicated to me his strong support for the reintroduction of a referral trigger 'as it returns strength to an aspect of Queensland's heritage protection system that was regrettably lost'. I could not agree more. If this trigger had still been in place, it may have prevented the Brisbane City Council's approval of the 47-storey apartment building next door to the heritage listed Customs House. The reintroduction is scheduled to commence before the end of this year following targeted consultation with the Local Government Association of Queensland and industry groups and will ensure that the setting and relevance of these places is also appropriately considered in the development assessment process.

**Mrs LAUGA:** Thank you, Deputy Premier. It is pleasing to hear that that trigger has been reinstated. I refer to page 34, dot point 7 of the SDS and the \$1.1 billion of withheld Commonwealth funding in the 2014-15 NDRRA state claim. Can the Deputy Premier advise if Queensland has followed the necessary processes to receive its reimbursement of funding?

**Ms TRAD:** I thank the honourable member for the question. I do want to place on record her advocacy around disaster recovery and reconstruction funds and her absolutely justifiable outrage that the federal government has seen fit to defer reimbursement to Queensland for reconstruction activities undertaken after Cyclone Oswald and Cyclone Ita.

This is truly a shocking move from the Turnbull government. They deferred over \$1.1 billion in disaster recovery funding payments to Queensland in the budget handed down in May this year. The federal government has cited a new requirement to undertake additional assurance activities to confirm the eligibility of Queensland's 2014-15 claim—a claim that includes recovery funding for communities forced to rebuild after Cyclone Ita, Cyclone Oswald and immediate recovery efforts after Cyclone Marcia, which I know the member for Keppel and the member for Mirani are very well aware of. Even the Commonwealth's own midyear financial economic outlook recognised this payment was due by 30 June this year, as has been the case in previous years, but Queensland was shocked to find out about the delay of this payment from the budget papers without any engagement from the Turnbull government prior to the decision.

The Queensland government submitted our 2014-15 claim in March 2016, ahead of schedule and with an unqualified audit opinion from the Queensland Audit Office, fulfilling all of the rules and requirements set out by the Commonwealth. To date there have been no outstanding issues identified by the Commonwealth in relation to this claim. Disappointingly, the Commonwealth did not even commence these additional assurance activities until June—nearly three months after the Queensland government had submitted the claim in March.

I am proud to say that Queensland is leading the nation as the only state with a stand-alone agency—the Queensland Reconstruction Authority—to oversee the state's recovery after natural disasters. For the past five years the Queensland Reconstruction Authority has worked closely with the Commonwealth to ensure expenditure is eligible under the Commonwealth's rules. In fact, the Australian National Audit Office has recognised and commended the Queensland Reconstruction Authority for its rigorous system and processes in auditing the NDRRA claims and ensuring value for money. It was the Queensland Reconstruction Authority and the Queensland Audit Office that proactively reviewed claims back to 2009 to ensure only eligible expenditure was submitted to the Commonwealth. It was this robust system of review and assurance from Queensland agencies that identified and eliminated \$115 million worth of expenditure that could not be confirmed as eligible from these claims that were submitted to the Commonwealth. This is expenditure that the Commonwealth's own department failed to identify.

It is clear Queensland is being penalised for the failures of the Commonwealth. By withholding this funding, the Australian government is creating uncertainty in disaster affected communities and eroding their confidence in the entire NDRRA process while putting recovery from future natural disasters at risk. Federal minister Michael Keenan has seen fit to accuse the Queensland government of making false claims for disaster funding and says that the Australian National Audit Office is

investigating. I put on record that these comments are misleading and ill-informed. Former LGAQ president Margaret de Wit was damning in her criticism of the Commonwealth. She stated—

Councils are at the forefront of natural disasters and the first to respond in the aftermath of cyclones, severe storms and floods to help their communities recover. Sadly, Queensland councils are so used to disasters it is like second nature to respond swiftly. They don't sit around thinking about who is picking up the tab for recovery works. They just get on with the job of cleaning up. This is what our communities expect. In return, they expect the federal government to meet its funding obligations in a timely manner, not use unsubstantiated accusations to delay repayments.

The federal government seems to be relying on an Australian National Audit Office report from over 12 months ago for additional assurance requirements. Let me place on record that this Australian National Audit Office report investigated New South Wales, Victoria and Western Australia. It did not investigate Queensland. We are being unfairly penalised. I place on record my absolute dissatisfaction with the federal government in respect to this deferral of the reconstruction reimbursement funds that are due to Queensland.

**Mrs MILLER:** I refer to page 49 of the SDS in relation to trade. I understand that, as Minister for Trade, you have been on trade missions, which is what you have to do. I am wondering how much was expended for the minister's component of these trips and whether you could provide the dollar value of trade that has been invested to date in Queensland as a result of the trips? Could you also comment on the service standard, which states—

Level of satisfaction of Ministerial mission participants with the timeliness, effectiveness and consistency of advice and services provided by TIQ.

I am wondering why it is 75 per cent. Why has that figure been considered appropriate? Is it because it is a new measure?

**CHAIR:** There are a lot of statements in there.

**Mrs MILLER:** I am happy for the first two to be taken on notice, but I am wondering where the 75 per cent comes from.

**Ms TRAD:** I am happy to provide some information for the benefit of the committee. In relation to the last component of your question, member for Bundamba, I can confirm that this is a new measure, and as a new measure we are starting off at a level of 75 per cent. Clearly, TIQ provides a whole range of advice and services not only to government members and ministers who undertake trade missions, as well as the Governor, but also to Queensland businesses which are seeking advice and information in relation to their trade and export dealings and assistance on delegations also led by ministers, the Premier and Treasurer. There is a large amount of work that goes on in that area, and we are very keen to get feedback on how all participants measure that support to provide information to constantly improve our service and our delivery of support to Queensland's trade and export agenda.

I will take the other two components on notice. I think Trade & Investment Queensland has a \$30 million annual budget, or something approximate to that. Some of that is expended on trade missions. It is not just trade missions for me; it is assistance with other ministers and with the Premier. It is not just about the missions themselves; it is about all the work that goes into ensuring that those missions occur as well as providing financial support for our large Trade & Investment Queensland presence abroad in international markets.

**CHAIR:** Before I hand over to non-government members for the final period of questioning, I want to advise the Deputy Premier that I am going to allow five minutes before 1.30 for you to respond to questions on notice. Your questioning will finish at 1.25.

**Mrs FRECKLINGTON:** My question is to the Deputy Premier. Given the non-advertised position for Mr Bredhauer resulting in him becoming chair of Trade & Investment Queensland, can you please outline what his salary is as chair and what other entitlements will be available to him in this role such as travel and entertainment expenses?

**Ms TRAD:** I thank the member for the question. For the benefit of the committee, I will ensure that there is correct information in relation to Mr Bredhauer's appointment and then I will go into the issue around remuneration. The position that Mr Bredhauer currently occupies was advertised in the *Australian Financial Review*, and on 31 October an open merit process commenced for the recruitment of a new chair of TIQ—

**Mrs FRECKLINGTON:** So you are correcting the record there—

**Ms TRAD:**—with expressions of interest called in the advertisement selection through an advertised process. The deadline for submissions was 13 November 2015. The selection process was undertaken with emphasis being placed on selecting a new TIQ chair with demonstrated well-rounded

experience including both government and international business skills. I am not aware that the former premier or minister for trade undertook any advertising or selection process for the role that was occupied formerly by Mr Stockwell. In relation to the remuneration of Mr Bredhauer, I understand that it is in the vicinity of \$48,000 per annum. I will seek advice about whether or not this is consistent with what the former chair, Mr Mark Stockwell, got. It is consistent with what the former chair got.

**Mrs FRECKLINGTON:** And consistent with his other entitlements as well?

**Ms TRAD:** That is what he is remunerated.

**Mrs FRECKLINGTON:** Was the recent announcement to extend Ken Smith as Agent General in London a board decision, or was it another decision on the whim of the Premier?

**Ms TRAD:** For the benefit of the member for Nanango, the position that Mr Smith occupies is slightly different. He is the Agent General so he does conduct trade activities. He is our trade and investment commissioner for Europe and North Africa, but his appointment is different because he is the Agent General. We are very pleased that Mr Smith has agreed to stay on in the UK in the role of Agent General for Queensland in the United Kingdom of Great Britain and Northern Ireland for the period—

**Mrs FRECKLINGTON:** Was it recommended by the board—

**Ms TRAD:**—of 5 July 2016—

**Mrs FRECKLINGTON:** That was my question, Minister.

**Ms TRAD:** I do understand and I am getting to that, because it is a different role, member for Nanango—

**Mrs FRECKLINGTON:** I appreciate that; it is the role of Agent General.

**Ms TRAD:**—and it is important to understand. The government made the decision following the very significant decision by the UK to engage in a referendum to exit the EU. We decided that it would be best that Queensland's representation in the UK is stabilised. We understand that there is significant upheaval that will occur, particularly in the next 12 to 24 months, in relation to UK's exit from the EU and that has significant trade implications for our state. We decided that the best thing that we could do is ensure stability in terms of Queensland's representation in the UK.

It is not only the government that thinks Mr Ken Smith makes an enormous contribution to the role of trade and investment commissioner. On 25 February 2014 the former leader of the opposition, Lawrence Springborg, said in a letter to Mr Smith—

I want to write to personally thank you enormously for accompanying me on the delegation to Denmark, Sweden and Finland.

**Mrs FRECKLINGTON:** My question was not about—

**Ms TRAD:** I am entitled to give you a fulsome response.

**Mrs FRECKLINGTON:** Was it a government decision or a board decision? That is all I am asking.

**Ms TRAD:** What is more, he said to Mr Smith—

Your experience and depth of knowledge along the historical background and context resulting from your employment across a multitude of state government agencies prior to your appointment as Agent General was an obvious strength in all our discussions and is something I will be relaying to the Premier and Treasurer.

Can I say that the Agent General is always an appointment of government, not of the TIQ board, and I think we have made an excellent decision in extending Ken Smith.

**Mrs FRECKLINGTON:** You got there in the end. Thank you, Deputy Premier.

**Mr WALKER:** Mr Zhang, who was the Queensland Trade and Investment Commissioner for China for a good period of time—20 years or so I think—recently announced he was leaving that position. Did you endorse a process to select a new commissioner in his place?

**Ms TRAD:** For the benefit of the committee, I do not dictate the process around the recruitment and selection of TIQ commissioners. I will ask if the CEO of Trade and Investment Queensland would like to come up and provide a little bit more information for the benefit of the member for Mansfield and the committee.

**Mr Noye:** The TIQ board approved a recruitment process for a new trade commissioner in China. The preferred applicant declined the offer eventually. We then asked Mr Zhang to continue and his contract has been renewed until 31 July 2018. We are very pleased to be able to continue his long and experienced services in China as we expand our offices there and as the China trade requirements and interests increase.

**Mr WALKER:** Can I follow that up. What was the cost of that recruitment process? Who was on the selection panel? How many applicants were there? How many were short-listed?

**Mr Noye:** I will have to take that on notice, if the Deputy Premier is fine with that.

**Mr WALKER:** Mr Noye, while you are at the table, I might follow up on the answer from the Deputy Premier with respect to the two offices in Chengdu and Singapore.

**CHAIR:** Before we go any further, is that earlier question being taken on notice?

**Mr Noye:** The response to the recruitment process?

**CHAIR:** Yes. It has to go to the Deputy Premier to approve that.

**Ms TRAD:** I am happy to take that on notice.

**CHAIR:** Thank you.

**Mr WALKER:** Mr Noye, I refer to the two offices in Singapore and Chengdu and the Deputy Premier's answer to her question on notice No. 10. The cost for those two offices is \$1.5 million over three years.

**Mr Noye:** Correct.

**Mr WALKER:** That is \$1.5 million over three years, which is \$500,000 per year for two offices, which is \$250,000 a year for one office.

**Mr Noye:** That is right.

**Mr WALKER:** That seems to me to be extraordinary, given the staffing levels that the Deputy Premier just spoke about and the obvious cost of premises and all that goes with it. For example, to think that in Singapore you could run an office on \$250,000 a year.

**CHAIR:** Is there a question there? You made a lot of assumptions.

**Mr WALKER:** Can you do it?

**Mr Noye:** The Singapore office is more expensive than the Chengdu office. We have an officer about to come back through Singapore and check some potential offices out. The Chengdu office at the moment is a serviced office and we are looking at other options there. The advice to me is we can do what is required with that \$1.5 million a year. There will be a review towards the end of the three years—whether we need to increase the representation in the offices, depending on how the offices are going and the level of interest and the return on investment, I suppose you could say, in the offices.

**Mr WALKER:** It seems an extraordinarily low allocation to me.

**Mrs FRECKLINGTON:** My question is to the Deputy Premier. Deputy Premier, I refer you to page 247 of Budget Paper No. 2 and that capital purchases are at a mere 1.3 per cent of gross state product in 2015-16. When was the last time in Queensland that capital purchases as a percentage of gross state product were lower than 1.3 per cent?

**Ms TRAD:** I thank the member for the question. I will have to take the actual question around when it was at that rate on notice. I do not have that to hand. Clearly, the member for Nanango wants to talk about capital spend and I am very happy to do that.

**Mrs FRECKLINGTON:** Sure.

**Ms TRAD:** Do you have another question or do you just want me to go on because I am very happy to start talking about infrastructure spend and the comparisons between—

**Mrs FRECKLINGTON:** The fact that your infrastructure spend is \$2 billion less than our last budget? You are more than welcome to talk about your underspend—

**Ms TRAD:** The capital underspend on average over the past five years has been \$1.8 billion.

**CHAIR:** Member for Nanango.

**Mrs FRECKLINGTON:** The Deputy Premier asked for this. She wants to justify her underspend.

**CHAIR:** It sounds like two people having a chat over a cup of coffee at the moment.

**Ms TRAD:** Can I say, Mr Chair, through you, that the worst result in terms of capital underspend in real terms was in 2013-14 when the Newman-Nicholls government failed to spend the entire capital budget by some \$2.259 billion. At the same time that they were sacking people, at the same time that they were defunding community organisations and councils, they were also unable to get capital spend out the door. But, unlike those opposite, and the Leader of the Opposition said at that time—

**Mrs FRECKLINGTON:** There is no relevance to this. I did not ask this question.

**Mr HART:** Point of order, Mr Chair: there was no question asked. The Deputy Premier is wasting time.

**Mrs FRECKLINGTON:** The Deputy Premier has just gone off on a whim.

**Ms TRAD:** I said that I was happy to talk about capital spend and you said yes.

**Mrs FRECKLINGTON:** The relevance?

**CHAIR:** We will take the next question.

**Ms TRAD:** Okay. What is the next question?

**Mrs FRECKLINGTON:** My question is to the Deputy Premier. I refer to the strategic objective of your department to increase the economic, social and environmental benefits for Queenslanders. Do you, Deputy Premier, encourage your department to support the development of new thermal coalmines in Queensland? I am happy to refer you to page 3 of your SDS.

**Ms TRAD:** You do not have to refer to me to any page on the SDS. I think the Palaszczuk government has made it very clear where it stands on resource projects.

**Mr WALKER:** What is that?

**Mrs FRECKLINGTON:** My question was: do you encourage your department to support the development of new thermal coalmines in Queensland?

**Ms TRAD:** For the benefit of the member for Nanango—and I know she is very new to this role—

**Mrs FRECKLINGTON:** I have been here the same amount of time as you, Deputy Premier. We came in at the same time.

**Mr HART:** Actually, she has been here a few weeks less.

**Ms TRAD:** Mr Chair, in terms of major resource projects in this state, since I think about 1979 there has been a statutory officer called the Coordinator-General. He is the statutory officer who actually progresses major development applications in the resource industry, which I know you are aware of, Mr Chair, because the resources industry is very important to your electorate and to your region in the Queensland economy.

**Mr WALKER:** I refer to relevance on that question. I do not think it is satisfactory for the Deputy Premier to say that there is another officer. The question was whether she supported her department doing it. I do not think she has answered the question.

**Ms TRAD:** My department does not do it.

**CHAIR:** And that is what I was heading to. I do not believe—

**Ms TRAD:** Has anyone got a crayon? I could help you.

**CHAIR:** Excuse me, Deputy Premier.

**Ms TRAD:** Sorry.

**CHAIR:** I do not believe the minister is the appropriate person to be answering that question.

**Ms TRAD:** I tried.

**CHAIR:** Thank you. The time allocated for the consideration of proposed expenditure for the portfolio of Deputy Premier and Minister for Infrastructure has now come to an end. Deputy Premier, are there any questions you have taken on notice that you wish to answer now or make any other further comment on?

**Ms TRAD:** I will just make a slight correction to an answer I gave to the committee previously—that the ICC recommendations on the SRIPP went to the Cabinet Budget Review Committee for endorsement not cabinet. I said at the time it went to the ICC; it went to the Cabinet Budget Review Committee. I just want to clarify that for the benefit of the committee. In terms of the questions we have taken on notice, we will endeavour to get them to the committee before close of business today, if that is okay.

**CHAIR:** Or 12 pm Friday would be good.

**Ms TRAD:** Thank you. I will do that.

**CHAIR:** We are very easy to get along with. Do you have anything further to add?

**Ms TRAD:** Yes, I do. Mr Chair, I start by thanking you and all of the committee members for their time and efforts in today's inquiry. I particularly thank the secretariat, who I know do a lot of work in this regard. Please know that I and my agency appreciate all of your efforts. I give particular thanks to my Director-General, Frankie Carroll, and all of the CEOs of the agencies within my portfolio and all of the deputy directors-general for all of their work in preparing for estimates today. It is a long and arduous process but I am very grateful for the support that I get from the leadership within my agency and also all of the departmental staff.

I give particular thanks to members from my ministerial office, my chief of staff, Matthew Collins, and also my deputy chief of staff, Mark Bellaver, for all of their efforts in terms of coordinating my appearance at today's estimates committee. A lot of work goes into it. Four hours seems like a long time of questioning, but it is actually hundreds of hours that goes into the preparation across the agency and across my office. I do want to give particular thanks and express my gratitude to all who have been involved in today.

**CHAIR:** Thank you, Deputy Premier. I thank the departmental officers for their attendance as well. The committee will now take a break for lunch. The hearing will resume at 2.30 with the examination of the estimates of the portfolio of Minister for State Development and Minister for Natural Resources and Mines.

**Proceedings suspended from 1.26 pm to 2.30 pm**

## **ESTIMATES—INFRASTRUCTURE, PLANNING AND NATURAL RESOURCES COMMITTEE—STATE DEVELOPMENT AND NATURAL RESOURCES AND MINES**

### **In Attendance**

Hon. AJ Lynham, Minister for State Development and Minister for Natural Resources and Mines

Mr P Woodland, Chief of Staff

#### **Department of State Development**

Mr M Schaumburg, Director-General

Mr B Broe, Coordinator-General

Mr R Alcorn, Director, Policy and Legislation Coordination, Business Solutions and Partnerships

Mr M McKee, Deputy Director-General and Chief Finance Officer, Business Solutions and Partnerships

#### **Department of Natural Resources and Mines**

Mr J Purtill, Director-General

Ms K Platt, Chief Finance Officer

Mrs K Du Preez, Commissioner for Mine Safety and Health

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 **CHAIR:** Thank you, ladies and gentlemen. Good afternoon, everybody. Welcome to the Infrastructure, Planning and Natural Resources Committee's public hearing for the examination of the Appropriation Bill 2016. I would like to introduce the members of the committee. I am Jim Pearce, the member for Mirani and chair of the committee. Dr Mark Robinson is the deputy chair and the member for Cleveland. Other committee members are: Mr Michael Hart, the member for Burleigh; Mr Shane Knuth, member for Dalrymple; Mrs Brittany Lauga, member for Keppel; and Mr Craig Crawford, member for Barron River. We also have with us here at the table for the first part of the afternoon Andrew Cripps, member for Hinchinbrook, and Deb Frecklington, member for Nanango. The committee has granted leave to non-committee members to ask questions at this hearing today.

Today the committee will consider the Appropriation Bill 2016 and the estimates for the committee's areas of responsibility. I remind everyone present that any person may be excluded from the proceedings at the discretion of the chair or by order of the committee. I ask that mobile phones or other electronic devices be turned off or switched to silent mode.

On behalf of the committee I welcome the minister, departmental officers and members of the public to the hearing. I ask that departmental officers identify themselves when they first speak and speak directly into the microphone. I ask you to pay special attention to that and to make sure that the microphone is nice and close to your mouth. I now declare the proposed expenditure for the portfolios of the Minister for State Development and the Minister for Natural Resources and Mines open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, if you wish to make an opening statement you have about five minutes.

**Dr LYNHAM:** Thank you, Mr Chair, and members of the committee. My portfolio, which covers two departments, represents exactly what this government stands for: driving economic growth, job creation and innovation while we protect and sustainably manage our natural resources. Queensland's economic foundations remain agriculture and resources, but it is imperative that we diversify to protect Queenslanders from the vagaries of drought, floods and commodity price cycles. As we head towards that future we must also support our foundation industries, particularly for our regional communities. To that end, my Department of State Development is at the front line of the drive for economic diversity, progressing the government's Advance Queensland agenda. At the same time, officers in my portfolio of State Development are working with business, industry and local governments, nurturing new projects and job-generating regional infrastructure.

Our signature infrastructure program, Building our Regions, is now worth \$375 million over five years, thanks to an extra \$175 million in this budget. Last year's first round of Building our Regions will see more than \$70 million invested in 42 infrastructure projects from Lockhart River to Cunnamulla. It will support more than 680 jobs and deliver critical infrastructure as projects get underway. One project is already finished at Kowanyama. Another dozen are underway and 28 are in design or tender stage.

Today I am announcing that 40 local governments have been short-listed for the next \$70 million round. They now have until 19 August to provide detailed submissions for final assessment. I expect to announce the successful projects later this year and see them under construction supporting jobs by 1 July next year.

As I said earlier, the Department of State Development is also focused on the jobs of the future. To this end, by the end of this year they will produce action plans to advance six priority industries: advanced manufacturing; aerospace; biofutures; defence; mining equipment, technology and services; and biomedical and life sciences. The first cab off the rank was biofutures' 10-year road map and action plan, with this budget providing nearly \$20 million over the next three years to implement it. The Department of State Development is also consulting with industry on an action plan that sets bold growth targets for our defence industries as well as a plan to take our world-leading mining equipment, technology and services sector to the next level.

I now turn to the Department of Natural Resources and Mines. Its \$456 million budget for 2016-17 reinforces the Palaszczuk government's commitment to the sustainable management of Queensland's land, water and mining resources. Despite continued global economic challenges, green shoots of investment and development continue to appear within Queensland's resources sector. To provide greater certainty for Queensland's resource exploration sector, earlier today I released Queensland's first annual exploration program. Mr Chair, I ask that this be tabled for the benefit of the committee.

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

**Dr LYNHAM:** This details land to be released for competitive tender in the north-west minerals province and the Bowen and Cooper basins over the next 12 months. DNRM is working closely with resource sector employers, the CFMEU and doctors to implement a new regime to protect the state's 5,500 underground coalminers from coal workers pneumoconiosis. Together, we are all committed to implementing all of the recommendations of an independent Monash University review and other important reforms to prevent new cases, identify existing cases early and provide a safety net for workers with the disease.

A total of \$33 million over four years will support our continued management of abandoned mines on state land. We are committing \$7.3 million over two years to fund the specialist Coal Seam Gas Compliance Unit, which investigates landholder concerns in relation to CSG. An investment of \$7.8 million over four years will provide high-resolution satellite imagery coverage of Queensland to monitor vegetation clearing and ensure fewer landholders get themselves into trouble because my department will be able to make them aware of any concerns early before any significant clearing has occurred. The imagery will also support other purposes including monitoring Great Barrier Reef health and will also be available publicly.

Mr Chair, this budget underpins the sustainable economic development of this state for the benefit of all Queenslanders, wherever they may live.

**CHAIR:** Thank you, Minister. In handing over to non-government members for the first lot of questions, I am just going to throw something out there as the chair. I hope we all respect one another's position and due process and that we get through it without any nonsense.

**Mrs FRECKLINGTON:** Thank you, Mr Chair. Thank you very much, Minister, and all the departmental officers who are here today. My first question is to the minister. I refer to page 22 of your SDS and note 5, which states that the decrease in expenses in 2015-16 relates to rescheduling of milestones for the Commonwealth Games venues, and I ask: which Commonwealth Games venues have been delayed, and when will these venues be ready?

**Dr LYNHAM:** I thank the member for Nanango for this question. I am very proud of my department in relation to the Commonwealth Games. My department is the silent achiever in terms of the Commonwealth Games. My colleague the Minister for the Commonwealth Games has overall control of the Commonwealth Games, but my department is overseeing construction of the games. I would like to hand that question over to my DG for an appropriate response.

**Mr Schaumburg:** The Commonwealth Games will be held in the period from 4 to 15 April 2018. The department is responsible, as the minister said, for managing the planning, design, procurement and construction of three new world-class venues and major upgrades to a further seven venues required for hosting the Commonwealth Games.

In terms of suggestions of program delays, all venues are on track for completion 12 months ahead of the games. This has been endorsed by the Commonwealth Games Federation in May this year. The total value of the capital works budget for the venues has changed, but it has not exceeded the original budget. As with all capital works, there are minor variations to time and budget, but it is all within budget and it is all on time—well ahead of the games.

In planning the venue construction program, sufficient contingency has been incorporated into the delivery time frames as well as the budgets. To date, only one Commonwealth Games venue has reported some work hours lost due to action by a registered industrial organisation, and that is on the Carrara Sports Precinct construction site. This \$103 million Carrara Sports and Leisure Centre is on track for completion in early 2017, still more than 12 months ahead of the games. The venue forecast budget set for the 2015-16 financial year was based on indicative program dates as at May 2015. While the anticipated budget has been slightly underspent this financial year, all venues remain on program to be completed 12 months ahead of time. More than 65 per cent of the venue delivery budget has actually been spent from the full \$320 million delivery budget. The Gold Coast Aquatic Centre and Broadbeach Bowls Club upgrades are complete, and the new Coomera Indoor Sports Centre and the Queensland State Velodrome projects are on schedule for completion in the coming month.

In terms of budget variances, the \$320 million venue delivery program budget is being carefully managed to achieve greater legacy outcomes for the new and upgraded venues. The venue planning and design process identified key legacy improvements from the original bid in 2011, and further stakeholder collaboration throughout the construction phase has identified further legacy enhancements. I guess in answering the question, we are on time; we are well ahead of the games. Our target has always been to have all of the venues completed 12 months ahead of schedule.

**Mrs FRECKLINGTON:** My question is to the minister again. It does refer to the extensive deferral of funding in relation to many of the projects. For example—and I refer to page 114 of Budget Paper No. 3—\$83 million was allocated in 2015-16 for the Carrara precinct but only \$68 million was actually spent. In relation to the Queensland State Velodrome, you allocated last year \$3.7 million; you have only spent \$725,000. Then in relation to the Gold Coast Hockey Centre, as another example, \$5.1 million was allocated but only \$2.7 million was spent in that financial year. You must indicate now to us as a committee which of these venues are behind and how far they are behind. Whilst I understand what your director-general has just alluded to in his answer to me, if it was allocated last year then why are they so far behind? How far are they behind? When are we expecting the completion?

**Dr LYNHAM:** I thank the member for Nanango for the question. I can also reassure the people of Queensland that Commonwealth Games venues are on time, they are on budget and they will be delivered some 12 months before the Commonwealth Games. For specifics regarding the finances regarding those details, my director-general may answer those questions.

**Mr Schaumburg:** I can go through the construction completion dates on each of the venues. In terms of the three new venues, the completion date for the Carrara Sports and Leisure Centre is expected in December this year. The Coomera Sports and Leisure Centre completion date is imminent. It is this month or maybe next month. The Queensland State Velodrome is very advanced and we are expecting completion of that next month. In terms of the seven upgraded venues, the Carrara indoor sports stadium is due to be completed during mid-2017, but that is actually an operations venue, not one of the sports venues. The Nerang mountain bike trails venue—again by the end of this year. The aquatics centre—

**Mrs FRECKLINGTON:** Can I just interrupt, Mr Chair. When you are relaying those figures, Director-General, are they consistent with the previous dates the minister would have given you by which to have those venues completed? That is what I am trying to get to. I understand there are many pre-games events that may be listed to take place. Whilst I appreciate the venues may be completed by the games, what is Queensland missing out on due to the fact that the budget has not been met this financial year?

**Mr Schaumburg:** I think the venues being completed 12 months ahead of schedule or ahead of the games gives ample time for all other things to happen around those venues and for trials et cetera to occur. As long as we stick to that original general target date of about 12 months ahead. As you can see from some of those dates, we are even further ahead than 12 months.

**Mrs FRECKLINGTON:** If I could refer you, Minister, to your answer to question on notice No. 9 in relation to the Townsville stadium. You state that the Queensland government has committed up to \$40 million in additional funding. My question to you, Minister, is on what page of the Budget Papers is this missing \$40 million for the Townsville stadium?

**Dr LYNHAM:** Thank you, member for Nanango. The \$40 million is new money for the Townsville football stadium. This is a fantastic project for Townsville which is due to be completed by the commencement of the 2020 NRL season. On 16 November 2015 the Queensland government approved a business case for the North Queensland stadium which recommends, as you are aware, a centrally placed best practice regional stadium in Townsville—

**Mrs FRECKLINGTON:** Minister, I understand that. With respect, what I am asking is on what page number is the missing \$40 million?

**Dr LYNHAM:** I was just trying to give some background to the member for Nanango. The page number is page 128.

**CHAIR:** The minister is entitled to respond with the answer in the way that he wishes to, because he might have some lead-up information before you get to the point where he answers your question.

**Dr LYNHAM:** If I may continue. We are very pleased that the federal government has finally committed \$100 million towards the Townsville football stadium, and the commitment from the NRL is also acknowledged. This is a vital piece of infrastructure for North Queensland. It is certainly a city-building and region-building piece of infrastructure. The project, now with state, federal and NRL support—

**Mrs FRECKLINGTON:** I apologise, Minister, but just so I am clear, you have referenced Budget Paper No. 3, page 128?

**Dr LYNHAM:** Budget Paper No. 4, page 128 states—

... additional funding of up to \$40 million, held centrally, of a total State commitment of up to \$140 million to demonstrate its commitment to the proposed North Queensland stadium.

The North Queensland stadium project is expected to provide a much needed catalyst to revitalise Townsville's central business district. The proposed stadium is anticipated to result in jobs growth and skills development during the construction and operational phases of the project. Projected growth will be experienced in the construction, services, tourism, retail, commercial and hospitality industries within the North Queensland region.

What is really important about this stadium is the 750 full-time equivalent jobs throughout the design and construction phase. The procurement process for delivery of the stadium will adhere to the relevant local and district policies, ensuring that full, fair and reasonable opportunity to tender is provided throughout the local supply chain. That is growth through these jobs and growth through the sector with supplies coming, hopefully, from the local supply chain. The DSD will also implement a local content promotion strategy during the development of the stadium.

This project is far more than just a stadium: it is the boost that Townsville needs to create jobs and opportunities. We are committed to continue working closely with the Australian government, the Townsville City Council, regional stakeholders, National Rugby League, the North Queensland Cowboys and the Rugby League community to progress this very important regional project. However, it is important to note the uncertainty around the federal coalition's commitment and the potential delays that could occur due to uncertainties regarding their Smart Cities Plan.

**Mrs FRECKLINGTON:** I refer the minister to question on notice No. 7, which indicates that the LNP when in government generated more jobs in 2014-15 through industry facilitation than you achieved this year or even your target for next year. Minister, given there is upwards of 34 per cent youth unemployment in outback Queensland and almost 20 per cent youth unemployment in towns like Townsville, surely you need to work harder to increase these targets.

**Dr LYNHAM:** There is no doubt that we are concerned regarding any unemployment around Queensland and regional unemployment within Queensland. In terms of what we have done for the Queensland economy, we have achieved 3.5 per cent growth in 2015-16, which is one per cent above the national average, and four per cent forecast GSP growth in 2016-17, the highest of all states and territories. In the NAB business confidence survey Queensland is leading the nation. With New South Wales, Queensland is the highest or equal highest in 11 of the past 12 months with 3.8 per cent export growth. I am happy to compare the unemployment figures with your unemployment figures when you left office. We have \$183 billion in definite and planned projects, second only to Western Australia, up

from \$15 billion from the previous quarter, and \$10.7 billion in capital works. We are working extremely hard to create jobs in this state. Our agenda is to create jobs in this state. I am happy to refer to our Building our Regions project as well. The Queensland trend unemployment rate is 6.5 per cent, which is down from where you left it when you were last in office.

**Mrs FRECKLINGTON:** Youth unemployment in the outback is up to 34 per cent. I was referring to the figures that you are trying to attain in your own budget figures.

**CHAIR:** Member for Nanango, we have been through this earlier today. The minister is entitled to answer the question without interruption. It is taking up your own time. I would ask the minister to continue.

**Dr LYNHAM:** In terms of regional economies, there is no doubt that regional economies and regional areas are very important to this state. That is why all ministers have been actively out in the regions, and that is why it is important that not only are we looking at specific projects such as Building our Regions but also important projects in our resources sector, our agricultural sector and also the diversification of our economy as we move forward. As the member for Nanango stated, any unemployment is something of concern for any government, and this is the government that is generating jobs. Jobs not only for now, but jobs for the future—especially with diversifying our economy.

In terms of what we are doing now with Building our Regions, I am happy to announce 42 successful projects from round 1 of Building our Regions since December 2015. Forty-two crucial and critical infrastructure projects are already having a positive impact on these regional communities. Projects are located across the length and breadth of Queensland in those areas that you specifically referred to, and they are addressing a broad range of infrastructure needs: water, sewerage, waste, economic development, roads, airports and flood mitigation as well as social infrastructure and sport and recreational facilities. The state-wide pipeline of projects is underway, with the first Building our Regions sod-turning event held in February 2016 for the Bundaberg Region Multi-use Sports and Community Centre. In fact, construction has already commenced on 13 projects. The mechanical workshop upgrade at Kowanyama has just recently been completed, and this project provided upgrades to mechanical workshops at the council's works depot and includes replacing the existing roof and upgrading the electrical wiring system. Twenty-eight projects are at the design or tender stage. All projects are expected to have commenced construction by November 2016. \$6.317 million in approved round 1 funding has been distributed to councils.

As the majority of funds are paid to councils in arrears as project milestones are met, we will see an increase in payments as construction milestones are achieved over the coming months, but it is important. This government was elected on a jobs agenda, and we are creating jobs. We are seeing new green shoots in our resources sector. We are seeing new green shoots especially in our north-west sector. The north-west task force has been extremely active in promoting jobs in the north-west with the mining projects that we have up there: MMG Dugald River, the Baralaba Expansion Project reopening at the end of the year, Altona Mining at Cloncurry, the CuDECO Rocklands copper mine, the Pacific Reef Aquaculture project and the Kidston Pumped Storage Hydro Project. There is project after project stimulating regional employment in Queensland. This government is the government that is delivering on projects. This government is delivering on jobs for regional Queensland.

**Mrs FRECKLINGTON:** Minister, I refer you to page 10 of your SDS and the massive underspend of \$248 million—or 75 per cent of the budget—for driving business development, economic growth and job creation and I ask: what programs did you fail to deliver, given this massive underspend?

**Dr LYNHAM:** Most of my department's capital spend is by way of capital grants to councils for them to provide infrastructure linked to economic development. My department's involvement in direct capital works that result in property, plant and equipment is very low, with a budget of only \$4.3 million in 2015-16. The department, however, does manage two capital grant programs—Royalties for Regions and Building our Regions—whereby funding is provided to councils predominantly for them to create tangible assets. 2015-16 was the first year of the Building our Regions program. The Auditor-General provided some good advice about best practice management of such grant programs, and we are committed to doing things properly. To manage it properly there are a number of steps, and guidelines are established and councils have to make application. These applications have to be assessed based on a clear set of criteria and advice sought from relevant agencies. Cost-benefit analyses must be undertaken and due diligence on projects. Once a project is selected, an agreement must be developed and project milestones and special conditions agreed. After an agreement is signed by both parties, the council has to undertake detailed design and tender processes and select a successful contractor. Obtaining the necessary permits and approvals for construction is also part of the process before

ground can be broken on-site. A low spend in the first year of a new grants program is not uncommon. Whilst spending may appear slow, I can assure you that the program is rolling out according to plan. In fact, better than originally anticipated.

Since the Premier announced her five-point plan for accelerating projects in North Queensland my department has worked closely with councils outside of South-East Queensland to identify any Building our Regions round 1 projects that could be accelerated. As a result, six projects have indeed been brought forward, resulting in 45 weeks of acceleration in aggregate.

**Mrs FRECKLINGTON:** I do not think 75 per cent below budget would be considered acceleration.

**Dr LYNHAM:** Projects take time, as the Leader of the Opposition also said when he was Treasurer. There can be delays, and the same delays—if not more significant ones—occurred in the Royalties for the Regions program.

**Mr KNUTH:** With reference to the final dot point on page 3 of the Department of State Development SDS, can the minister provide a detailed index of what the Queensland government's \$3.9 million in-kind contribution for the North Stradbroke Island economic transition strategy entails?

**Dr LYNHAM:** I thank the member for the question. Yes, North Stradbroke Island is an important area in South-East Queensland. We are meeting our election commitments to cease sandmining on the island by 2019. The amount of \$3.87 million in Queensland government in-kind contributions has been committed to the strategy. This support includes the appointment of an on-island project manager and support officer to coordinate delivery of initiatives on this strategy. The government has also committed \$5 million to the North Stradbroke Island Sand Mining Workers Assistance Scheme, which will be administered by the Queensland Treasury and will assist sandmining workers to transition to alternate jobs as well as other sectors. With the \$20 million implementation of the Economic Transition Strategy it is important that we transition the island's economy away from a mining economy to a more sustainable tourism education economy. This transition is vitally important to the people of North Stradbroke Island. It is important we get this absolutely correct and \$3.87 million for in-kind contributions has been committed to this strategy.

**Mr KNUTH:** Minister, my question refers to page 3 of the Department of State Development SDS. With regard to the Big Rocks project in Charters Towers, what funding will be allocated for this project and when will the development that will create local jobs and water sustainability and kickstart the agriculture industry begin?

**Dr LYNHAM:** I thank the member for Dalrymple for his question. I have actually witnessed where the Big Rocks project is and I understand the importance of the project to the local community. Mr Chair, I will take that question on notice in terms of specific funding for that project.

**CHAIR:** Thank you very much. It is now time for government members. Minister, I refer to page 3 of the SDS and the strengthening of regional Queensland through investment. Could you please outline to the committee how the government is supporting jobs and economic development and improving the livability of our regional communities which, as you know, I am very passionate about?

**Dr LYNHAM:** I understand; you are very passionate about regional communities. As committee members know firsthand, the drought and low commodity prices are making things tough in regional Queensland. That is why we have, in the budget we are examining here today, boosted our Building our Regions program to \$375 million over five years. The SDS shows \$70 million in new funding to the Department of State Development for another year of Building our Regions projects for 2017-18, \$15 million in savings from the previous government's regional infrastructure program to be spent in 2016-17, and \$90 million in new funding to the Department of Transport and Main Roads for the Transport and Infrastructure Development Scheme. If I may clarify before I go on, my comments from now on relate only to the three funds which DSD manages. I will leave TIDS to my colleague the Minister for Transport.

To help stimulate regional economies and deliver jobs sooner, the government's original two-year funding commitment to Building our Regions was brought forward from 2016-17 to 2015-16. The first round of \$70 million was allocated to 42 projects from Lockhart River to the north, south-west to Cunnamulla and east to the coast for a whole range of projects, from sewerage to flood mitigation. I am pleased to say that the jobs are already flowing from this pipeline of projects. The first sod-turning event was in February for the Bundaberg region Multiuse Sports and Community Centre. A mechanical workshop upgrade in Kowanyama, as I said before, is already completed and construction is underway in another dozen projects. A further 28 projects are at the design or tender stage and all projects are

expected to start construction by November this year. Remember: this round was not due to commence until 2016-17 under the original time frame, so all this activity is happening ahead of schedule. It is anticipated that round 1 projects will support 687 jobs in regional Queensland. Delivering these jobs sooner is one of my priorities.

Earlier this year I wrote to councils asking if they could accelerate any of their funded projects that have not started. They have rallied to the cause and six projects have been brought forward by a total of more than 15 months. For example, work started three months early in May on the Rubyanna Wastewater Treatment Plant in Bundaberg that is going to deliver 187 construction jobs sooner. As of 30 June 2016, around \$6.3 million of round 1 funding has been distributed to councils. Most of the funds are paid to councils in arrears as project milestones are met, so we will see an increase in payments as these milestones are achieved over the coming months. It is important to remember that project activity is happening ahead of these funds being distributed. This approach is best practice and ensures prudent administration of public moneys.

The next injection of funds into the regions is not far away. Round 2 of Building our Regions is being delivered in a two-stage project—and I emphasise this—consistent with the recommendations of the scathing Queensland Audit Office report into the previous government's discredited Royalties for the Regions program. A total of 54 local governments submitted 97 expressions of interest and I have now invited 40 local governments to submit detailed applications for 63 projects seeking combined total funding of more than \$91 million. I expect to announce successful projects in the fourth quarter of 2016, and construction will be expected to start no later than 30 June 2017.

**CHAIR:** Thank you, Minister. I now refer to page 2 of the SDS. Can you please outline what the department has done to progress the critical Carmichael rail and coal project?

**Dr LYNHAM:** I thank you, Mr Chair. The Palaszczuk government is committed to the sustainable development of the Galilee Basin for the jobs and business opportunities this will provide, particularly in regional Queensland. There are those who ask how a government that has a strong commitment to climate change action can continue to support thermal coal mining. There is no doubt that Queensland's and the world's future hinges on moving away from fossil fuels, reducing greenhouse gas emissions and creating a low-carbon economy. My department is actively working towards this, supporting domestic renewable energy projects to secure a clean, green energy future. The Coordinator-General is working to progress Genex's hydro and solar generation project at Kidston in Northern Queensland and the Coopers Gap wind farm near Kingaroy. We have a 10-year biofutures road map and action plan backed by almost \$20 million in this budget to support these emerging industries, including biofuels. There is over \$3 billion in renewable energy projects proposed across Queensland in response to our energy policies. Across government we are working with the proponents of 17 projects offering up to 2,300 jobs during construction. This is the longer term future, but in the short to medium term thermal coal has to be part of the domestic and international energy mix. It is a fact that the International Energy Agency recognises this in its *World energy outlook*. Coalmining provides jobs, royalties and business opportunities for thousands of Queenslanders and will continue to do so for some years.

Queensland produces some of the highest quality coking and thermal coal in the world within a strong workplace safety and environmental framework, so it is logical that the government supports the significant boost to Central and North Queensland and to the state that Adani's \$21.7 billion integrated mine, rail and port project could bring. Adani estimates the combined mine, rail and port projects will generate more than 5,000 direct jobs at the peak of construction and more than 4,500 direct jobs at the peak of operations.

Adani has all key state and Commonwealth EIS approvals required to proceed. Unlike the former LNP government, we have got on with the business of completing a number of rigorous assessment processes which have set extensive conditions to manage and minimise environmental and social impacts. Since early 2015, 20 Commonwealth, state and local government approvals have been made on the projects.

Instead of talking about approvals, which appears to be a hobby of those opposite, we are actually in the business of granting them. On 3 April 2016 I approved the grant of three mining leases for the Carmichael coalmine and rail project after careful deliberation and consideration of all relevant information. The Coordinator-General has 13 material-change-of-use applications for this project and is currently assessing the remaining two. DSD also secured Commonwealth and state approvals for dredging and related construction at Abbot Point. Adani now has all its primary approvals and some secondary approvals. They still need some other secondary applications, including for water, roadworks, power, an airport and a series of management plans required by the Commonwealth

government. A final investment decision is in their hands, but I know that this government has progressed this project responsibly. We will deliver the jobs of today and the jobs of tomorrow to keep our economy strong.

**CHAIR:** Minister, a few moments ago you mentioned biofuels. I see this as a very exciting potential for Central Queensland into the future. I note that in the service highlights the DSD will lead activities under the biofuels road map. Can you as minister detail how this will contribute to creating jobs and business opportunities for Central Queensland?

**Dr LYNHAM:** I thank you, Mr Chair, because this is a very important initiative for the Palaszczuk government. We are aware of the need to diversify Queensland's economy to ensure jobs. According to the World Economic Forum, the global biorefinery products market is expected to reach \$1.128 trillion by 2022. Queensland is well positioned to become the biofutures capital of Australia. This is because of our favourable climate and natural resources, energy dense and productive feedstocks, and strong agricultural expertise. All of these factors underpin the production and manufacturing of future biofuels, bioplastics and biochemicals. This is why the Queensland government as part of the Advance Queensland initiative identified the emerging biofutures sector as a key priority industry.

The recently launched Queensland Biofutures 10-Year Road Map and Action Plan will assist us in achieving our vision of a \$1 billion sustainable and export oriented industrial biotechnology and bioproducts sector in Queensland by 2026. While biofuels is an early focus, the biofutures industry is much broader than fuels alone. Biofutures is all about the production of renewable biological resources and the conversion to food, feed, biobased products and bioenergy by innovative and efficient technologies.

The Palaszczuk government will invest almost \$20 million over three years to implement the road map and action plan, including for the following initiatives: \$5 million for Queensland's Biofutures Industry Development Fund to assist proponents achieve financial close or bankable feasibility; \$5 million for Queensland Biofutures Commercialisation Program to support business partnerships with research organisations to scale up technology and increase novel product development and increase technology demonstration capacity; a \$4 million Queensland Biofutures Acceleration Program to commence the scoping of two to three key strategic and catalytic private sector projects in Queensland; and a \$5.73 million project for Biofutures Queensland to provide further support and assistance to industry, including the appointment of a pre-eminent biofutures industry envoy and a research chair for Advanced Biofuels in conjunction with Queensland universities.

This government promised Queenslanders that we would work towards creating the jobs of the future, and this biofutures road map and the budget funding will help deliver on that promise. This funding is in addition to the support already provided to Southern Oil's advanced refinery demonstration plant in Gladstone. My department recognises this significant opportunity to assist Southern Oil to develop its demonstration plant in Queensland instead of Wagga Wagga. Once the demonstration plant proves successful, Southern Oil Refining intend to build a commercial facility with an estimated investment of \$150 million. This process is expected to take 12 to 18 months and result in around 64 full-time jobs. The managing director of Southern Oil Refining says their move to Queensland was made easier with the announcement of the Queensland government biofutures road map, the only forward-thinking policy in Australia in this critical area.

My department is also currently working with other potential investors such as Virgin, Qantas and Fulcrum Bioenergy to provide every opportunity to further develop this industry in Queensland. DSD is also working with a range of Queensland universities and institutes with world-leading research and development in this field including the University of Queensland, James Cook University and the Queensland University of Technology. These initiatives highlight this government's commitment to and recognition of this important industry sector. Our early success in supporting and attracting new private sector investment will diversify and grow Queensland's economy and jobs, particularly in regional Queensland.

**Mr CRAWFORD:** Minister, I refer to page 3 of the SDS. Can you outline what the government is doing to support jobs and business opportunities in North Queensland?

**Dr LYNHAM:** I thank the member for Barron River for his question. Our government is committed to advancing North Queensland, with more than \$2.4 billion in infrastructure improvements for the region in the 2016-17 state budget representing thousands of Queensland jobs. For example, the North Queensland Stadium has been identified as one of the five key initiatives aimed at diversifying and advancing North Queensland's economy. My Department of State Development is working to deliver a new stadium in Townsville by the commencement of the 2020 NRL season.

On 16 November 2015 the Queensland government approved the business case for North Queensland Stadium which recommends a centrally located, best practice regional stadium in Townsville as the preferred option. With a capital cost of \$250 million, this option provides a 25,000-seat-capacity stadium with the provision for integration of a potential entertainment centre at a future date. The Queensland government has committed \$140 million to this important regional project, which is expected to deliver 750 jobs throughout design and construction. The National Rugby League and North Queensland Cowboys have also pledged a \$10 million up-front capital contribution. The federal coalition has committed \$100 million for the stadium project through its Smart Cities Plan, although the specific details of this commitment remain unclear.

Furthermore, my department is pursuing the future of our defence industries in North Queensland with the Australian government. The region has the largest maritime service sector in Northern Australia and, while the Cairns based tender was unsuccessful in its bid to replace a fleet of Pacific-class patrol boats, a successful tender ensures that maintenance of these vessels will be undertaken in Cairns.

The government continues to work hard for an upgrade to the Cairns Marine Precinct. The upgrade would include improvements to the wharves and floating docks at the shipyards, the reconfiguration of the Cairns refit yards and better workshops, hard stands and ship refit areas. The investment would allow Cairns to competitively tender for future navy and commercial refit contracts and will ensure that local shipbuilding and maintenance jobs are protected. This will also provide future opportunities for the sector to grow and generate new jobs for the region.

My Department of State Development has 42 projects throughout Queensland as part of the Palaszczuk government's Building our Regions program, including 28 at design and tender stage, 12 under construction and one completed. Projects for North Queensland include the Doomadgee to Burketown optical fibre link project for the Burke Shire Council, the Evans Landing boat ramp car park stage 2 for the Weipa Town Authority and the Mareeba Wastewater Treatment Plant for the Mareeba Shire Council.

In the next round, 21 projects put forward by 17 councils in North Queensland have been short-listed to share in the \$70 million provided in the Building Our Regions fund. These initiatives demonstrate the commitment that the Palaszczuk government has to supporting jobs and business opportunities in North Queensland and will ensure the long-term growth of skills and the generation of jobs for this very important region.

**Mrs LAUGA:** I refer to page 6 of the SDS. Could the minister outline how he is developing projects that assist in meeting the Palaszczuk government's renewable energy target?

**Dr LYNHAM:** I thank the member for Keppel for her question. I am sure that the member is well aware that the Palaszczuk government is a government that is looking to the jobs of the future. The Palaszczuk government also recognises the need for sustainable, environmentally friendly economic growth. That is why this government is committed to generating 50 per cent of Queensland's electricity needs from renewable energy sources by 2030.

My colleague the Minister for Energy and Water Supply is working tirelessly to ensure that Queensland maximises all of the opportunities that are available for the emergence of renewable energy as a fundamental component of Queensland's energy generation. Within my portfolio, the Coordinator-General is facilitating two key projects that will play an important role in Queensland's future energy mix and will ensure that we meet our renewable target. Last month, the Coordinator-General declared the Coopers Gap Wind Farm near Kingaroy a coordinated project. The project, proposed by AGL Energy Ltd, is located approximately 180 kilometres north-west of Brisbane between Dalby and Kingaroy in the electorate of the member for Nanango. AGL anticipates that this project could create up to 350 jobs during construction, which is expected to commence next year, as well as providing ongoing employment opportunities for up to 20 people when it is finished in 2020. The project will generate 350 megawatts of power and have the potential to supply power to an estimated 190,000 households. The annual greenhouse gas emissions displaced by the project are estimated at 860,000 tonnes. That is the equivalent of taking about 250,000 cars off the road each year.

Earlier this year, I approved prescribed project status for another renewable energy project, Genex's solar and hydro-electric project near Kidston in North Queensland. This will be a new role for the historic Kidston goldmine, which closed in 2001 after producing more than three million ounces of gold. What Genex is proposing could be a world first: co-locating large-scale solar with large-scale energy storage that is so importantly generating jobs in North Queensland. Genex is proposing a 150-megawatt solar power generation farm, a 330-megawatt and potentially up to 450-megawatt pump storage hydro-electric scheme and a 185-kilometre transmission line to carry power to the coast and

the main Powerlink line between Townsville and Cairns. The \$660 million project will also prevent about 120,000 tonnes of carbon dioxide from being released into the atmosphere per year of operation. This project, again, is forecast to create about 500 construction jobs over all stages of the project and 10 operational jobs, with construction beginning at the end of next year.

I am a keen supporter of Genex Power's efforts, because the project has the potential to meet all the peak power generation demands of North Queensland plus some of Central Queensland. The Coordinator-General is working with Genex to assist the company to progress the project and it is expected to be in operation by the end of 2017. We will continue to work with all proponents to deliver a clean energy future for Queensland.

**CHAIR:** Thank you, Minister.

**Mrs FRECKLINGTON:** Minister, if I can just very quickly tidy up the Townsville stadium question? I am happy for you to take this on notice. You referred me to page 128 of Budget Paper No. 4. I can clearly see \$40 million there. I note that that is not capital expenditure. In the Capital Statement for Townsville stadium, I see a figure of \$95 million. From my calculations, that is \$135 million. Where is the other \$5 million for that project, given that you on many occasions have talked about, and it is in your answer to a question on notice, \$140 million? I am happy to have that taken on notice, because it appears to be an error in the budget papers or maybe it is something that just did not get in in time.

**Dr LYNHAM:** To the best of my ability, the money is held by Treasury. It is there, but I am happy to take that question on notice.

**Mrs FRECKLINGTON:** It is not in the papers, Minister.

**Dr LYNHAM:** Sure. I am happy to take that on notice.

**Mrs FRECKLINGTON:** Minister, if I can now turn to Building our Regions. I refer you to page 111 of Budget Paper No. 3, which shows that only \$406,000 was spent under your program. I ask: how many jobs did this 99 per cent underspend cost Queenslanders?

**Dr LYNHAM:** I thank the member for Nanango for her question. It is not unusual that these projects start with this slow progression.

**Mrs FRECKLINGTON:** Ninety-nine per cent, Minister.

**Dr LYNHAM:** I think if I draw back to your Royalties for the Regions—

**Mrs FRECKLINGTON:** Less than one per cent.

**Dr LYNHAM:** I think your Royalties for the Regions program—

**Mrs FRECKLINGTON:** I am happy to talk about that one.

**Dr LYNHAM:**—had nothing in the first year. It was a zero dollar figure in the first year 2012-13.

**Mrs FRECKLINGTON:** Minister, you are the government now.

**CHAIR:** Member—

**Mrs FRECKLINGTON:** I am just reminding the minister.

**CHAIR:** He needs to answer the question.

**Mr CRIPPS:** It is his second budget.

**Mrs FRECKLINGTON:** It is his second budget. That is right, Mr Cripps.

**Dr LYNHAM:** Mr Chair, I can happily talk generally here in that any grants program, especially one of this nature and especially with the experience of those opposite, will take time. They take time for councils to prepare plans. They take time for milestones to be released. These things are budgeted for, but the time for the money rollout will follow those milestones being released by council.

We also achieved efficiencies in these projects. We have identified in one round \$15 million worth of efficiencies that we have been able to progress back into a further round of Building our Regions. I am quite happy to provide a fulsome answer to that.

**Mrs FRECKLINGTON:** I am happy to ask a follow-up question.

**Dr LYNHAM:** Mr Chair, I was asked to provide an answer. I am quite happy to provide an answer.

**CHAIR:** I will let the minister answer the question.

**Dr LYNHAM:** Most of my department's capital spend is by way of capital grants to councils for them to provide infrastructure for economic development and 2015-16 was the first year of the Building Our Regions program. I would not get too carried away, because the Auditor-General—

**Mrs FRECKLINGTON:** But you budgeted for it, Minister.

**Dr LYNHAM:** The Auditor-General was not quite friendly to you—

**Mrs FRECKLINGTON:** We need to just stick on track here.

**CHAIR:** Order! I do not know how many times I have to say this—

**Mrs FRECKLINGTON:** Mr Chair, I am just assisting the minister.

**CHAIR:** You are interjecting.

**Mrs FRECKLINGTON:** I am just trying to assist the minister to stick to his program. We know we delivered a wonderful program, but we just need the minister to understand his less than one per cent delivery of his program.

**Mrs LAUGA:** What did the Auditor-General say?

**CHAIR:** I am not the umpire up here in the boxing ring; I am trying to keep this going in a way that we can say that we have had a good day.

**Mrs FRECKLINGTON:** I am having a great day.

**CHAIR:** The non-government members need to remember that it is five to three. You cannot keep interjecting. You all know the rules as much as I do—some of you probably know them better. You cannot keep interjecting. The minister is trying to answer the question. The way I see it, ministers are entitled to lay a bit of a foundation before they give their answer. I call the minister.

**Mrs FRECKLINGTON:** Thanks, Mr Chair.

**Dr LYNHAM:** To create a more harmonious environment, Mr Chair, I would like to make these two points. You are saying that it is \$406,000, whereas in 2012-13 your Royalties for the Regions were zero—nothing.

**Mrs FRECKLINGTON:** We are actually in 2015-16.

**Dr LYNHAM:** Also, there was the Auditor-General's report. There are two instances there of a comparison of the two programs. I am happy to go on. To manage it properly, there are a number of steps. That is important. The Auditor-General suggested that their program was not managed properly. Guidelines are established and councils have to make an application. These applications have to be assessed based on a clear set of criteria and advice sought from relevant agencies. Cost-benefit analysis must be undertaken and due diligence on projects also must be undertaken. Once a project is selected, an agreement must be developed and project milestones and special conditions agreed to. After an agreement is signed by both parties, the council has to undertake a detailed design and tender process and select a successful contractor. Obtaining the necessary permits and approvals for construction is also part of the process before ground can be broken on site.

A low spend in the first year of a new grants program is not uncommon. While the spend may appear slow, I can assure you that the program is rolling out according to plan—in fact, better than originally anticipated. Soon after the Premier announced her five-point plan for accelerating projects in Queensland, my department worked with councils outside of South-East Queensland to identify any Building Our Regions round 1 projects that could be accelerated. Six projects have been brought forward, resulting in 45 weeks of acceleration in aggregate.

This program is acclaimed by the regions. It is a great program. One can see the regions that are involved in this—regions that are important for employment growth and regions that this government supports. We are doing that through our Building our Regions program. We are doing it efficiently as well to assist local councils. We are actively assisting some of the smaller councils in their applications. Smaller councils without those resources do not miss out. Also, we are taking expressions of interest. We are relieving those smaller councils and other councils from the burden of administration by simply taking the expressions of interest first. Once the expressions of interest are taken, then we allow them to have their entire application brought to us. We are assisting local councils and the regions to our utmost ability to make sure that these projects are rolled out. They have to be rolled out and the people of Queensland would insist that those projects are accountable, that the money is well spent. My department has identified \$15 million of savings that we can roll over to the next round of Building Our Regions. It is so important.

To compare our program with Royalties for the Regions is an absolute nonsense. They had nothing in their first round. The Auditor-General was scathing. Councils had to have a massive amount of administration to apply for their projects, only to be knocked back on a whim. There was no accountability whatsoever. There is not a pork-barrel manufacturer in Queensland that could have built a pork-barrel big enough for their program.

**CHAIR:** Minister, I do not think that we need to go down that road.

**Mrs FRECKLINGTON:** Mr Chair, I seek leave to table a page from the transcript—

**Mr Cripps** interjected.

**Mrs FRECKLINGTON:** I think there was more than one imputation.

**Mr CRIPPS:** Imputations are allowed in answers.

**Mrs FRECKLINGTON:** Yes, but not in questions. I seek leave to table the transcript from last year's estimates committee's deliberations, which shows the minister proudly announcing to this committee last year—and I will quote—

**Dr LYNHAM:** I am pleased to advise the committee that the government is bringing forward, as I said before, the Building our Regions program from 2016-17 to 2015-16. This will allow the government to fast-track its jobs agenda in regional Queensland.

I ask: given the fact that you sat in this chamber last year and so proudly decided that that you were going to bring forward that spend and we now see that you spent only \$406,000—a 99 per cent underspend—do you take personal responsibility now, given your statements from last year, for this complete rip-off of the regions?

**CHAIR:** I do not think you need to go down that road. There is an imputation there that—

**Mrs FRECKLINGTON:** With respect, Mr Chair, I think the imputations in the minister's last answer were quid pro quo. How do you reconcile it?

**Dr LYNHAM:** My response was quite forceful. We have to be accountable. With the rollout of the payments for Building our Regions, one can see with round 1—

**Mrs FRECKLINGTON:** You cannot come in here last year and boast about it and then come back this year and not be able to show us anything, Minister.

**Dr LYNHAM:** With the round 1 projects announced in 2015, you can see the rollout of funds as we progress through with the tapering off of funds. These things do take time. They do take time. We have to be accountable. We have to make sure that the assessment process, the funds and the milestones are reached. I find it unusual that such imputations are coming from the member for Nanango but all we hear from the regions is simply accolades for our project—simply accolades.

**Mrs FRECKLINGTON:** Would you like to give us some of those accolades?

**Dr LYNHAM:** I think the member for Nanango really is out on a limb here.

**Mrs FRECKLINGTON:** I refer to page 14 of your SDS which shows that your department has 16 more employees than the budget allows for. How has the department been unable to deliver so many programs even though you have more public servants than your budget even allows for? Is it a case of even with more you deliver less?

**Dr LYNHAM:** Mr Chair, may I address that in a general form first regarding those opposite? I have been listening throughout the estimates hearings about the attack on public servants.

**Mrs FRECKLINGTON:** There is absolutely no attack. I make it very clear: there is absolutely no attack on public servants. I am talking, Minister, about your department and your departmental budget which has failed to deliver programs even with the help of more hardworking public servants.

**CHAIR:** Can you go back to the original question, Minister, and just carry on?

**Mrs FRECKLINGTON:** It is the same question.

**CHAIR:** No, it's not. That was not a question.

**Mrs FRECKLINGTON:** The minister knows it.

**Dr LYNHAM:** I am pleased to provide details for you of the staffing numbers of the department. There has been a three per cent increase on the 2015-16 estimated actual number of full-time-equivalent employees attributable to temporary staff engaged in the department. They are working on government priorities. These are job-creating priorities of this government. That is why it is important. They are the Queen's Wharf integrated resort development; the priority industry sector teams who are developing 10-year industry roadmaps and action plans in advance manufacturing, defence, aerospace, biofutures, biomedical and life sciences, diversifying our economy; and also the Commonwealth Games venues and athletes village. These valuable public servants are being used for job creation programs in our government—being used for Queen's Wharf, the priority industry sector teams, the Commonwealth Games venues and athletes village. This is where these public servants are being used. Public servants are being used to create jobs here in Queensland.

**Mrs FRECKLINGTON:** Maybe you should put a few more in the regions, then.

**Dr LYNHAM:** There has been this theme about public servants and public servants because—

**Mrs FRECKLINGTON:** No theme.

**Dr LYNHAM:** I think every minister when they have sat here has faced this theme about public servants. To me, public servants are important. I am a public servant. Before I became a politician I was a proud public servant. Police, paramedics, firemen—they are public servants.

**Mrs FRECKLINGTON:** Relevance.

**Dr LYNHAM:** Nurses are public servants. You have this approach to 'public servants'—something to be fearful of, something that you deride—

**Mrs FRECKLINGTON:** No. What are you talking about, Minister? Have you walked into the wrong room?

**Dr LYNHAM:**—but public servants are important facets of our and every community. This is why this government has no shame in promoting front-line public servants—people just like me, who was a public servant and continues to provide service to the public.

**Mrs FRECKLINGTON:** I have no problem with that, Doctor. You are on the wrong track. You are answering the wrong question.

**Dr LYNHAM:** The public servants within my Department of State Development who are promoting jobs, creating opportunities and engaging in the delivery of government priorities such as Queen's Wharf, the priority industry sector teams and the Commonwealth Games venues and athletes village are valuable public servants.

**Mrs FRECKLINGTON:** Minister, I refer you to page 14 of the SDS. Given your last answer and your passionate response about public servants, why are you slashing the public servant numbers that are totalled there in your SDS? I refer you to page 14—staffing of your department. Given that you have cut employees, how do you expect to deliver more?

**Dr LYNHAM:** My director-general is quite happy to provide a response to that.

**Mr Schaumburg:** There has not been any slashing of public servants in this department. In fact, for 2015-16 for budgeted FTEs, under the criteria in the SDS of driving enterprise development, we had 396 and, in terms of assessing, approving, facilitating and delivering major projects, we had 192. That made a total of 588, which you will see on that page of the SDS.

**Mrs FRECKLINGTON:** Yes, I can see that.

**Mr Schaumburg:** Then the estimated actual FTEs for 2015-16 is made up of those numbers that you see there—up to 607. Then our estimate for the year going ahead is 599. I can say that the actual staffing numbers in the Department of State Development as at 31 March were 589.79 FTEs but we had a head count of 614. We are a small department, but we are around that 600 mark. You have a bit of variation between people coming on board.

**Mrs FRECKLINGTON:** Thank you for taking me through that chart there. Am I to understand that 607 is lower than your budgeted figure of 599?

**Mr Schaumburg:** Yes, that was an estimated actual probably taken as at March.

**Mrs FRECKLINGTON:** So there are eight people who will no longer be in the employ of the department. The figures are clear. They are in black and white. I do understand that 607 people is more than 599 people. You have budgeted in this budget cycle for fewer employees than were actually there last year. It is quite clear. I am happy to move on.

**Mr KNUTH:** I refer to the minister's answer to my question on notice and page 3 of the Department of State Development SDS regarding water planning. What commitment will the minister give to working with the federal government in progressing the construction of the Hells Gate Dam project now that the federal government has committed to the feasibility funding and there is strong interest in this project?

**Dr LYNHAM:** I thank the member for Dalrymple for his question. I know how precious this piece of water infrastructure is to him in his local area. I have been to the site of Hells Gate Dam. I saw the site some few months ago. There have been numerous studies in potential water storage over the years in the Burdekin Basin. The Burdekin River has the second largest catchment in Queensland and delivers a third of all the water that flows into the Great Barrier Reef lagoon.

The Hells Gate Dam, for other members of the committee, would see a new large dam in the upper Burdekin River, upstream of the Burdekin Falls Dam, north of Charters Towers. It has been proposed to promote development of new irrigated agriculture and biofuels opportunities around Charters Towers. Also, an eastern water pipeline connection from Hells Gate Dam would provide additional water supplies for the greater Townsville area.

It was originally proposed way back in 1933 as part of the original Bradfield Scheme. I note that commitments to fund a feasibility study into the new dam were made during the federal election campaign. The Queensland government's view is that any Commonwealth funds made available to this project will be directed to a thorough assessment of the proposal to determine with finality the viability and sustainability of the dam.

The foremost consideration in investigating the Hells Gate Dam proposal is that it has to fit in with the statutory water resource plan for the Burdekin Basin which sets objectives protecting the downstream environment and the rights of existing water users. Currently, the water resource plan does not allow for a large dam on the upper Burdekin River but water resource plans can be changed. Key details such as the potential yield and the cost of construction of Hells Gate Dam and the distribution network are not well understood at the present time, so hopefully a feasibility study will address those issues. Environmental impacts of the dam site and commercial feasibility will also be critical.

Minister Bailey's department is also working very closely with the federal government's Department of Agriculture and Water Resources to establish any funding or other arrangements, noting that many of the details cannot be finalised until there is sign-off from the incoming federal minister. Both I and Minister Bailey will be having close negotiations with the federal government as the feasibility study progresses. The feasibility study, I think, is being progressed by Townsville Enterprise. Although the outcome of the Hells Gate Dam feasibility study remains uncertain, I am committed to ensuring that any opportunity to unlock the potential of North Queensland is taken seriously. We will be working very closely with the federal government on this proposal.

**Mr KNUTH:** With reference to the service area highlighted for 2016-17 on page 3 of the Department of State Development SDS, I ask the minister to detail what steps have been taken to manage all impacts of fly-in fly-out work practices and when we will see legislation and policy framework that will support this.

**Dr LYNHAM:** I think it is extremely important that this government is addressing the issue of fly-in fly-out workplaces. I have been to resource communities many, many times. It is incredible how certain issues that to another community may seem small can affect our mining communities. I recently met with some of the women who live in Blackwater, and the devastation to that local community simply with the loss of their hairdresser was such a significant thing. To see a person held so dear to that community now lost is very, very significant. These people want to see miners, workers and businesses back in their communities. This is why the FIFO issue is extremely important to us. I understand that the committee was intimately involved in looking at this specific issue, and I thank the committee for their report. Legislation regarding FIFO will be before the House hopefully this year.

In response to the recommendations from the parliamentary inquiry into FIFO matters, the government is implementing the new Strong and Sustainable Resource Communities policy framework, consisting of a revised social impact assessment guideline and new legislation. That new legislation will prescribe the social impact assessment processes for new resource projects, prevent the future use of 100 per cent FIFO workforce arrangements and prohibit future discrimination against locals during the recruitment processes of new workers. The framework also aims to support resource communities to attract and retain workers and their families, provide improved opportunities for local governments to participate in project impact assessment processes, maximise the opportunities for competitive and capable local businesses to access resource project supply chains and provide sufficient flexibility to respond to the peaks and troughs in the resources sector. It will also protect resource worker health and wellbeing and minimise any consequential increases in cost to both proponents and governments in the assessment and operation of resource projects. The new legislation will not amend existing approvals and is therefore not retrospective.

Furthermore, the new FIFO arrangements will not apply to construction workforces or resource operations located remote from existing regional centres. It will not apply to medium- and small-scale mining or gas projects as only larger projects undergoing an EIS process will be captured. It will not restrict preferential hiring of local residents if that is the strategy of the employer. It will not prevent companies from banning all FIFO workers. I do not mind if a company has a 100 per cent local

workforce. That is great. What we want to see is that someone who lives in a resource town has the opportunity to apply and, if successful, to work in that resource near their town. That is just so important. Unfortunately, that has been taken away.

We are working hard with proponents to maximise local jobs with current projects. Those current projects are working hard now. Even though the legislation is not in parliament now, I have been very active with the Isaac Plains, CuDeco and Dugald River projects to make sure that those people living in Cloncurry get the opportunity to work with CuDeco and also with the Dugald River project because we want to see—I think we all want to see—locals have that ability to access jobs in our resource sector. It is complex legislation and consultation on the policy framework is continuing until early August 2016. I hope, as I said, to introduce this bill in parliament later this year. It is an important piece of legislation for us and I think, as I said, it is extremely important.

**Mrs LAUGA:** Minister, I refer to page 3 of the SDS. How are you creating jobs and facilitating economic development in Central Queensland?

**Dr LYNHAM:** I thank the member for Keppel; what a strong advocate for Central Queensland! Central Queensland is one of the regions particularly hit hard by the drought and sustained low commodity prices, but it is also a region with a diverse economy, abundant natural resources and existing industry strengths. The Coordinator-General is currently involved in a couple of major infrastructure projects, both coordinated projects, that offer economic growth, business opportunities and jobs across Central Queensland. I am talking about the Gladstone Ports Corporation channel duplication project and the joint proposal by Gladstone Area Water Board and SunWater to raise Eden Bann Weir and build the Rookwood Weir.

In 2016-17 the Coordinator-General will continue to coordinate the environmental impact statement assessment process to progress the port project. The EIS process for the weirs in the Lower Fitzroy Infrastructure Project is already well advanced. My Department of State Development has worked closely with key stakeholders, including the proponents on the weir proposals. Proponents have now secured \$2 million from the National Water Infrastructure Development Fund to develop a business case for the proposed Rookwood Weir.

The Commonwealth has also committed \$130 million towards construction of the water infrastructure if the business case identifies the need. The Department of State Development is collaborating with my other department, the Department of Natural Resources and Mines, as well as the Department of Agriculture and Fisheries and Regional Development Australia—Fitzroy and Central West, and the six Central Queensland local governments on the Growing Central Queensland initiative. This initiative believes agriculture and agribusiness are the next wave for global investment and they are working to position Central Queensland as a preferred target for that investment. As part of its role DSD is undertaking a feasibility study into value adding to boost fruit and vegetable exports. The study is looking at new technology and potential new products such as juices and cut fruit. The study will quantify the raw horticultural produce that is suitable and available for processing and investigate and quantify market opportunities for these new process products, including, most importantly, potential customers. Of course, bringing opportunities to fruition will require secure water from the Lower Fitzroy River, hence my interest in the outcomes of the feasibility study.

While this future focus work continues, the local economy needs to continue to tick over. This is where Building our Regions proves its worth. Already \$8 million in Building our Regions funds has been earmarked in 2015-16 for about \$13.4 million worth of projects in Central Queensland. The government is contributing \$4.2 million to an \$8.5 million project to seal the last 15 kilometres of Carnarvon Gorge Road; \$1 million—that is half the cost—to extend sewerage at Mount Morgan; \$1.59 million towards a \$3.4 million water treatment plant at Miriam Vale; and half of the \$500,000 cost to recommission the Tambo Sawmill. These projects will support more than 40 jobs, as well as generate potential new business opportunities and improved livability in these regional centres. I am also very pleased to be able to advise the committee that a total of 11 projects worth more than \$61 million in total have just been shortlisted in the latest funding round for Gladstone, Yeppoon, Rockhampton, Emerald, Moura, Biloela and Aramac. The six councils are seeking more than \$23 million from the state. I have invited these councils to submit detailed applications for their shortlisted projects for the final assessment. Construction will be expected to start no later than 30 June 2017. I am very pleased to see that Gladstone and Rockhampton, unlike the last royalties program, do not miss out.

**Mr CRAWFORD:** I refer to page 6 of the SDS. Can you outline what the government is doing to enable economic development and jobs in the Wide Bay and Burnett regions, please?

**Dr LYNHAM:** I thank the member for his question. The Queensland government recognises the importance of supporting growth in regional areas and expanding job opportunities. The Bundaberg Port gas pipeline is catalyst infrastructure to enable economic growth for the Bundaberg region. The Queensland government has committed \$18 million funding over two years for construction of the 28.5 kilometre Bundaberg Port gas pipeline, a significant investment in the region. Economic modelling commissioned by Bundaberg Regional Council in 2014 estimated a net annual economic impact to the local government area from this project at \$195 million and 765 full-time equivalent jobs. The Bundaberg gas pipeline will enhance the existing gas network, integrate with the Wide Bay gas pipeline and provide capacity to offer opportunities for other companies wanting to access gas. My department is working with EDQ and Australian Gas Networks Limited, owner of the Wide Bay gas pipeline, to deliver the vital project. The pipeline construction commenced in early 2016 after the state entered into a fixed price contract with Australian Gas Networks Limited and it is on schedule to be completed and operational by January 2017. The project has engaged a number of local contractors, with 40 of the 55 jobs local jobs.

The Department of State Development is working with Bundaberg Regional Council and local industry stakeholders to further capitalise on the new pipeline and secure new industry and jobs for the Bundaberg region such as the Knauf plasterboard manufacturing facility located at the port of Bundaberg. Knauf is investing \$70 million into the development of the facility and expect to create up to 200 jobs during construction and 55 new positions when operational.

While we build the future we need to keep the region's economy ticking over and that is where Building our Regions comes in. The amount of \$10 million is already earmarked for Building our Regions projects in the Wide Bay Burnett: the Bundaberg Region Multiuse Sports and Community Centre and the Rubyanna Wastewater Treatment Plant. Construction is already underway on both of them. The treatment plant is going to deliver 186 construction jobs three months earlier than originally planned. The council kicked this project off early after I wrote to them and other councils asking them to accelerate projects where they could to stimulate jobs.

I am also pleased to speak about the progression of the proposed Bundaberg state development area which I announced in October 2015. The Coordinator-General has been progressing this initiative in close collaboration with key stakeholders. SDAs support economic development for a range of land uses by setting aside strategic land. The first stage of technical analysis considered industry opportunities, land use, infrastructure, transport requirements and physical, environmental and social impacts. Preliminary findings of the investigation include that there is potential for industry on both the eastern and western sides of the Burnett River; there are potential opportunities for an SDA to capitalise on new trades that are currently commencing at the port of Bundaberg, including gypsum imports, silica sand exports and wood pellet exports and further opportunities in mining support services, manufacturing and bio-futures. A draft boundary for an SDA has been identified based on findings of the technical analysis, building in buffers and areas of environmental and cultural value. Consultation on the draft boundary closes on 25 July 2016. I strongly encourage anyone interested in the Palaszczuk government's plans for economic growth in the region to access the consultation material and provide a submission.

**CHAIR:** I refer to page 6 of the SDS and Queen's Wharf. Will the minister detail how he is facilitating economic opportunities stemming from this project?

**Dr LYNHAM:** I thank the chair for his question. I know he is very interested to hear what we are doing to ensure that all of Queensland benefits from this project. Even people in his own electorate can benefit directly from the Queen's Wharf project. A seven-year build of Queen's Wharf means seven years of supply opportunities, be it raw materials, trades or services. For all members of parliament and all those listening you must ask yourself with this project how many tonnes of concrete will be needed, how many fillet steaks will the 1.4 million additional tourists consume in a year and how many tonnes of stone fruit will be consumed, how many tonnes of Chinchilla watermelons will be needed, let alone the quantities of Queensland wine, rum and beer.

But that is just the beginning. Queen's Wharf will need decades of skilled operational staff, ongoing maintenance and security personnel, cleaners, gardeners, croupiers, bus drivers and accountants. Queensland Investment Corporation estimates that once operational Queen's Wharf could generate up to 11,500 jobs. An additional 1.4 million tourists could visit Queensland each year. Queen's Wharf will offer a diverse mix of new riverfront space, high-quality dining options to suit everyone's taste and budget, exciting night-life, entertainment, local and international retail brands and

world-class five- and six-star casinos. The project will revitalise a tired and underutilised part of the city and provide locals and visitors with more than 12 football fields of public space to enjoy. It will strengthen Queensland's reputation as an international tourism, leisure and entertainment destination.

On 16 November 2015 the Palaszczuk government reached contractual close with the Destination Brisbane Consortium to deliver the Queen's Wharf Brisbane Integrated Resort Development. It is a \$3 million IRD with staged payments to the state government of \$272 million and guaranteed casino taxes for the first 10 years of the casino operation of approximately \$880 million. The state has committed to provide handover of the Queen's Wharf Brisbane site to DBC on 1 January 2017. The relocation of tenants from the precinct's government and heritage buildings within the worksite boundary, decommissioning and storage of monuments and art and other precinct coordinated activities are underway and will be finalised before the site handover occurs. The Department of State Development is involved with a range of key stakeholders, including the recognised traditional owners of the site and the Bonner family, to ensure the site's cultural heritage is protected and celebrated.

On 14 June 2016 I announced in parliament that the Department of State Development is rolling out a series of events that enable Queenslanders to take advantage of the opportunities delivered by the Queen's Wharf project and other new developments. This series includes guest speakers from one of the Queen's Wharf Brisbane consortium partners, Star Entertainment Group, as well as supply chain and economic experts. The series was launched in Brisbane on 12 July followed by upcoming events in Toowoomba on 29 July; the Sunshine Coast, 16 August; Mackay, 26 August; Rockhampton, 7 September; Gold Coast, 27 October; Cairns, 24 November; Townsville, 23 November; Wide Bay, 6 October; and Ipswich, 20 October. This series will attract major business groups and stakeholders from new and emerging industries that will take advantage of the jobs and opportunities provided by major projects across this great state of Queensland.

**CHAIR:** The committee will now take a break until 4.30 when we will resume and continue to examine the estimates for the areas of State Development and Natural Resources

**Dr LYNHAM:** Mr Chair, I have some answers to some questions on notice. I am happy to do that on resumption.

**CHAIR:** We will do it at the end of the session.

#### **Proceedings suspended from 3.58 pm to 4.28 pm**



**CHAIR:** Good afternoon. The hearing has resumed. The committee will continue to examine the estimates for the portfolio areas of State Development, and Natural Resources and Mines. Before I call on non-government members, I will mention to the minister that at the end we will leave five minutes in case you have responses to questions you have taken on notice and anything else you might want to say in that last five minutes.

**Mr CRIPPS:** Minister, I refer to page 13 of the SDS and the number of full-time-equivalent staff at the Department of Natural Resources and Mines being 2,440, which has been static since the 2015-16 SDS. In fact, that number has remained static since the 2013-14 SDS. At this number of FTEs, can you confirm that the Department of Natural Resources and Mines currently has the ability to oversee the responsible use of Queensland's natural resources?

**Dr LYNHAM:** I thank the member for his question. It is certainly unusual to now attack the government for a lack of public servants. One thing, before I hand over to the DG, if I may, is the innovation this department has had, the innovation with My Mines Online—

**Mr CRIPPS:** Point of order, Mr Chairman. I have asked the minister whether or not the department currently has the ability to oversee the responsible use of Queensland's natural resources at the current FTE levels. I did not ask about My Mines Online.

**Dr LYNHAM:** By way of explanation, this department is still performing its role wonderfully. With the ability with new innovations we have been able to perform this role much more efficiently than in the past. I will ask my DG to elaborate.

**Mr CRIPPS:** Thank you, Minister. You have answered my question. I have an article from the *Brisbane Times*, dated 30 August 2012, which canvasses the reduction in the size of the Department of Natural Resources and Mines in that year. The member for Inala, then the leader of the opposition, indicated in this article that the loss of FTEs in the Department of Natural Resource and Mines at that time would impact on the government's ability to protect the environment. Was the member for Inala wrong in 2012, given that after two budget cycles you have not increased the number of FTEs in the Department of Natural Resources and Mines?

**Dr LYNHAM:** I would like to again reflect back to my original answer. There has been a great deal of innovation within the department. We have been able to do a lot more with the public servants that we have as part of our FTEs—innovations such as My Mines Online, greater satellite imagery, innovations with technology within the department and within the regions within our department. This has created greater efficiencies within our department. More than adequately, my department is able to manage its responsibilities and requirements.

**Mr CRIPPS:** Can you confirm that in 2012 the member for Inala, then the leader of the opposition, was wrong to say that the reduction in the FTEs to the current number of FTEs at the Department of Natural Resources and Mines would compromise that department's ability to protect the environment?

**Dr LYNHAM:** I can assure you that back in 2012 there were significant cuts to our department's budget, as there were too many other department budgets. It all happened at great pain to many, many good people who were forced to leave the department.

**Mr CRIPPS:** That is not my question, Minister. My question is about the ability of the department to protect the environment, as per the statement of the member for Inala, then the leader of the opposition. Was it accurate or not accurate?

**Dr LYNHAM:** In 2012—

**CHAIR:** Before you answer, Minister, I say to the member for Hinchinbrook: you have the opportunity to ask a question and I think it is respectful to allow the minister to respond to your question and give an answer. Minister?

**Dr LYNHAM:** Thank you, Mr Chair. Ultimately we have to manage with the number of public servants that we have. Unfortunately, your means did not justify the end back in 2012. Four years have passed. There have been technological improvements since that time. I doubt we would have been able to manage back in 2012 with the department—

**Mr CRIPPS:** You doubt?

**Dr LYNHAM:** With the department under your—

**Mr CRIPPS:** I am afraid that the chairman of this committee has been very strong on his rulings about opinions being provided in questions, as well as answers. Can you answer the question or not, Minister?

**CHAIR:** I would like to see him given the chance to answer the question.

**Dr LYNHAM:** We are extremely lucky that technology has moved forward and we are able to manage to this day with the number of FTEs that we have. In 2012, under the LNP government, I think the department would well and truly have been struggling with the number of many good people losing their employment at that time.

**Mr CRIPPS:** Mr Chairman, once again, that is an opinion being offered by the minister. I did not ask for an opinion; I asked for an answer to my question.

**CHAIR:** He is allowed to give an opinion. The way I see it is this: I listen to you ask your questions and you always lay down some facts or some comment in the lead-up to your question. I believe the minister has the same right to lay down some facts or comment, leading up to the answer. Otherwise it is just not a fair go for everybody. Minister?

**Dr LYNHAM:** Can I ask the member to repeat the question, so I have a baseline?

**Mr CRIPPS:** No, I will not repeat the question. I will move on to my next question. You have had enough of an opportunity to answer it.

My next question is about the sensitive issue of coalminers' pneumoconiosis. The SDS reference is page 5 and the service area highlights around consultation to reduce mine safety and health risks, and the review of the Coal Mine Workers' Health Scheme to manage the risk of coalmine workers contracting black lung disease. I refer to your answer to question on notice No. 176 and your answer to question on notice No. 240, which I appreciated. Prior to the 11 recent and extremely concerning diagnoses of coalminers' pneumoconiosis in Queensland, other than last year's Queensland mine safety commissioner's report, which details that concerns have been raised by the Mines Inspectorate itself about the exposure of underground mine workers to respirable coal dust, had any concerns about potential coal dust exposure been raised by any other stakeholder group in the industry with the mines department or the Mines Inspectorate?

**Dr LYNHAM:** To my knowledge, up to that time, no. That is to my knowledge. I will ask the DG, if I may.

**Mr Purtill:** If we went back to the 1983 report, there was reference back to a number of cases. However, in that interim period I am not aware of anything coming through.

**Mr CRIPPS:** That is consistent with the minister's answers to my questions on notice No. 176 and No. 240, where he indicated that up until the very concerning diagnoses of these most recent incidents of coalminers' black lung, neither industry safety and health representatives nor the CFMEU or any other stakeholder had registered concerns with the mines department or the Mines Inspectorate. I appreciate you clarifying that matter for me, Minister and Director-General.

Following on from that, once again in relation to page 5 of the SDS and the same service area highlights about the Coal Mine Workers' Health Scheme to manage the risk of coalmine workers contracting black lung, I refer to the minister's media statement of 14 January this year in which he stated—

Coal inspectors are working closely with all of Queensland's 12 operating underground coal mines, including those with coal dust issues related to longwall mining techniques.

As the Commissioner for Mine Safety and Health reported in his latest annual report, the mines inspectorate has audited mining company dust monitoring.

Of Queensland's 12 operating underground coal mines, only one is exceeding dust limits now.

Eight mines over the past 12 months have been directed to either improve monitoring or bring respirable dust levels back into compliance.

Directives will remain in place until mines inspectors are satisfied that mines can stay within the regulated level.

Minister, yesterday the member for Bundamba asserted that many coalminers have lost confidence in the mines department and, in particular, the Mines Inspectorate. She asserted that the mines department and the Mines Inspectorate had failed to administer the law of Queensland, particularly in relation to black lung. Do you agree with the member for Bundamba that the department and the Mines Inspectorate have failed to administer the law?

**Dr LYNHAM:** I disagree with that direct point, the failure to administer the law. However, there has been a great deal of complacency throughout the whole industry. Not one organisation is to blame; not one individual is to blame. Complacency is to blame. Unfortunately, with the re-emergence of coalworkers' pneumoconiosis we are seeing something that really did not need to occur, because of that complacency. Everyone—doctors, employers, mine operators, the government—all thought that coalworkers' pneumoconiosis had been eradicated, so they all dropped the bundle. We all now have to work tirelessly to make sure we eliminate this disease from our workers.

**Mr CRIPPS:** I quite agree.

**Dr LYNHAM:** May I please make reference to the member for Bundamba. Here we have a person, a coalminer's daughter, who is absolutely concerned about eradicating this disease. She is an absolute advocate for workers and their rights, and for workers' health and safety.

**Mr CRIPPS:** I quite agree, Minister. We all share concerns about the most recent diagnoses of, at this point in time, as I understand it, 11 cases of pneumoconiosis in coalminers in Queensland. Just to clarify, you do not agree with the member for Bundamba's assertion yesterday that the Mines Inspectorate and the department of mines have failed to administer the law?

**Dr LYNHAM:** On that exact point, no.

**Mr CRIPPS:** The member for Bundamba also said yesterday that coalminers—'many coalminers', to quote her accurately—had lost confidence in the mines department and the Mines Inspectorate. Minister, do you have confidence in the mines department and the Mines Inspectorate?

**Dr LYNHAM:** I do have confidence in the mines department and the Mines Inspectorate, but I do agree with your first point: the coal workers have lost confidence in the mines department and the Mines Inspectorate. There is no doubt about that. I am here to restore that confidence. I am here to work tirelessly to make sure we eradicate coalworkers' pneumoconiosis. Only by doing that will the reputation of my department and my inspectorate improve amongst coal workers and coalminers.

**Mr CRIPPS:** To be clear, you do have confidence in the Mines Inspectorate and the mines department?

**Dr LYNHAM:** Absolutely, I have confidence in the mines department and the inspectorate, because I am making sure that the mines department and the Mines Inspectorate are working tirelessly to eradicate pneumoconiosis.

**Mr CRIPPS:** Mr Chairman, I have a question for the Commissioner for Mine Safety and Health. Good afternoon, Commissioner. Congratulations on your recent appointment. I refer to page 5 of the SDS and the service area highlights relating to the consultation with stakeholders to reduce mine safety and health risks and the review of the Coal Mine Workers' Health Scheme. I note the minister's press release of 12 June this year announcing your appointment as commissioner and the description of your role, including monitoring and reporting on the administration of mine safety and health legislation, and ensuring that the Mines Inspectorate performs as an independent regulator. Commissioner, since your appointment as commissioner, have you seen any evidence that Queensland's mine safety and health legislation is not being administered effectively?

**Mrs Du Preez:** No.

**Mr CRIPPS:** Commissioner, since your appointment as commissioner have you seen any evidence that the Mines Inspectorate is not effectively performing its role as an independent regulator?

**Mrs Du Preez:** Again, if I understand correctly, the answer is no. As you have noted, it has been stated by the minister that my role is an independent role. Therefore, one of my roles as Commissioner of Mine Safety and Health is, first of all, to independently review and monitor the administration of the mine safety and health legislation and to ensure that the Mines Inspectorate performs as an advocate of safety on behalf of Queensland mine workers. However, as has been noted, I have only been in the role a very short time. As part of my role, I have considered the process currently with the inspectorate, and so far I can honestly say no.

**Mr CRIPPS:** Thank you. Just to be clear, since your appointment as commissioner you have not seen any evidence that Queensland's mine safety and health legislation is not being administered effectively?

**Mrs Du Preez:** By the inspectorate?

**Mr CRIPPS:** By the inspectorate.

**Mrs Du Preez:** That is correct.

**Mr CRIPPS:** To be clear, since your appointment you have not seen any evidence that the Mines Inspectorate is not effectively performing its role as an independent regulator?

**Mrs Du Preez:** That is correct, yes.

**Mr CRIPPS:** Commissioner, my last question to you is this: do you have confidence in the Mines Inspectorate?

**Mrs Du Preez:** Yes I do, for the very simple reason that, as you can imagine in my very short time being appointed as a commissioner, part of my role was obviously to consider the process currently underway to tackle the re-emergence of CWP. I have had to look at all the areas of this and, therefore, that is why I am very confident that that is correct.

**Mr CRIPPS:** You do have confidence in the Mines Inspectorate?

**Mrs Du Preez:** Yes, I do.

**Dr LYNHAM:** Mr Chairman—

**Mr CRIPPS:** I have a question for you next, Minister. It is on the same issue. I am sure you will be able to build in any comments that you want to make. It is on the same issue. I cite the same SDS and the same service area highlights. I note your ministerial media release of 13 July in which you announced a plan to prevent new cases of coalworkers' pneumoconiosis, identify existing cases early and provide a safety net for workers with the disease. In that media statement, Minister, you went on to state—

The measures that employers, unions, government and doctors have now developed together, with Monash University and international expertise, will deliver the best-practice prevention, monitoring and screening system that our miners deserve.

Yesterday the member for Bundamba asked the Premier during the estimates hearing to consider establishing a royal commission into coalminers black lung in Queensland. This morning on ABC radio the Premier indicated that the Palaszczuk government would not establish a royal commission into coalminers black lung. Are you confident that the new measures and systems will protect coalmine workers and do you agree with the Premier that a royal commission is not required?

**Dr LYNHAM:** I thank the member for his question. I do agree with the Premier in her statements this morning. I reiterate that when this issue first came to light I realised very quickly that action needed to be taken to address immediate concerns. That was why I announced the five-point plan in January, which included the independent Monash review, to guide on what was needed to be done to the Coal Mine Workers' Health System to ensure that we began protecting the current workforce as quickly as possible.

A thorough independent review by a university outside of Queensland has been undertaken. There has been many highly valuable findings to guide us on how to improve this system. Furthermore, there has been a Senate inquiry into this matter. The Senate inquiry acknowledged the efforts the Queensland government is putting into eradicate this disease.

We have had inquiries and reviews into this matter already. It is time to take action. That is what I am doing. I am acting on this now. I have not got time to wait for a royal commission which, quite frankly, can take years and is at taxpayer's expense. Every day of a royal commission is a day wasted for me or my department. We could be out there putting in place an effective diagnostic system and looking after the health and safety of our workers.

That independent review made 18 key recommendations. We are implementing every recommendation. We are tackling this disease on three fronts. You are correct, prevention is most important. That is where the Mines Inspectorate comes to the fore—to prevent this disease at the work face.

It is important to note here that in terms of a royal commission not only can it take years but it can suck resources away from a department when we are trying to battle this disease. We are in this together. I am in this battle with government, unions, mining companies and medical practitioners. We are all working together. If we had a royal commission the very people whom we need to be working together to eradicate this disease would be off preparing statements, talking to lawyers, giving testimony. I need them here now.

I need the unions with me as representatives on the committee now. I need the doctors and the AMA with me now. I need mining companies to be with me right now to get this disease eradicated as quickly as we possibly can. I do not want to see another 39-year-old diagnosed with pneumoconiosis. We are actively out there trying to find any person who has this disease who might not recognise it. I would plead with people to please see their local general medical practitioner if they are an ex-coalminer and are worried about this condition.

A royal commission may allocate blame. I understand people calling for a royal commission. That has become what people do. If you are aggrieved, if you feel let down, if the system has failed you—which it has, in this case—you would be asking for a royal commission. I can understand completely why workers would want a royal commission. I can understand completely why the member for Bundamba would ask for a royal commission, but a royal commission will lay blame.

I already know who is responsible. I know everybody in the game has been responsible for this problem. Not one individual, not one organisation, but everyone has been responsible for coal workers pneumoconiosis. A royal commission may formally lay blame, and if something comes of a royal commission, sure, but I already know the situation. I am here to fix it.

It is important to note here that the legislated role of the mine safety commissioner is to independently monitor and audit the Mines Inspectorate.

**Mr CRIPPS:** I have not asked a question about that. I understand the role of the mine safety commissioner.

**Dr LYNHAM:** It is totally independent.

**Mr CRIPPS:** It is.

**Dr LYNHAM:** It is not a duplication of a role within the department.

**Mr CRIPPS:** Fiercely independent. She has confidence in the Mines Inspectorate, as you do.

**Dr LYNHAM:** I reiterate that we have been working so hard. I also point out to the committee that we were working hard as soon as these cases came to us. I did not wait for the Monash review. While this review was underway my department was working tirelessly.

When the review came out we virtually had all that was in the 18 recommendations ready to be implemented and ready to go. I was not made aware of this—I did not know this article was for publication—but there was a quite a comprehensive review article by eminent medical practitioners and

scientists published in the *Medical Journal of Australia* which hit only a month ago. I read that article. It was so pleasing to see that we were on the right track. The recommendations within the article, the interim report from Monash University and the final report from Monash University lined up completely with what my department was doing, lined up with my beliefs, lined up with what the workers' representatives were wanting.

We are now working together on one pathway and everyone is in agreement that we need to remove pneumoconiosis from Queensland. What we have to do—and this is a big step and I am meeting the new federal resources minister as soon as I possibly can, I have already had phone conversations—is make sure that Queensland is not the tip of the iceberg and that we look at the places in Australia involved in coalmining activities or historically involved in coalmining activities to make sure that this disease is eradicated from the Australian workers landscape.

**Mr KNUTH:** The SDS for the Department of Natural Resources and Mines states that supporting the mineral and energy resource industry is one of the key priorities. What has the government done or is it currently doing to assist mining companies that are wanting to open mines or reopen existing mines?

**Dr LYNHAM:** I thank the member for his question. It is a very important question. The green shoots are appearing in the resources sector here in Queensland. Every day I look at the coal price, both thermal and met coal, and the petroleum price and look for the upward trend. It is pleasing to see there has been an upward trend.

May I draw the member's attention to the Isaac Plains Stanmore Coal project. What a great little project that is opening up. This is one of the things we are seeing. Some of the multinationals are finding it a bit tough in the current environment. We are seeing good Aussie companies stepping up to the plate and having a go and acquiring these mines. It is good to see. Personally, I think they have made quite a good decision. Pure economics suggests that a time of downturn is a time of acquisition. They have acquired these mines and are working very hard.

The Premier was up there opening that mine. The whole of government shares our enthusiasm for these new mining projects moving ahead. We are entering a period of stabilisation after a number of years of sustained commodities declines. There has probably been a little bit of an upturn. I hope it continues. Slow global growth has created conditions of weaker demand and excess supply in all three of our major resource sectors of coal, minerals and petroleum.

To increase capital and financing opportunities within the sectors, the recently appointed Resources Investment Commissioner will take the lead in securing new business opportunities, partnerships and strategies that are aligned with outcomes of other government initiatives such as the North West Minerals Province Taskforce. We have the Resources Investment Commissioner out there.

As your question suggests, apart from trying to start new mines or reopen mines, we are working to keep mines open, such as Ravenswood mine in your electorate. We are also involved in the North West Minerals Province Taskforce. It is very pleasing to see that the community in the north-west want mines. They want to have mines. They want jobs for their locals. I am up there assisting them. The recommendations of that task force will be released soon.

The Department of Natural Resources and Mines is also progressing our initiatives such as the annual exploration program for future land releases, the innovative resources tenure framework and geoscience projects led by the Geological Survey of Queensland. The support for the resources sector and the recognition of the sector as a critical component to economic resilience and growth for Queensland are priorities for this government. It is recognised that the government also provides assistance via the Coordinator-General in supporting the resources sector through project facilitation mechanisms.

The Department of State Development is also providing resource sector support through the establishment of the state's mining, equipment technology and services team to support the sector as one of the six industries identified by the government as having natural competitive advantage and significant growth potential. The government recognises the importance of the exploration industry and the difficulties being faced by the exploration sector due to the global commodity and market downturn.

To provide some relief to the exploration industry, on 17 March 2016 I announced a concession of up to 50 per cent on expenditure commitments for eligible exploration permits for minerals and coal under a policy amendment known as the exploration industry expenditure concession. This concession provides practical assistance that removes some cost pressures from tenure holders. This will allow for greater flexibility in spending their exploration dollars on the ground where it is needed. It is noted that

assistance for the exploration sector is also recognised at the Commonwealth level with Geoscience Australia announcing the \$100 million Explore for the Future program which will focus on underexplored regions of northern Australia, including areas in Queensland.

Exploration is the cornerstone of the state's next generation of investment in the resource sector. Without exploration we are not in a position to identify the state's next big resource projects. We want to be there when commodity prices go up. We want to be positioned with our explorers and our operators ready to take advantage of any price upswing. Uncertainty and unexpected challenges from stakeholders has been a significant issue for exploration and mining proponents seeking to advance their projects.

We are taking a conservative approach to the release of land for coal and gas exploration. Consultation with appropriate stakeholders has been a critical part of the process. We are actively releasing land. By a conservative approach I mean that we are consulting. We are consulting with landholders, traditional owners, local councils before we release land so that everyone is prepared for the release.

There are challenges and one of the challenges is low commodity prices. We are pleased to see green shoots, but we must be absolutely sure that these small mining companies are capable. They have to have the financial and technical capability to operate a mine into the future. Importantly, they have to have the ability to rehabilitate these mines when they are finished.

**CHAIR:** We will go to government questions now. I refer to page 5 of the SDS. You have spoken a little bit about exploration. Can you outline what the Department of Natural Resources and Mines is doing to support the development of mineral exploration in Queensland?

**Dr LYNHAM:** I thank you for the question. You understand, as do all members of the Palaszczuk government, that Queensland's minerals and energy sector is of vital importance to our state, directly contributing an estimated \$22 billion to the state's economy last year. In support of the department's long-term vision for the resources sector, I am pleased to announce the release of the inaugural annual exploration program. The annual exploration program for 2016-17 provides a much needed strategic direction for exploration in Queensland.

The program clearly identifies the government's priorities for responsible development of our state's minerals, coal, petroleum and gas resources. The statewide program will, for the first time, provide prospective employers with advanced notice of areas that will be made available for exploration through a competitive tender process.

Areas of land set to be released in 2016-17 include 102 square kilometres for minerals exploration in Queensland's North West Minerals Province between July and September 2016—I know the local member was very pleased with this initiative—451 square kilometres for petroleum and gas exploration across the Surat and Bowen basins between October and December 2016 and 270 square kilometres suitable for coal exploration in the Bowen Basin between April and June 2017. Publication of an annual exploration program will assist resource companies in planning their exploration activities and provide another opportunity for promoting Queensland as an attractive investment location in the global marketplace.

More than 80 directly affected and key stakeholders were contacted in advance of the program's release. For the first time, these directly affected stakeholders have been advised of proposed exploration in their area and have been given the information they need to understand the process. I am confident that this approach will lead to developing better relationships between the community and the resource sector. We promised to consult after three years of closed doors, and that is what we have delivered.

No longer will owners of land first hear about proposed exploration activities through a public notice or, even worse, when a resource company comes knocking at their door. Before being granted an exploration authority, preferred tenderers will be required to meet environmental and other approval requirements including land access and compensation agreements and, where applicable, complete native title negotiations with traditional owners. I have listened to industry through my resources ministerial round table and I have listened to the community. They want to be informed. They want no surprises. They want clarity.

In summary, the Palaszczuk government is committed to consultation. My department has listened to the community and, as a result, has created the annual exploration program. This program will support exploration through Queensland, bringing with it new investment that will help build our regions in a sustainable way—sustainable with the environment but just as importantly sustainable with the community.

**CHAIR:** Minister, as a former mineworker, one of the things I have always spoken to you about is mine safety. What is the department doing to ensure an effective contemporary regulatory framework for safety and health in the resources sector?

**Dr LYNHAM:** I thank the chair for his question. I recognise his long and proud history in the mining industry. I could not ask for two stronger proponents for fixing this horrible condition we have in our coal workers than the member for Mirani and the member for Bundamba. I know how concerned you and the member for Bundamba are. You are there to protect the health and safety of workers, which is a fundamental issue for the Palaszczuk government and any Labor government.

Since May 2015 we have unfortunately seen 11 confirmed cases of coalworkers' pneumoconiosis—the first cases reported by the Queensland coal industry in 30 years. I am sure the member for Mirani and the member for Bundamba would agree with me that one confirmed case is one too many. In response, I implemented a five-point plan which I announced on 14 January. We engaged Monash University to undertake the respiratory component of the coal workers mine health scheme review. The review was completed and the final report delivered to me in July. The report also identified a further 18 possible cases requiring confirmation. This report also included international experts in the field.

Following this, last week I announced our three-pronged attack to tackle this disease. The first is prevention. Dust levels must be compliant at a consistently sustainable level. The inspectorate is monitoring all 12 operational underground mines extremely closely indeed. However, some mines are not complying. Three directives are in place and will remain in place until the chief inspectorate is satisfied that compliance can be sustained. There is a difference between compliance and a directive being issued. If they cannot, the chief inspector will consider suspending operations, and the chief inspector can close a mine. The regulatory framework is being amended to require regular reporting of dust levels in all underground mines with the results to be regularly reviewed by a tripartite committee. A database will also be implemented that will allow access for unions, employees and employers to ensure transparency on this issue. The department is working with companies to build worker awareness and this will include roadshows.

Surveillance is the next prong. A technical working group of medical experts will be meeting regularly to work on recommendations from the Monash report. All underground coalmines have committed to the following: any worker who has had an X-ray in the past two years can have the X-ray rechecked by an Australian radiologist reading to an ILO standard—that is, the international labour organisation standard—and, secondly, checked by a B Reader physician certified by NIOSH in the United States, so it is a double-check mechanism. If the X-ray is more than two years old, the worker can request a new X-ray. Until the Department of Natural Resources and Mines together with Queensland Health can establish a two-reader screening program here in Queensland, the department will also send new chest X-rays to be reviewed by United States accredited physicians.

I met with representatives of the Royal Australian College of General Practitioners and the Thoracic Society of Australia and New Zealand, asking them to work together to develop an accreditation program and a training program for spirometry. The department is considering options to streamline data collection and update the scheme's electronic file management system.

I talk lastly regarding the safety net. The department is currently partnering with WorkCover to ensure that workers diagnosed with CWP are able to access information on their entitlements. All workers with CWP have an entitlement to compensation under the Queensland compensation scheme. Lastly, as I have said before, I will be making a presentation to the COAG Energy Council meeting where I intend to discuss Queensland's response to coalworkers' pneumoconiosis and tackling this disease at a national level. It is concerning to see the re-emergence of this terrible disease. However, as I have stated many times over the last week, it is up to everyone to work together to stamp this out, and I am very pleased with the cooperation I have been receiving from employers, workers and my medical colleagues.

**CHAIR:** Thank you very much, Minister. That is excellent.

**Mr CRAWFORD:** Minister, I refer to page 14 of the SDS where high-resolution satellite imagery initiative is mentioned. How and why is the department using this imagery?

**Dr LYNHAM:** I thank the member for the question. Vegetation management is a key concern of this government and, indeed, of many Queenslanders. It is our responsibility to ensure that we preserve our unique treasures for future generations, minimise carbon emissions and reduce clearing rates from

the currently unacceptably high levels of about 300,000 hectares per annum. The Statewide Landcover and Trees Study has been an effective vegetation change direction tool for the last 15 years. It reports changes in vegetation cover that have been detected through satellite imagery in the past 12 to 24 months, but it is time to move on and use modern tools and data that are now available to us.

In October last year the department started trialling satellite imagery captured at fortnightly intervals to detect changes in vegetation. The new system utilises regular satellite passes and the proven SLATS process, and aims to check every property in Queensland with accessible vegetation every 16 days. Since October 2015, 89 per cent of the state has been checked at least once, with most properties having been assessed many times. The only reason properties remain unassessed is due to persistent cloud cover, which, for instance, is typical for Cape York in the summertime.

Of about 178,000 automatic checks of rural properties with accessible vegetation, less than 0.4 per cent have shown significant change in vegetation cover and have been tagged for further investigation. When detections are received, further assessments are carried out to determine if the changed vegetation can be explained by existing authorised approvals, natural causes such as fires or cyclones or activities undertaken under an allowable self-assessable code notification. To date, approximately 60 per cent of detections are explainable for these reasons. If a detection is not explainable, the case is prioritised for investigation and officers will engage with landholders to seek further information about what has been observed. For these prioritised matters, landholders are provided with a clear before-and-after map of the detected clearing using the latest and best satellite imagery available to the department. These landholders are then given a reasonable time to provide additional information to the department about unexplained clearing.

Overall I am very pleased to report that the early detection system has shown that about 99 per cent of landholders are complying with the current vegetation regulations. The department can apply a range of compliance responses to unlawful activities that can range from education and corrective advice through to vegetation restoration and prosecution. Early intervention through early detection should see compliance activities kept at the lower end of the scale. The bottom line is that landholders who are doing the right thing or might make inadvertent errors have nothing to fear. Instead they should take comfort from knowing that this up-to-date, accurate satellite imagery will verify their clearing activities.

Current satellite imagery has other applications in our developing digital economy, and that is why this government has committed to acquiring the latest high-resolution satellite imagery over the entire state on an annual basis as opposed to every three years. New imagery will be available not just to other government agencies but also to the public on Queensland Globe. This will ensure that everyone will have access to the very latest and best available imagery, whether you are a farmer, a tourist, a mining company or a search and rescue team.

**Mrs MILLER:** I want to say at the outset for members of the committee that my grandfather had black lung. This is pretty close to me, my family and all of the mining families around Ipswich who have relatives right across the state. It is a matter, Minister, that I have no intention of dropping at all until a royal commission is in place. I say that because you mentioned before that royal commissions cost a lot of money. Minister, I do know that, being a medical practitioner, you are very compassionate in relation to anyone who has illnesses like black lung, but what I want to know is: why can't coalminers have an inquiry when there was an inquiry into Bundaberg Hospital and there was an inquiry into the Barrett centre? Minister, were those royal commissions also a waste of money?

**Dr LYNHAM:** I thank the member for Bundamba and I do reflect upon your history, on which I am well versed, and that of your grandfather and father. It is very sad to see that in those days of your grandfather it was considered almost an occupational hazard, that that is what you got if you spent a long time in the coalmines, and I do not want to see those times returning.

In regard to a royal commission, I understand completely why you are calling for a royal commission. I understand completely why workers would want a royal commission into this. It is not the cost of a royal commission; it is the time. I want to get this thing sorted as quickly as possible. I am afraid that a royal commission at this time will take away valuable resources that I sorely need to make sure I eliminate this problem.

In terms of inquiries, we have had the Senate inquiry, we have had the Monash review, we have had overseas experts look at our system, and it is true: everyone has dropped the ball. Not one person is to blame. Not one organisation is to blame. I need this valuable time now. I need to act quickly. I need to implement these things. I can even say that before I walked up the steps today I was on a phone call with the AMA. That was literally five minutes before I walked into this chamber. I am taking this seriously. It is taking most of my working day working on eliminating this disease.

**Mrs MILLER:** Chair, can I ask the minister some questions on behalf of our coalminers across Queensland. They want some answers. Who is accountable? What system failures were there? Who is going to take responsibility for this abject failure in workplace health and safety? What is the truth? Who has apologised? The coalminers are saying that they need a royal commission to be able to get to the truth. I am just wondering if you could comment on that.

**Dr LYNHAM:** The Monash review was an extremely comprehensive review which incorporated, I believe, the University of Illinois. It was very comprehensive. It was very forthright in who failed. It laid blame. It said there were systemic failures. It did lay blame quite harshly on those people responsible. Everyone, I am afraid, is accountable for this. We are all responsible and we all have to work together to fix it. Everyone is responsible. I hate to say it but the medical profession is part of the blame as well. You have the government, which I am a part of. You have the medical profession, which I am a part of. You have mining companies as well which are a part of the problem.

Everyone is responsible—not one organisation, not one individual takes individual responsibility—but I just have to put my resources into fixing it. If by some means someone decides to have an inquiry or a royal commission in the future, that is fine and good but please now is not the time. I just want to fix this thing. I think we may disagree on some issues about a royal commission or not, but I think we do not disagree that I have to throw everything at this right now.

**Mr CRIPPS:** Minister, I refer to page 5 of the SDS and the service area description relating to exploration activities and the service area highlights relating to supporting the discovery of new minerals and energy resources. Your media releases of 17 February 2016 and 17 March 2016 announced a 50 per cent exploration expenditure concession over two years for the mineral and coal sectors. Minister, can you confirm that as a result of these concessions the mineral and coal sectors will not invest about \$274 million in exploration activities in Queensland over the next two years?

**Dr LYNHAM:** There is no doubt providing concessions on exploration does come with some economies to the exploration sector. I believe that we just have to get explorers on the ground—everywhere. If they want to do it more efficiently without expending that amount and get out there on the ground, good, and that is what we are encouraging. We know they are under cost constraints as well because the exploration sector is not doing as well as it did in the past, and that relies on commodity prices just as well. By having these concessions, we are stimulating exploration in our state.

We have recognised the difficulties faced by the exploration sector. In February I announced the concession, as you said. I have also requested that further consultation on the concession be undertaken by the Queensland Exploration Council, the Queensland Resources Council and the Association of Mining and Exploration Companies—because I want to review this as well—all of which have supported the initiative and how it reflects the current situation in the exploration sector and provided feedback on the concession based around different commodity sectors. After consideration of the outcomes of the consultation—and it was under consultation that this was arranged—I announced on 17 March the concession of up to 50 per cent of expenditure commitments for eligible exploration permits would apply for both mineral and coal exploration permits under a policy amendment known as the Exploration Industry Expenditure Concession.

**Mr CRIPPS:** According to your media releases of that date, which you are referring to, mineral explorers will not spend \$160 million over those two years and coal explorers will not spend \$114 million over those two years, so more than a quarter of a billion dollars will not be spent exploring for mineral and energy resources in the state of Queensland over the next two years as a result of your decision. Isn't that right? How does that boost the exploration sector?

**Dr LYNHAM:** It keeps these people alive. It keeps the industry alive.

**Mr CRIPPS:** I see.

**Dr LYNHAM:** Surely some would have walked away from it because of the burden of cost. We have decreased this burden of cost on our explorers. Are you suggesting we do not support our exploration sector?

**Mr CRIPPS:** I will take you up on that issue, Minister, because can you confirm that an assessment of financial capability is undertaken by your department when considering applications for exploration tenure in the mineral and coal sectors?

**Dr LYNHAM:** It is done routinely, and there is a Financial and Technical Capability Guide.

**Mr CRIPPS:** In fact, it is done during the application process for an exploration tenure, so unless there is systemic failure or dishonesty on the part of your department or the applicants, the department should be making sure that those explorers have the financial capability to undertake the work programs that they nominate prior to being awarded the exploration tenure. Isn't that true, Minister?

**Dr LYNHAM:** It is true, but these people would not have even walked through our door if we had not made those concessions.

**Mr CRIPPS:** No, Minister. This is a concession to existing explorers.

**CHAIR:** Give the minister a chance to answer the question.

**Dr LYNHAM:** We are keeping companies solvent and capable.

**Mr CRIPPS:** No, Minister. That is inconsistent, because as part of the application process your department assesses financial capability, which means before they get the exploration tenure they must demonstrate that they have the financial capability to undertake that work program.

**Mrs LAUGA:** Point of order.

**CHAIR:** Member for Hinchinbrook, if you want the questions answered, I would appreciate it if you gave the minister the opportunity to do so. There are a number of standing orders here that I could pull you up under but I do not want to do that because I want you to have a fair go. I am giving you a fair go so please give the minister a fair go.

**Dr LYNHAM:** Mr Chair, may I just reflect. I cannot fathom where the member for Hinchinbrook is going on this. Aren't you interested in the future of the mining industry? Aren't you interested in supporting our exploration sector? During drought, we give fee relief to farmers. Do you want us to take that away as well? Where are you heading with this? This is a very unusual line of questioning because we are supporting our exploration sector.

**Mr CRIPPS:** Minister, when your department assesses an application for exploration tenure, before that tenure is awarded, your department assesses financial capability. They determine financial capability before awarding the exploration tenure. Is that correct?

**Dr LYNHAM:** Mr Chair, may I please end this. The Palaszczuk government is supporting our resources sector. We are supporting our exploration sector. If the member opposite and his government do not want to do that, that is up to him. Thank you, Mr Chair, I feel I have answered this question.

**Mr CRIPPS:** Very good.

**CHAIR:** Thank you. What is your next question?

**Mr CRIPPS:** I refer to the same page of the SDS and the same service area description regarding exploration activities and the service area highlight regarding the discovery of new resources through GSQ. The 2016-17 budget is the first time in a decade that there has been no dedicated funding for a precompetitive resource exploration incentive program since the 2006 Smart Exploration program. I note the minister's media release of 17 February and 17 March this year acknowledging the difficulties facing the resources sector in terms of attracting capital investment for exploration—something you touched on only a few moments ago. Why has the Palaszczuk government abandoned the decade long commitment of Queensland governments of both political persuasions to precompetitive resource exploration incentives?

**Dr LYNHAM:** Investing and expanding our geological knowledge is integral to advancing exploration in Queensland. Through the Geological Survey of Queensland, the Palaszczuk government is investing \$7 million into the Future Resources Program this fiscal year, extending the current program to deliver over four years.

**Mr CRIPPS:** No, Minister. The Future Resources Program is a program initiated by the previous government. The funding that will be expended in the current year, as noted in your SDS, is an extension of the Future Resources Program from previous budgets. There is no allocation in this year's budget for a precompetitive resource exploration initiative. Isn't that correct?

**Dr LYNHAM:** We have supported the \$7 million into the Future Resources Program this fiscal year.

**Mr CRIPPS:** No, you have not. That allocation was made in previous budgets.

**CHAIR:** Can I ask everybody to come to order please. I do not want to see the minister or anybody who is answering a question being interrupted. Member for Hinchinbrook, you are not advancing the work of the committee. We want answers as well, but if you are not going to give the minister the opportunity to answer the questions, we as a committee do not get the benefit that we should be getting. I would ask you both to settle down.

**Mr CRIPPS:** Mr Chair, if I can assist the committee by tabling a printout from the minister's own departmental website, which says—

The Future Resources Program (\$30m) aims to maximise exploration success—

**CHAIR:** Member for Hinchinbrook.

**Mr CRIPPS:** Then it says—

Completion of program initiatives has been extended into 2016–17.

It is not an allocation. I table that document, Mr Chair.

**CHAIR:** I ask you to come to order. You started going on again before I finished making my statement. If you are going to continue to do that, we might have to go out the back and have a bit of a think about it. Let us settle down. You are a very capable member and you do not have to carry on the way you are to try to get a point across. The minister has the right to answer the question in whatever way he feels he has to. Let us come to order, let us be fair dinkum and let us get on with the job.

**Dr LYNHAM:** Thank you, Mr Chair. For the benefit of the other committee members, the member is talking about initiatives such as the Geological Survey of Queensland. It has designed a program to advance our geoscience knowledge and capability via a number of initiatives, including: acquisition of new data from regional geophysical, geochemical and mapping programs; enhancement of existing data via digitalisation; expansion of the core storage facility at Zillmere; and provision of collaborative drilling support to industry—

**Mr CRIPPS:** Future Resources Program. Previous budget. Allocations from previous budgets.

**Dr LYNHAM:** Mr Chair, he accepted credit for something that Henry Palaszczuk introduced. This year the program will focus on expanding our mineral knowledge east of Mount Isa with a geophysics study. It will also include a basin study project to better understand the geology and reservoir character of our petroleum and gas resources. In addition to the Future Resources Program, the Geological Survey of Queensland also has a core team of geologists and geoscientists working on the north-west minerals province in support of the whole-of-government response to issues of resource depletion in Mount Isa and surrounding regions.

This year the Geological Survey of Queensland will also commence work on an exploration strategy. The concept will see the Department of Natural Resources and Mines build a 10-year strategic framework and vision for maximising resource sector value and exploration investment in Queensland. This strategy will include a focus on minerals for technology, identifying those new mineral deposits which provide essential components for construction in advanced technologies, such as hybrid vehicles and battery technology. It will also highlight strategies around our industrial mineral deposits that are needed to resource our infrastructure projects and urban development.

**Mr CRIPPS:** Fair dinkum, Mr Chair. Didn't you ask us to be fair dinkum?

**CHAIR:** Yes, that is what I am asking you to do. All you have done is try—

**Mr CRIPPS:** Hybrid vehicles is a long way from investment in exploration programs through the GSQ.

**Dr LYNHAM:** And you are suggesting that exploration programs do not find resources for hybrid vehicles?

**CHAIR:** I just want to say to the member for Hinchinbrook that you are here at the invitation of the committee. The committee can ask you to leave if you do not pull yourself into line. It would be the last thing I would want to do, but we do have the right to withdraw at any stage that permission for you to be here.

**Dr ROBINSON:** Point of order, Mr Chair: if the minister was more relevant and would come to the answers, it would actually help the process.

**CHAIR:** Carry on, Minister.

**Dr LYNHAM:** Thank you, Mr Chair. The GSQ budget is \$9.7 million; full time equivalent, 81. That is of 30 June 2016.

**Mr CRIPPS:** That is your base funding. I acknowledge that. I did not question that.

**Dr LYNHAM:** We are also exploring a \$40 billion database with a discovery we had there with graphite core. Do not forget that to stimulate the resources sector we have our Resources Investment Commissioner in place as well. That is also a budgetary item. We are working hard with our resources sector. There is no doubt that I will continue to work hard in stimulating our resources sector and exploration sector.

**Mr CRIPPS:** I refer to page 5 of the SDS and the service area highlight relating to community rights to object to mining projects. I refer to your media statements of 23 February and 24 May this year about the introduction and the passage of the Mineral and Other Legislation Amendment Bill through

the Queensland parliament. Both media statements state that the Land Court would secure the power to strike out any frivolous or vexatious objections. However, can you advise the current average length of time between objections being lodged and objections being heard in the Land Court?

**Dr LYNHAM:** I will ask my DG to give specific details regarding that.

**Mr Purtill:** To make sure that we get the exact figures—I think it is a matter for the Attorney-General, but I am happy to table the information that we have around the various projects and the time. It is a fairly comprehensive table. We can leave it for the Attorney-General.

**Mr CRIPPS:** I am happy for you to take it on notice.

**Dr LYNHAM:** Mr Chair, I feel that is more relevant to the Attorney-General's department than ours. I am happy for the member to ask the Attorney-General when she is here at this estimates hearing.

**Mr CRIPPS:** If it is relevant to the Attorney-General, why would it be in your SDS on page 5 in relation to community rights to object to mining projects? I think it is perfectly relevant. In fact, Minister, you have been reported as saying on a number of occasions that you intend to pursue reform of the Land Court to try to increase its capacity to deal with matters relating to resource projects. Is that true, Minister?

**Dr LYNHAM:** Everywhere I have said that it has always been in conjunction with the Attorney-General and working with the Attorney-General's department. That is court administration; that is with the Attorney-General.

**Mr CRIPPS:** Can you take my question on notice?

**Mr Purtill:** Yes.

**Mr CRIPPS:** To be clear, can you provide the average length of time between objections being lodged and objections being heard in the Land Court?

**Dr LYNHAM:** I agree to take that on notice.

**Mr CRIPPS:** I appreciate that. Minister, can you further advise what resources have been allocated in this budget to facilitate Land Court reform? Can you identify the allocation in the budget papers, and are you responsible for administering that allocation?

**Dr LYNHAM:** The Palaszczuk government did announce in our budget that we would be facilitating judicial reform. I will just get those details for you. We have allocated additional funding to the Land Court of \$1.5 million over two years in the 2016-17 budget. It is allocated to the department of the Attorney-General.

**Mr CRIPPS:** Is it not true, Minister, that you will have to compete for that resource with other priorities for workforce management pressures in the Queensland judicial system including criminal and domestic and family violence matters in Queensland courts and that there is no guarantee that that allocation will necessarily be spent on Land Court reform?

**Dr LYNHAM:** That is a matter for the Attorney-General. That money is allocated to the department of the Attorney-General.

**Mr CRIPPS:** Thank you, Minister.

**Mr KNUTH:** With reference to biofutures 10-year road map on page 22 of the SDS for the Department of State Development, will Queensland be seeing any further developments on biofuel ethanol plants given that the existing plants are not yet at capacity and are not expected to be after the implementation of the four per cent ethanol mandate on 1 July 2018?

**Dr LYNHAM:** I thank the member for his question. Biofutures is extremely important for the Queensland government. The two bioethanol plants, as you are alluding to—there is a plant at Sarina and a plant at Dalby—are both very important pieces of infrastructure. Also do not forget that through our industry initiatives we have attracted Southern Oil to Gladstone, so we are expanding the industry already. With the ethanol mandate this will create more demand, so we will see a natural demand increase and see natural incentives for our bioethanol plants hopefully to expand and increase production.

I am hopeful and pleased that, in conjunction with a two-pronged attack, we have stimulation through demand through our bioethanol mandate. That is the pull factor to get these plants moving. The other is the push factor, and that is what this government is doing with our priority industry sectors, especially with our biofuel sector. There is an amount of \$20 million to promote our biofuel sector not only in bioethanol but also in bioindustries and bioplastics to really get the agriculture sector moving on this. We are very pleased that we have a two-way attack to produce a renewable energy future for

Queensland. I think there are good things to come. I would encourage people in our agricultural area to think about working with the government to create a very profitable and long and sustained biofuel industry.

**CHAIR:** Next question, please, from the member for Bundamba.

**Mrs MILLER:** Minister, I would like to ask a question in relation to the Collingwood Park mine subsidence. As you are aware, there are many concerned residents in this mine subsidence area. To be very clear, I own a house within this subsidence area. Residents want to know the current status of the subsidence and when the mines will be filled in under their homes.

**Dr LYNHAM:** I thank the member for Bundamba for her question. I know how concerned she is for her residents living in that area. It has a long history. My department continues to address historic mine subsidence that occurred in Collingwood Park as part of the government's ongoing commitment under the Collingwood Park state guarantee. In responding to the 2008 event, the then Labor government enacted legislation to guarantee that the state would address damage caused by mine subsidence on their existing properties. The response under this guarantee is delivered through the Abandoned Mine Lands Program. The response includes addressing ongoing reports of damage from ground movement, monitoring and managing 24 residential properties and 19 vacant lots bought by the state government or as a consequence of the 1988 subsidence event. Also I acknowledge the strong local input. My department is presently assessing the situation. Local people including engineers at Bundamba all have their own ideas. I know that you yourself have had representations from the community on how this issue could be locally addressed. I have taken those representations to my department and they are undergoing a full assessment as to whether there are some initiatives that we can pull out of this to assist with the area of Collingwood Park.

Since 2008 the Queensland government has provided more than \$20 million of assistance to Collingwood Park residents including the purchase, at a total cost of more than \$11 million, of 42 residential properties which were either damaged beyond repair and where the houses were subsequently demolished or where property owners had demonstrated significant hardship in dealing with the impacts of the subsidence event; repairs to properties damaged by mine subsidence; emergency assistance and alternative accommodation; monitoring by independent structural engineers of more than 60 properties in and near the immediate impact area of the subsidence event; 350 building condition surveys conducted and reports provided to property owners for properties located above underground mine workings associated with the Westfalen No. 3 and New Redbank Colliery; and two geotechnical and remediation feasibility investigations undertaken into the condition of the former Westfalen No. 3 colliery, which underlies Collingwood Park. The government continues to manage these legacy subsidence issues at Collingwood Park, monitoring the site to detect ground movement and potential further subsidence into the future, and to seek cost-effective solutions to mitigate future subsidence risks.

We acknowledge your work. You have been on the ground out there from the very beginning working with this. We were pleased to receive from your office various mechanisms for us to investigate how to deal further and how to assist the local community with this very important mine subsidence issue.

**Mrs MILLER:** Minister, the question I get asked all the time in my electorate is: if years ago Mains Roads developed a technique to fill in the mines under the Ipswich Motorway because they did not want to have to pay compensation if the motorway dropped, why has the mines department not also had this technology and been able to fill in under their homes? Their homes are their castles. They are working-class people; they are workers. If their homes go, they have nothing in life. I am just wondering if you could comment on that, please.

**CHAIR:** Is there a question?

**Mrs MILLER:** I did: 'Can you comment on that, please?'

**Dr LYNHAM:** There are two things that I am quite happy to report. The department has that information and will be looking at that information. I thank you again for providing it with that information a month or two ago—or a bit longer. Other pleasing news for your constituents is that the latest analysis of data from the CSIRO as of 4 July 2016—so recent data—indicates that the ground at Collingwood Park at the present time remains stable, so there is some stability coming into that area. We are quite pleased with how things are going. We will have that information to you from the department shortly.

**Mrs LAUGA:** I refer to page 5 of the SDS and note the objective of promoting Queensland as a global resource destination of choice, encouraging exploration and investment in the resource sector and actively supporting industry development. Will the minister please provide examples of where Queensland continues to be a global resource destination of choice?

**Dr LYNHAM:** I thank the member for her question. Although commodity prices globally are quite low, investment activity is continuing in Queensland. The government is seeing more green shoots it has nurtured in the resource sector starting to bear fruit. We have a new \$329 million joint venture copper and goldmine near Cloncurry being developed by the Sichuan Railway Investment Group and Altona Mining. The Altona mine will generate 300 construction jobs and 280 ongoing jobs and will support local supply chains and businesses, bringing significant economic and social benefits to the north-west. The \$7 million tonne per annum open pit mine and flotation plant will be capable of producing 39,000 tonnes of copper and 17,000 ounces of gold per annum over an initial 11-year mine life. Native title agreements and mining leases are in place and this government is actively working with Altona Mining to help secure all the required approvals and agreements for construction to start in 2017.

This joint venture is just the latest resource project coming to fruition on this government's watch. The most high profile one has been Stanmore Coal, who reopened the Isaac Plains coking coal mine near Moranbah in May, creating 150 jobs. Meteor Downs South open-cut coalmine near Rolleston is expected to produce 1.5 million tonnes of export grade thermal coal per year at full production. This mine will create about 30 full-time jobs during production and more jobs during the construction stage and will deliver ongoing economic benefits for local communities including Rolleston and Springsure.

QCoal has the first of seven mining lease applications for its Byerwen coal project. MMG aims to start building its \$1.4 billion Dugald River zinc project midyear, creating 600 construction and 400 valuable operational jobs. The Corella phosphate mine north of Mount Isa also recently announced it has completed pit-mining trials and is ready to move to commercial production of up to 600,000 tonnes of phosphate per annum and provide jobs for 45 to 50 miners. QGC's \$1.7 billion Charlie 1 natural gas project at Wandoan will support 1,600 jobs. Rio Tinto's \$2.6 billion Amrun bauxite development at Weipa is underway. Amrun will have an average construction workforce of 600 people over three years, peaking in late 2017 with 1,100 people. The mining leases for the \$21.7 billion Carmichael coalmine, rail and port project have been granted.

International markets are beyond the control of any individual government, but this government is doing exactly what it can and is working hard in the resources sector. We are fulfilling our election commitment for a royalties freeze. We have the lowest payroll tax in the country and we are investing heavily in innovation. We have given explorers up to a 50 per cent reduction in expenditure that they have to commit to their mineral and coal exploration permit. Today I announced Queensland's first annual forward program for exploration. All of this is on top of our world-class resources infrastructure and workforce. We continue to make Queensland an attractive investment destination.

**Mr CRAWFORD:** I note several references to the release of unallocated water in the service highlights. Can you detail how these releases will support new sustainable economic growth opportunities?

**Dr LYNHAM:** I thank the member for the question who, I know along with various other attendees, including the member for Hinchinbrook, is aware of the economic importance of the government's release of water in the gulf and Whitsunday districts in regional Queensland. The Palaszczuk government is strongly committed to supporting sustainable agriculture, rural industry jobs and local development. The majority of Queensland's water resource plans identify volumes of unallocated water held for allocation at a future date. These volumes can be made available for future use without compromising the security of existing users or environmental values within a catchment.

DNRM is currently assessing tenders for 264,550 megalitres of unallocated water in the Flinders, Norman, Leichhardt, Gregory and Nicholson river catchments. This water will play a key role in the economic prosperity of the region over the coming years. The Department of Natural Resources and Mines has to find a minimum price bid, the location and how much water will be available, which was made available to proponents to help them prepare their tenders. The terms of sale also define water products so that all water users would have similar reliability and there is an even playing field for all proponents. Most importantly, each tender will be evaluated fairly on its merits against the criteria listed in the terms of sale. I am also advised that DNRM has written to tenderers seeking clarification on particular details of their tenders where insufficient information was provided.

As members of the committee would recall from last year, the release of 467,000 megalitres in the Gilbert catchment is currently on hold awaiting an environmental impact statement for the IFED project. This is due in September 2016. It is important that we did not stop this project in its tracks by

releasing unallocated water in the Gilbert catchment. A total of up to 18,200 megalitres of general reserve unallocated groundwater has also been made available from the management areas in the Great Artesian Basin Plan area through a competitive tender process. Assessments of tenders are being finalised, and it is anticipated that offers will be sent to successful tenderers in the coming weeks.

DNRM is assessing tenders for up to 28,500 megalitres of general reserve unallocated water in the Whitsunday Water Resource Plan area. This is a non-competitive fixed-price process. The department is also currently considering options for a release of unallocated water in the Fitzroy. All of these releases have the potential to boost agricultural production in these regions, supporting economic and job growth as extra production works its way through the supply chain. That is a shot in the arm we know that regional Queensland could do with, and my department is very focused on making that unallocated water available.

**CHAIR:** I refer to page 5 of the SDS and the coordination and progress of complaints relating to on-ground impacts of resource development. Will the minister please outline how this is happening in relation to the gas industry?

**Dr LYNHAM:** I thank the chair for his question. As the chair appreciates, the Palaszczuk government is committed to the need to ensure a balanced approach between the rights of landholders with sustainable resource development that delivers benefits to all Queenslanders. Throughout the Beattie and Bligh governments the CSG\LNG industry was fostered in a manner that emphasised coexistence between landowners and rural business with the gas industry. The Palaszczuk government recognises the significant contribution to the Queensland economy that the CSG sector delivers through jobs, royalties and economic growth, particularly in our regions; however, the long-term success of this industry relies on it maintaining a social licence within the community. This means that the industry has to operate sustainably within a strict regime of land access, safety and health, water monitoring and environmental requirements.

The budget contains \$7.3 million over two years, half of it in the current year, for this department's specialist Coal Seam Gas Compliance Unit. This unit investigates landholder concerns about CSG and is an essential tool this government uses to protect landholders and community interests while supporting responsible practices in the gas industry. The Coal Seam Gas Compliance Unit is a multidisciplinary team with expertise in groundwater, land access, compliance and community engagement. The Groundwater Investigation Assessment Team within the unit holds specialist coal seam gas and groundwater expertise. This unit also draws on other DNRM specialists in dealing with landholder issues such as the Petroleum and Gas Inspectorate for gas safety matters and checking leaks on properties. The unit ensures that the CSG industry complies with legislation, regulation and policies. The unit uses a pro-active approach to inspecting, checking and auditing Queensland's CSG industry operations, building relationships between landholders and resource companies and keeping communities fully informed about CSG activities in the region. Specifically, the unit acts as a one-stop shop for community and landholder issues, concerns or inquiries relating to CSG as well as investigating landholders' complaints relating to the CSG industry, including complaints about water bore impacts. The unit also undertakes pro-active inspections, for example, weed hygiene on landholders' properties. The unit has responded to more than 2,000 inquiries since it was established in 2011. This financial year the unit has dealt with 352 inquiries and 52 complaints, of which 50 have now been resolved. In relation to water bores, since its inception the unit has investigated 138 water bores and found four impaired due to CSG operations.

As well as additional funding for the CSG compliance unit, this government has acted to restore public notification objection rights on mining leases. Balance is not achieved by stripping away community objection rights. We have rectified that wrong and restored balance. My department is resourced and empowered to work with all of our rural communities to ensure the continuous sustainable growth of our powerhouse industries: agriculture and CSG\LNG.

**Mrs LAUGA:** I refer the minister to page 6 of the SDS and the measure relating to audits and inspections, and I ask if the minister could detail the work of the inspectorate for the work of the committee.

**Dr LYNHAM:** I thank the member for her question. I am pleased to say that the Coal Mines Inspectorate has undertaken a great deal of work to proactively address safety issues in coalmines in the last 12 months. The Coal Mines Inspectorate have undertaken 357 mine inspections and mine record entries, 54 complaint investigations and 57 incident investigations. The key focus area for the Coal Mines Inspectorate is the 'big nine'. These mining hazards will be the focus this financial year to ensure that mines are operated safely.

These 'big nine' are as follows: health. As stated earlier, due to the re-emergence of coal worker's pneumoconiosis there has been a focus on overhauling the Coal Mine Workers' Health Scheme; however, there are other equally important risks to be addressed such as diesel particulate matter.

With the re-emergence of CWP there has also been a strong focus on strengthening the regulations around dust monitoring to improve the regularity of reporting and appliance compliance actions wherever required.

To ensure coalmine workers are competently supervised and that operations are conducted in safe manner, the inspectorate is producing a guidance note for industry. The Coal Mining Safety and Health Advisory Committee is considering the development of a recognised standard from the guidance note.

Presentations on hazards will be delivered at the Mine Managers Forum in July and the Queensland Mine Industry Safety and Health Conference in August 2016. Constant focus will be maintained through inspections and directives issued where noncompliance is identified. The development of a recognised standard for road design and construction is on schedule.

With regard to equipment fires, the focus will centre on risk based inspection of mine equipment. A presentation to be made at the Mine Managers Forum in July will include underlying data supporting the inspectorate's action.

Open cut cable damage: a safety bulletin was released to industry during 2016 providing the inspectorate's data analysis and recommended actions to reduce incidents. The data highlights problems and prompts the development of an inspection plan.

Strata management: open-cut mines are experiencing increased failures of walls. Based on incident analysis and observation by inspectors on-site, the focus will be on increased and targeted inspection using in-house geotechnical expertise. The inspector may issue directives to improve the mine's processes where critical weaknesses are identified.

Seminars have been developed for explosion risk zone controllers which are now being rolled out across industry.

Incident reports show that contractors are over-represented in coalmining facilities and accidents. A presentation will be made at the Queensland Mine Industry Safety and Health Conference in August to communicate this trend and reinforce the need for renewed attention from industry.

The Chief Inspector of Coal Mines outlined the 'big nine' to an annual briefing to industry in 2015. These priorities were developed through industry data analysis. The program was rolled out following this announcement. To assist with the implementation of this program a recognised standard working group has been developed as a sub-committee of the Coal Mining Safety and Health Advisory Committee. It is pleasing to see the activity being undertaken by the inspectorate in addressing several areas of safety in coalmining. It has been a very busy year tackling the re-emergence of CWP; however, it is equally important that vigilance and pro-activity are maintained in all areas.

**Mr CRIPPS:** I refer to page 3 of the SDS and the service area highlight to grant water entitlements in the Gulf Water Resource Plan area. I refer to the answer to non-government question on notice No. 5, which states that unallocated water in the Gulf WRP is granted with a specific daily and annual volumetric limit and predetermined flow conditions and that those same licences will not specify an average annual diversion limit. Minister, can you confirm that the MOU that you signed with IFED for the Etheridge Integrated Agriculture Project assessment pathway specifically provides for an average annual diversion sufficient for the requirements of the project of approximately 555,000 megalitres within the Gulf WRP area?

**Dr LYNHAM:** I thank the member for his question. He is aware, I believe, that 467,000 megalitres are identified in the Gilbert River catchment and they want 550,000. IFED have agreed to a complete independent scientific analysis as through the MOU. If the independent scientific analysis shows that there is the availability of water for IFED's progress to the 550,000, we will consider that in time. In terms of the water tender—

**Mr CRIPPS:** I did not ask about the tender. I asked can you confirm that in the MOU that you signed with IFED it specifically provides for an annual average diversion sufficient for the requirements of the project of approximately 555,000 megalitres within the area—just the area. I know it is not in the WRP at the moment; we agree on that.

**Dr LYNHAM:** To the best of my recollection, because I do not have the MOU in front of me, the independent scientific study will verify the water requirements of IFED which they are paying. I am happy to take that question on notice.

**Mr CRIPPS:** I can read it for the benefit of the minister. I appreciate the minister taking it on notice, but my subsequent question relies on us reaching an understanding. It says, 'An average annual diversion sufficient for the requirements of the project of approximately 555,000 megalitres.'

Minister, that is in the MOU, and it says there will be an average annual diversion provided for if the EIS is successful. Minister, can you confirm that the 555,000 megalitre average annual diversion provision contained in the MOU describes a water entitlement that is subject to a condition limiting the take of water to an average annual diversion across a period of years?

**Dr LYNHAM:** I refer to my previous answer regarding independent scientific analysis of the amount of water to be taken by IFED. We will await the EIS and the independent scientific analysis as we agreed on the MOU. I am happy to take the remainder of the question on notice.

**Mr CRIPPS:** Thank you, Minister, for taking that question on notice. The answer to non-government question on notice No. 5, as I stated earlier, clearly indicates that water that is intended to be released in the Gulf WRP area will be granted with a specific daily and annual volumetric limit and predetermined flow conditions. That is a matter of fact, because I agree with the answer to the question on notice. But the MOU provides for water entitlements subject to an average annual diversion, which is a completely different condition of take and it is in contrast to the conditions of take that are specified in the non-government question on notice No. 5. Minister, my question is this: do you agree that a water entitlement specifying an average annual diversion is not equivalent to a water entitlement that specifies a daily and annual volumetric limit and predetermined flow conditions?

**Dr LYNHAM:** I am prepared to wait to see what the independent scientific advice says about this, but I am happy to take that on notice and investigate that for the member for Hinchinbrook.

**Mr CRIPPS:** Everybody is willing to wait for the independent scientific investigation. That is the EIS process. We all agree that that has to happen before the water entitlement is granted for the IFED project. The point I am trying to get to, Minister—with some difficulty it seems—is this: can you please confirm that the provision in the MOU allowing for an annual average diversion of water would provide sufficient flexibility concerning the taking of IFED's water entitlement so as to allow other currently unallocated volumes of water to be issued prior to the Etheridge Integrated Agriculture Project EIS being completed?

**Dr LYNHAM:** Mr Chair, I am happy to take it on notice, but the specific details are quite pre-emptive.

**CHAIR:** Yes. I think the minister has—

**Mr CRIPPS:** Thank you for taking that question on notice as well.

**CHAIR:**—indicated at least three times he will take the question on notice.

**Mr CRIPPS:** Minister, I appreciate that you are going to take that series of questions on notice. Minister, in reference to page 3 of the SDS in the service area highlights to amend Queensland's native vegetation management framework to protect the Great Barrier Reef from reduced carbon emissions, I refer to the answer to question on notice No. 1597 and the confirmation that the vegetation management community round table had met only once, on 13 July 2015, at that time. In view of the failure of the community round table to engage meaningfully in the consultation process, the absence of any report or recommendations, has the consultation process that you outlined been a failure?

**Dr LYNHAM:** I thank the member for his question regarding this. Vegetation management is extremely important to this government, as you are obviously aware, and we made commitments to amend the vegetation management framework to reduce impacts on the Great Barrier Reef and also to lower carbon emissions. Core to these commitments was to reinstate provisions in the Vegetation Management Act 1999 and the Water Act 2000 repealed by the previous government. Since coming to office this government has been working towards meeting these commitments, and rightly in your question—

**Mr CRIPPS:** No. My question was following on from question on notice No. 1597 and the confirmation that you gave in answer to that question on notice that the vegetation management round table had met only once, on 13 July last year, and that the commitments that you gave—that a report

would be produced from that community round table and, subsequent to that report being received, the government would contemplate changes to the vegetation management framework—have not occurred. I am questioning you about the inconsistency between what you have said in the answer to the question on notice and what has actually happened in Queensland on this issue.

**CHAIR:** Could you turn that into a question please?

**Mr CRIPPS:** Is there not a clear inconsistency between what you promised and what has actually happened in relation to consultation on the vegetation management framework?

**CHAIR:** Thank you.

**Dr LYNHAM:** On 13 July 2015 the Department of Natural Resources and Mines held a stakeholder roundtable meeting on the future of vegetation management with participants from AgForce, the Queensland Farmers' Federation, Canegrowers, WWF, the Wilderness Society, the Environmental Defenders Office and the Wildlife Preservation Society of Queensland. This meeting was productive and included discussions about potential future vegetation management reforms. Following this meeting, the department engaged Professor Allan Dale of James Cook University—a very notable professor of natural resources—to liaise with key stakeholders. The aim was to build consensus on the best possible approach for the government to meet its vegetation management election commitment. We wanted consensus. The stakeholders consulted included representatives from agriculture and conservation groups—so this is consultation continuing with Professor Allan Dale—as well as natural resource management and also Indigenous representatives. In late 2015 it became clear that the process to be facilitated by Professor Dale was not going to reach this consensus that we wanted and that urgent action was required to deliver on the government's election commitments.

To meet the Queensland government's vegetation management election commitment, in November 2015 the Deputy Premier announced plans to introduce legislation in the first quarter of 2016 to reinstate a responsible vegetation management framework for Queensland. From this time the Deputy Premier engaged in extensive consultation with stakeholders, ministers and government agencies. The Deputy Premier met and spoke with the president and chief executive of AgForce multiple times as well as representatives of WWF and the Wilderness Society. The Deputy Premier also met and consulted with the Queensland Herbarium and representatives of a group of concerned Queensland scientists.

The government election commitment was fulfilled with the introduction of the Vegetation Management (Reinstatement) and Other Legislation Amendment Bill 2016 into parliament on 17 March 2016 and its subsequent referral to the Agriculture and Environment Committee. The government consulted key stakeholders including AgForce, the Wilderness Society, WWF and the Environmental Defenders Office prior to introduction of the bill. Following introduction of the bill to parliament, the department undertook briefings with a range of stakeholder groups outlining the proposed amendments and highlighting the opportunity for stakeholders to make a submission if desired. These briefings included representatives from the agricultural sector, the urban development industry, resources industry, local government and natural resource management groups.

The bill was considered by the Agriculture and Environment Committee, which provided the opportunity for the public and stakeholders to express their views on the bill. The committee has published online the 688 submissions received for the inquiry. Public hearings and site visits were also held by the committee in Cairns, Townsville, Emerald, Bundaberg, Gympie, Charleville, Roma and Brisbane. The hearings provided the opportunity for stakeholder groups and the public to have their say on the bill. The committee's report on the bill was released on 30 June.

In summary, initial consultation occurred with key stakeholders on vegetation management prior to development of the bill, the bill before its introduction in parliament and during the parliamentary committee process. There has been extensive consultation.

**Mr CRIPPS:** Minister, furthermore on the same issue with regard to answer to question on notice No. 1483 and the confirmation at that time that a report from the vegetation management community round table had not been received at that time, can you confirm that you have not received a report from the vegetation management community round table?

**Dr LYNHAM:** I took advice from Allan Dale. The only reports I have received have been advice from Allan Dale which—

**Mr CRIPPS:** You have not received a report from the round table?

**Dr LYNHAM:** No.

**Mr CRIPPS:** Minister, you have repeatedly made reference to the commitment that the government made, but what about the commitments that you have made to the House and to a range of stakeholders about the process that would occur prior to any proposed changes to the vegetation management framework in Queensland—repeated commitments you have made in the parliament about the process that would occur? Minister, how can this committee come to any other conclusion than that you have not fulfilled your commitments to the House or to those stakeholders about the process that would occur prior to those amendments being introduced?

**Dr LYNHAM:** This government is a consultative government. This government would have dearly loved to reach a consensus position regarding the vegetation management bill. We started the consultation project with a view to consensus. It takes two to tango. It takes more than two on a sensitive issue such as vegetation management. Unfortunately, consensus was unable to be realised on this bill. That does not mean that extensive consultation cannot continue, and it did, but consensus was far from realised.

**Mr CRIPPS:** You have already said that, Minister. You have said that—

**Dr LYNHAM:** I have outlined—

**Mr CRIPPS:** You have, at length.

**Dr LYNHAM:** Mr Chair, I have outlined exactly what we have done and there is still consultation—

**Mr CRIPPS:** But you did say in answer to question on notice—

**Dr LYNHAM:** Mr Chair, the member has asked some long and complex questions, but he gets annoyed when I try to provide a long answer.

**Mr CRIPPS:** No. We have had lots of those today.

**Dr LYNHAM:** I just ask for some fairness, Mr Chair.

**Mr CRIPPS:** We have had lots of long answers today, Minister. Minister, I am trying to get to the bottom of what commitments you gave to the House repeatedly about what would occur prior to the introduction of any proposed amendments to the vegetation management framework. I have outlined that your answer to question on notice No. 1483 indicated in December last year that no report has been received from the community round table, and you have confirmed that subsequent to that no report has been received. Answer to question on notice—the previous question that I asked about this—No. 1597 was quite clear that there has only been one meeting held, yet on several occasions you told the parliament that the report from the community round table would be received prior to any proposed changes to the vegetation management framework progressing through the House. How can this committee come to any other conclusion than that you have not fulfilled your commitments to the House or to those stakeholders about the process that would occur about proposed changes to the vegetation management framework?

**Dr LYNHAM:** Mr Chair, I am extremely disappointed that a consensus was unable to be reached, but that does not mean that consultation has not continued to take place. Allan Dale's feedback from all parties has been reported to me. I would have dearly loved to present to the House a final report from an extensive consultation period and an extensive consultation process with a consensus, but that simply was impossible. One has to accept that when a consultative consensus process fails to work it simply fails to work. I tried my hardest as the responsible minister. Professor Allan Dale gave it his all. We met many times discussing progress through this very difficult matter, and I understand the importance of this matter to all Queenslanders. I understand to the agricultural sector, I understand to the conservation sector and I understand to the mums and dads in the street how important this issue is, but I am disappointed, as everyone is, that a consensus was not reached because I believe that everyone on that table would have loved a consensus to be reached for all members of our community in Queensland. I had every intention of providing a very triumphant report, but unfortunately it was just unable to be achieved.

**Mr CRIPPS:** That may very well be the case, Minister, that consensus could not be achieved, but it does not change the fact that on several occasions you gave commitments to the House and to all the stakeholders engaged in this issue that a certain process, including the production of a report from the community round table, would be followed and the government would consider the recommendations in that report before any changes to the vegetation management framework would proceed. Those undertakings have not been fulfilled. I know that you are going to say that you are very sorry about the fact that consensus could not be reached, and I accept the fact that you are very sorry

that consensus could not be reached. That does not change the fact that you gave those undertakings on several occasions to the House and the relevant stakeholders who have been engaged in this process. There is an inconsistency between the commitments you have given and what has eventually occurred—

**Dr LYNHAM:** Mr Chair, it is quite obvious that my intentions were to provide a report if this consensus did work, if the roundtable process did work. It simply did not work. I cannot be more open than I have been about this process. I do not know where this is going.

**Mr CRIPPS:** What other undertakings or commitments that you—

**CHAIR:** I am satisfied that the minister has already answered the question.

**Mr CRIPPS:** I have a different question, Mr Chairman. What other commitments or undertakings that you give to the House or other stakeholders relevant to your portfolio are contingent on a consensus being achieved rather than what undertakings you give?

**Dr LYNHAM:** Mr Chair, can I ask which section of the SDS that is derived from, respectfully?

**Mr CRIPPS:** It follows on from the previous SDS notation that I have given and the previous answer that the minister has given to the estimates committee where he has said, 'I'm terribly sorry, but we couldn't reach consensus and therefore the commitments I gave to the House and to relevant stakeholders were not able to be met.' My follow-on question from that is: what other commitments and undertakings given to the House and relevant stakeholders in your portfolio cannot be relied upon?

**Dr LYNHAM:** Mr Chair, honestly! I will not go on. I know you want decorum. I am quite happy to take these personal insults from the member opposite but—

**Mr CRIPPS:** Point of order, Mr Chairman. Mr Chairman, you are the person empowered to rule a question out of order, not the minister. If you are not going to rule that question out of order then the minister should answer it.

**Dr LYNHAM:** These are questions regarding my integrity, Mr Chair. I am not prepared to go there.

**CHAIR:** No. We will move on.

**Mr CRIPPS:** The minister's integrity is not the subject of questioning during the estimates committee process?

**Mr HART:** Can we have a ruling on that question, Chair?

**Dr LYNHAM:** I thought you had more. I am sorry—

**Mr CRIPPS:** All I am doing is following up on legitimate questions on notice that I have asked and the answers that you have given.

**Dr LYNHAM:** I have overestimated your integrity. I am sorry.

**Mr CRIPPS:** I have tried to follow them through to their logical conclusion. You have consistently failed to answer the question about how stakeholders and the House can believe undertakings that you gave on several occasions.

**CHAIR:** I ask for us to move on. Member for Dalrymple, do you have a question?

**Mr HART:** Mr Chair, point of order. Are you ruling that question out of order?

**CHAIR:** I am ruling the behaviour out of order. The minister has answered the question on at least three occasions.

**Mr HART:** The minister was asked a question. He was not answered it. Are you ruling it out of order?

**CHAIR:** We have all been around this place for a long time. He is allowed to answer the question in whatever way that he wants. You know how the game is played.

**Mr KNUTH:** In your opening statement you advised the committee of the satellite imaging and the special data that will assist landowners to identify what they can clear and what they cannot clear and how the government will work with them. Can you guarantee that this extra funding is not there to trap landowners with these spy-in-the-sky satellites?

**Dr LYNHAM:** I thank the member for the question. It is great that you have given me the opportunity to be able to reassure the people of Queensland that the second part of your question is not the case. It is important to recognise that most of the property owners in Queensland, under the current legislation, are doing the right thing. The problem is the current legislation. Most of our landholders are doing the right thing under the current legislation, but the current legislation is simply not working to protect Queensland from climate change and it is not working to protect the health of the Great Barrier Reef.

It is important to acknowledge that most detections that we are finding can be explained by existing authorised approvals, natural causes, or activities undertaken under allowable self-assessable codes. Sixty per cent of detections are just because of these things. Once we find them, they are quickly ruled out. Landholders are provided with a clear before-and-after map of the detected clearing. The landholders are also given a reasonable time to provide additional information, but our officers are there working with them. There are 178,000 automated checks of rural properties with assessable vegetation and 0.4 per cent have been detected with significant change in vegetation cover and have been tagged for further investigation. It is a very small percentage.

I just want to bed this down: most landholders are doing the right thing under the current legislation. It is the current legislation where the fault lies. The current legislation is not protecting against climate change. The current legislation is not protecting the health of the Great Barrier Reef.

**Mr KNUTH:** Would you not believe that it would be a big concern for landowners, particularly when the Premier indicated that these satellites will be able to pick up bulldozer tracks and that we would, more or less, be hitting them with the full force of the law? Would they not be sceptical of this extra funding for aerial satellite imaging? You are saying that everything is going to be all right and that there are a few bad ones. Obviously, with legislation after legislation year in, year out, they would be very concerned and very sceptical, particularly with this extra funding.

**Dr LYNHAM:** I thank you for that supplementary question as well. We have had free and open discussions with agricultural representatives prior to us considering implementing this as well. I will also state again that, if a landholder is doing nothing wrong, they have nothing to fear. Technology is changing. It will probably be not too difficult for someone to go into their home computer in the future and find satellite passes like this just occurring at any stage. We are probably just a little step ahead of technology at the present time with our passes every 16 days. One could consider that in four or five years time these passes will become a common event. People will be accessing these passes on their home computers. The satellite imagery is improving all the time. The number of satellites up there is increasing all the time. We are just taking it a step ahead of technology.

Our role with the department is to assist landholders. You have said it yourself: most landholders want to agree. Most landholders live well with the pre-2012 legislation. People on farms see climate change every day. They know what it is like. They see droughts and unseasonal rains. They know what is happening. This is an opportunity to work with the agricultural community.

**CHAIR:** Minister, I have a question and I would like a fairly brief answer. If you do not want to give a brief answer, you can take it on notice. I note several mentions of the Great Artesian Basin in the Service Area Highlights for 2016-17. I ask: what is the department doing to ensure the health and sustainability of this critical national water resource?

**Dr LYNHAM:** I thank the chair for his question. I realise there are limitations on time, so if you feel I have answered the question, please advise if you have enough information from my answer. Water from the Great Artesian Basin is vital. The Great Artesian Basin is a national treasure that people in the bush absolutely rely upon. It is vital. We are developing a new water resource plan for the Great Artesian Basin. We have 69 submissions to the statement of proposals and it is expected that the plan for the Great Artesian Basin will be finalised by September 2017.

I must also take this opportunity—and thank you for granting me this opportunity—to thank the members of the Great Artesian Basin Advisory Council. One program that enjoys wide support is the Great Artesian Basin Sustainability Initiative, also known as GABSI, which is a \$450 million national program seeking to address declining water pressure. Under GABSI, and its predecessor programs, the Queensland and Commonwealth governments provide funding to landholders to rehabilitate uncontrolled bores and replace bore drains with piped water reticulation systems. Over the past 15 years, \$178 million of work has been completed and the Queensland government has contributed \$63 million. Importantly, 200,000 megalitres per annum of flow has been saved through the rehabilitation of 676 uncontrolled bores.

Last year, the latest phase commenced funding 10 projects with a total cost of more than \$3 billion. The next stage is now underway and we are committing to matching Commonwealth funds for agreed priority projects. The Commonwealth Department of Agriculture and Water Resources and our department are assessing 38 projects for consideration.

This is an important issue. I would like the members opposite to also take note that I have been approached by landholders seeking greater flexibility in government payment options to enable landholders who are experiencing severe drought conditions financial relief during the delivery of this project. I have sought agreement from the Commonwealth government, as the funding partner of

GABSI, to adopt this greater flexibility but, unfortunately, the Commonwealth was not supportive of this proposal. It has not gone unnoticed the 'Hear! Hear!' from the member for Hinchinbrook. I ask the member for Hinchinbrook—I know the new resources minister is Rockhampton based—

**Mr CRIPPS:** Yes.

**Dr LYNHAM:** He is close. I wish that you would lobby him strongly, as I will, for the Commonwealth government to have greater flexibility for people in the bush to meet their payments for GABSI.

**Mr CRIPPS:** We had to work very hard when the previous Labor federal government cut all the funding for GABSI.

**Dr LYNHAM:** And we had to work very hard to get Tony Abbott across as well to get him to fund his GABSI.

**Mr CRIPPS:** Completely defunded the GABSI program.

**Dr LYNHAM:** And Tony Abbott would not come to the table on GABSI.

**Mr CRIPPS:** Thanks very much, Kevin Rudd and Julia Gillard.

**Dr LYNHAM:** GABSI has proven to be a highly effective program contributing to the sustainability of the Great Artesian Basin.

**CHAIR:** Thank you, Minister. Before I move on, the member for Hinchinbrook indicated earlier that he wanted to table a document. I am just seeking approval from the committee.

**Mr CRIPPS:** Yes, it is the future resources one, which demonstrates that it was in the last budget, not this year's.

**CHAIR:** No, I just asked you if you wanted to table a copy.

**Mr CRIPPS:** I do.

**CHAIR:** You have no problems? You seek leave? Granted. Thank you. Minister, do you have any responses to questions that you have taken on notice?

**Dr LYNHAM:** I do.

**CHAIR:** If you have, could you deliver them as quickly as possible and then you can make any comments that you want.

**Dr LYNHAM:** This is to the member for Nanango about the question on notice about the North Queensland stadium budget clarification. Ninety-five million dollars is in capital funding to the Budget Papers No. 3, the Department of State Development; \$5 million is included in the supplies and services budget of the department in the Service Delivery Statement; \$40 million is being held centrally by Queensland Treasury. This then totals the \$140 million budget commitment by the Palaszczuk government.

**Mrs FRECKLINGTON:** Sorry, I do not want to hold you up. Where was the five?

**Dr LYNHAM:** The \$5 million is included in the supplies and services budget of the department in the Service Delivery Statement. This answer is to the member for Dalrymple, addressing his question on Big Rocks Weir. Big Rocks Weir is a longstanding proposal on the Burdekin River upstream from the Burdekin Falls Dam. The Charters Towers Regional Council applied for Commonwealth funding for a feasibility study through the National Water Infrastructure Development Fund, but was not successful. Page 3 of the SDS foreshadows that the Department of State Development will undertake water supply investigations. However, the Department of State Development has not prioritised any funding towards an investigation for the Big Rocks Weir proposal at this stage.

To the member for Hinchinbrook in regard to the IFED EIS, if the EIS demonstrates that the water is available for the project, there are still a number of steps required. If I am satisfied that there is a need to amend the water resource plan, I may initiate an amendment process to recognise the additional water in this plan. Any amendment must be underpinned by the best available science. This remains hypothetical until this science is undertaken. Any entitlement granted in the gulf water resource plan area, whether that be from Flinders or Gilbert in the future, would absolutely be done in accordance with section 70 of the gulf water resource plan and will contain an annual volumetric limit. Let us be clear: the IFED MOU is not about a commitment to a water entitlement under the gulf water resource plan. It provides an assessment pathway only for this project.

With regard to the question on notice asked by the member for Bundamba, a 2010 CSIRO report explained why the events occurred and considered options for future mine related subsidence. The potential for backfilling was considered and was not feasible. The report is online. I know that this does not address your specific issue about your specific remedies, and my department will be looking into this.

**Mr CRIPPS:** We are searching for the \$5 million in the SDS, Minister.

**Mrs FRECKLINGTON:** Can you give me a page?

**Dr LYNHAM:** I will clarify that with the department. That is the best available knowledge at this stage.

**CHAIR:** Yes.

**Dr LYNHAM:** I would like to thank the chairman and all the members of the committee for their time, particularly the member for Hinchinbrook—

**Mr CRIPPS:** Thanks, Minister—

**Dr LYNHAM:**—for adhering to matters in the SDS. It was sincerely appreciated. The estimates process is a valuable part of a functioning democracy and the cooperation of the committee made the process much more efficient. If you would like to discuss anything further, I am more than happy to meet with you at any time—except the member for Hinchinbrook.

**Mr CRIPPS:** Love you too, Minister.

**Dr LYNHAM:** I would like to thank the officers of both of my departments for the significant amount of work that they have put into the estimates process. I would particularly like to thank my directors-general, Michael Schaumburg and James Purtill, the Coordinator-General, Barry Broe, and the Projects Chief Executive, Dave Edwards, for their assistance and advice both today and in the time that I have been minister for the portfolios of State Development and Natural Resources and Mines. Thank you, Mr Chair.

**CHAIR:** Thank you, Minister, and departmental officers. I want to thank all members who have sat at this table today to this point. Whilst we do not always get on when we are sitting at this table, we all have jobs to do and I always respect that people have a job to do and I will do my best to work in with them. We will at this time take a break and resume at 7.15 for the examination of the estimates for the portfolio of Minister for Housing and Public Works. Thank you.

**Proceedings suspended from 6.28 pm to 7.13 pm**

## ESTIMATES—INFRASTRUCTURE, PLANNING AND NATURAL RESOURCES COMMITTEE—HOUSING AND PUBLIC WORKS

### In Attendance

Hon. MC de Brenni, Minister for Housing and Public Works

Mr M Lawrence, Chief of Staff

#### Department of Housing and Public Works

Ms L Carroll, Director-General

#### Queensland Building and Construction Commission

Mr B Bassett, Commissioner

Ms Christine Castley, Acting Deputy Director-General, Housing and Homelessness Services

Ms R Turbit, Assistant Director-General, Corporate Services

 **CHAIR:** Good evening, everyone. Welcome to the Infrastructure, Planning and Natural Resource Committee's public hearing for the examination of the Appropriation Bill 2016. I would like to introduce the members of the committee. I am Jim Pearce, the member for Mirani and chair of the committee. Dr Mark Robinson, the member for Cleveland, is the deputy chair. The other committee members are: Mr Michael Hart, the member for Burleigh; Mr Shane Knuth, the member for Dalrymple; Mrs Brittany Lauga, the member for Keppel; and Mr Craig Crawford, the member for Barron River. The committee has granted leave for non-committee members to ask questions at its hearing this evening. I welcome Mrs Jo-Ann Miller, the member for Bundamba, and Mr Stephen Bennett, the member for Burnett.

Today, the committee will consider the Appropriation Bill 2016 and the estimates for the committee's areas of responsibility. I remind everyone present that any person may be excluded from the proceedings at my discretion as chair or by order of the committee. I ask that mobile phones or other electronic devices be turned off or switched to silent mode.

On behalf of the committee I welcome the minister, departmental officers and members of the public to the hearing. I ask that departmental officers identify themselves when they first speak and to speak directly into the microphone.

I now declare the proposed expenditure for the portfolio of the Minister for Housing and Public Works open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, if you wish, you may make an opening statement of up to five minutes.

**Mr de BRENNI:** Thank you very much, Mr Chair. Thank you also to members and staff of the committee. I want to begin by acknowledging the traditional owners of the land on which we meet and pay my respects to elders past, present and emerging.

As Minister for Housing and Public Works I am honoured to lead the delivery of housing and homelessness, building and construction, and procurement services across Queensland. In this portfolio I have the opportunity to meet thousands of Queenslanders and hear directly from them about their housing needs. From remote communities in the Torres Strait to mining communities in places like Mount Isa, I have heard firsthand what it means for families to be able to rely on government to ensure they have a place to call home. From the Sunshine Coast to the Gold Coast to Cairns, men and women, young and old, have sat with me and told me what it means for them not to get paid for the work that they do as subcontractors in the building and construction industry. From Charters Towers to Bundaberg, small business people have told me how important it is that we do what we can to give them an opportunity to compete for government projects like capital works and maintenance contracts in their communities.

In the last 12 months right across the state this government has focused on delivering rather than fighting. We have been delivering for Queenslanders, and I have seen it firsthand. I saw it at the YFS facility in Logan, where the reinstated tenants advice and referral service operates to help people stay in their privately rented home. I heard how important it was when I met with the staff at Peggy's Place on the Sunshine Coast that we delivered two new 72-hour crisis shelters for women and children

escaping domestic violence in Brisbane and in Townsville, with a further two centres to be established under this year's budget. When I had coffee with a domestic violence victim, Benita, in my own neighbourhood and I understood how powerful it was for her to know that she would no longer be trapped in a violent household, I knew it was the right thing for our government to do to make it easier for survivors of domestic and family violence to have their names removed from tenancy black lists where those listings were due to the violent behaviour of their partner. We have also conducted an extensive consultation process for a new 10-year housing strategy. I thank the members of the committee that participated in that process—in particular, the member for Dalrymple and all of the government members for their participation in that consultation.

As I have listened to people across the state talk about housing, it has become ever more clear to me that a home is a deeply personal matter, yet people are often happy to share their vision for a brighter housing future. It has become clear that there is a strong appetite for more affordable housing and for community renewal right across Queensland. Queenslanders understand just how important housing is to all of us. It is the foundation of resilient and connected communities. That is why this year I will seek the support of government to deliver a comprehensive 10-year housing strategy. Our strategy will be one for all Queenslanders no matter whether they live in the CBD of Brisbane or on the outskirts of Roma—a strategy that will seek to light the pathway through the housing market for everyone, a pathway for no matter where you stand—whether you own the family home or renting suits your needs, whether you are renting your home to someone else or whether you are someone whose housing needs are quite specific—a pathway where you are less likely to fall through the cracks, where you are much less likely to get tripped up.

The previous government's pathway had no light. In fact, it was only highlighted by a risky scheme to hand over control of 90 per cent of the \$15 billion housing portfolio to the private sector—a mass privatisation of public housing. I want to be clear for the committee that the mass transfer of housing is not the policy of this government. That is why today, in line with the government policy, the director-general of my department informed Logan City Community Housing that we will not be continuing with the Logan Renewal Initiative. A housing scheme of that scale with that level of risk is unprecedented in this nation. The Logan Renewal Initiative was a risky LNP scheme and it was outright unnecessary.

I grew up in Logan. As someone who represents Logan and lives in that community and someone who will bring my kids up in that community, I will not accept putting the needs of that community in the too-hard basket and palming that responsibility off to someone else. Our plan for Logan as part of the new housing strategy will be developed in consultation with the community, with representatives including council and other stakeholders. It will include a plan for new homes, a plan for redevelopment and a plan for renewal. As a first step today I am initiating the construction of 70 new homes across five identified locations over the next three years.

Committee, we are here this evening to examine the Appropriation Bill 2016. I am here to share with the committee the priorities that we will deliver in the coming 12 months. This government is about creating jobs, and our capital works program will engage Queensland construction businesses that will employ hundreds of tradies including apprentices. Through the department we will build, acquire and refurbish government owned housing. This year we will deliver a new housing strategy. We will also pursue a new building strategy. It will help make our buildings safer and make them greener. It will make the system fairer for subbies and home owners and build confidence and trust across the industry. We will implement the new procurement strategy. It will make sure that government not only gets value-for-money procurement outcomes but also achieves our social and environmental objectives through our collective buying power. Importantly, not only will probity remain a feature but we will work to strengthen it. All three strategies will be integrated and provide the Department of Housing and Public Works clear direction for 2016-17. I believe that Queenslanders from Far North Queensland to St George in our state's south-west expect me to ensure that these plans deliver for them.

Government is more than just an enabler. We have a responsibility to deliver services that provide meaningful and transformational change in people's lives. Governments—good governments—should make a difference. I know the government members on the committee are committed to good government. It is clear that through this portfolio this government is getting on with the job of delivering for the people of Queensland.

**CHAIR:** We will start with questions from non-government members.

**Mr BENNETT:** I ask a question of the director-general. Could the director-general advise the committee if any officials of the Department of Housing and Public Works have met with officials of the Deputy Premier's office, the department of natural resources or the department of environment to discuss the impact of Labor's proposed vegetation management laws? That relates to page 4 of the SDS on housing affordability.

**Ms Carroll:** I certainly have not met with those departments on vegetation management, but I will make sure and check if other members of my department have been part of those discussions across government.

**Mr BENNETT:** Chair, is that a question on notice?

**CHAIR:** Minister, are you happy to take that on notice?

**Mr de BRENNI:** Yes, Chair.

**Mr BENNETT:** I have a follow-up question. Director-General, have there been any concerns raised with either you or the minister that you are aware of about the impact of these proposed vegetation management laws on housing affordability?

**Ms Carroll:** As part of the housing strategy consultations, which the minister referred to in his opening statement, certainly a range of issues, not specifically around vegetation management, have come up about housing affordability, about the different elements that go to housing affordability. To my knowledge, the specific elements around vegetation management have not come up.

**Mr de BRENNI:** I might answer the part of the question that the member for Burnett inquired of the director-general as to whether or not she was aware whether anyone has raised that with me. The answer is no. Mr Chair, I think there is an imputation in the question that asserts that the proposed laws impact on housing affordability. I ask you to rule the part of the question that refers to me and to the director-general out of order.

**Mr HART:** Sorry, you are not chairing this meeting; the chair is.

**Mr de BRENNI:** Member for Burleigh, I ask the chair to respond to my request for guidance.

**Mr BENNETT:** Can I ask another question to the DG?

**CHAIR:** What page of the SDS are you referring to?

**Mr BENNETT:** I am referring to page 4 of the SDS—housing affordability. My final question to try to close this out, if I may, Director-General, is: has there been any modelling about possible increases in housing affordability that you have been aware of in the Department of Housing and Public Works in relation to the vegetation management implications?

**Mr de BRENNI:** Mr Chair, impacts and modelling of proposed legislation are the responsibility of the appropriate minister. I am not the minister that has introduced those laws. That is a question for another estimates hearing.

**Mr HART:** I raise a point of order, Mr Chair. This is about the budget of the department of housing and that is exactly how the cost of housing is impacted. That is what the question is about. It is right in line with your budget statement.

**Mrs LAUGA:** There are lots of things that could impact housing affordability.

**Mr BENNETT:** But I am asking about vegetation management. Is that not a reasonable question?

**Mrs LAUGA:** What's that got to do with the budget?

**Mr BENNETT:** If there is no modelling, I am happy to move on, Minister. I was just asking a question.

**CHAIR:** I think we need to move on.

**Mrs LAUGA:** You are just drawing a long bow.

**Mr BENNETT:** Again, I had a reference in the SDS, member for Keppel.

**CHAIR:** I think you walk the line. Anyway, let's get on with it.

**Mr BENNETT:** Housing affordability in Queensland is not walking the line for Queenslanders, I must tell you, Chair. Minister, page 36 of the SDS shows an increase in Queensland Building and Construction Commission staffing levels in 2016-17 of three FTE positions over the 2015-16 number, yet on page 37 we see an increase in the same period of \$6 million in employee expenses. Can the minister explain what proportion of this \$6 million is for existing employees, or are there three lucky employees who might get a significant pay rise?

**Mr de BRENNI:** I thank the member for the question, because the operation of the Queensland Building and Construction Commission is an important one. The building and construction industry in Queensland employs and supports the employment of over 200,000 Queenslanders. Queenslanders can expect to see somewhere in the vicinity of an average of approximately 50,000 homes built each year in the foreseeable future. We are seeing in Queensland a strong construction sector pushing up towards \$50 billion per year. Queenslanders absolutely expect that the Queensland Building and Construction Commission is able to perform those regulatory functions to ensure that the buildings in which we work and the homes in which we live are as safe as they possibly can be.

**Mr BENNETT:** That is not in dispute.

**Mr de BRENNI:** With respect to matters of staffing of the Queensland Building and Construction Commission, they are an operational matter for the Commissioner. The Commissioner is with us here tonight and if it suits the chair I am happy to invite the Commissioner to respond to the question about staffing.

**Mr BENNETT:** It is totally up to you, Minister. The Commissioner might be able to look at that during the course of the evening and come back to us. Clearly I am talking about the three FTE positions that are clearly articulated in the SDS and a reference to an increase in operating employee expenses. I am just after some clarification.

**Mr de BRENNI:** Let us deal with that now. I am happy to invite the Commissioner to join us to answer that question.

**Mr Bassett:** Mr Chair, could I ask that the member repeat the question, please?

**Mr BENNETT:** I am referring to page 36, staffing under the commission, which shows an increase in FTEs from 2015-16 to the next financial year, clearly articulated there, of three only FTEs, but on page 37 I am after clarification where we see employee expenses for the same period increasing by \$6 million and I am just asking for clarification about that apparent anomaly, if you would be kind enough, please.

**Mr Bassett:** I thank the member for the question. The increase in employee expenses is due to the increase in staff numbers for new functionalities, including the Assistant Commissioner Service Trade Division.

**Mr BENNETT:** Is that in addition to the three that has been reported or is that part of the three?

**Mr Bassett:** If I could take that question on notice, please, Mr Chair?

**Mr BENNETT:** I am sorry if I am not being clear.

**CHAIR:** The minister has to take it on notice.

**Mr de BRENNI:** I think we are quite comfortable to take that question on notice.

**Mr BENNETT:** For clarification, three FTEs, \$6 million extra in increased expenses. Thank you, Commissioner, thank you, Minister.

**Mr HART:** It is a dramatic increase, Minister.

**Mr de BRENNI:** I want to clarify my comment in relation to vegetation management before. I am advised that there has been a letter received in the office of the minister in relation to vegetation management and, additionally, I believe in the electorate office as well.

**Mr BENNETT:** Excuse me, Minister, just in relation to that, is that in relation to possible impacts on housing affordability? Are you able to discuss the contents of the letter or is that just alluding to there are conversations underway?

**Mr de BRENNI:** No, I am alluding to the fact that I am advised that correspondence has been received. I do not have the letter with me and I have not had a conversation.

**Mr BENNETT:** Is it in the public domain, that letter? Are you willing to table it at some point?

**Mr de BRENNI:** I do not have it with me, Mr Chair.

**Mr BENNETT:** Director-General, if I may, on page 33 of the SDS it shows the percentage of insurance claims for defective work assessed and response provided within 35 business days by the Queensland Building and Construction Commission in 2015-16 was just 39 per cent. I also note on page 34 that this was attributed to resource shortfalls as well as a deferral of a technology project. Can the director-general inform the committee if this technology project is the \$56.3 million Future of Property and Tenancy Systems project which is partially located on level 7 of Mineral House?

**Mr de BRENNI:** Mr Chair, matters of the operation of the Queensland Building and Construction Commission are a matter for the Commissioner. I am happy, with the committee's indulgence, to ask him to respond to those questions.

**Mr Bassett:** Could I ask that the member repeat the question?

**Mr BENNETT:** Thank you, Mr Bassett. I am referring to SDS page 33 which shows the percentage of insurance claims for defective work assessed and response provided within 35 business days was only 39 per cent. I note that on page 34 this was attributed to resource shortfalls as well as deferral of a technology project and I am asking you if this technology project is the \$56.3 million Future of Property and Tenancy Systems Project?

**Mr Bassett:** I thank the member for the question. No, it is not.

**Mr BENNETT:** Would you be able to allude to what the technology project that has been attributed to the percentage decrease of only 39 per cent success rate in that particular area is?

**Mr Bassett:** I thank the member for that question. Member, over the past number of years the Queensland Building and Construction Commission has undertaken a significant amount of enhancements to its infrastructure. There are a number of reasons for that, including the age of existing infrastructure as well as a requirement to increase and enhance our ability to engage with our customers and to provide increasing customer services. Those other types of enhancements include the ability for the organisation to now have a 24/7 contact centre and the ability for us to have a dedicated and more organisational wide customer management platform that has been rolled out and is continuing to be rolled out. This is part of our ongoing enhancement of delivery of our core services and our service delivery transformation project.

**Mr BENNETT:** The program we are attributing it to is called customer enhancement?

**Mr Bassett:** It is called the QBCC's service delivery transformation program.

**Mr BENNETT:** Thank you, Mr Bassett, that certainly clears that up for me. If I could go back to the issue that the minister just raised about veg management. I think it is important, Minister, that we do clarify with the DG that we have no knowledge of the modelling and impact on housing affordability and I respectfully ask that the minister consider tabling that letter for the benefit of the committee.

**Mr de BRENNI:** Mr Chair, as I indicated before and I will reiterate for the benefit of all committee members, I do not attend estimates hearings with a full suite of the correspondence that has been received by our office. As I indicated, there is correspondence that has been received. We have not conducted modelling on that because we do not accept the imputation in the question that vegetation management laws, which are yet to be considered by this parliament, have an impact on housing affordability. That might be your particular view, but it is not one that is shared by me.

**Mr BENNETT:** I am just asking a question. If I may, with all due respect, what I am asking is has the department done any modelling on the possible implications on housing affordability of vegetation management. I have not made any imputations that it will or it will not. I am asking that the DG clarify that there is no knowledge. Again, I appreciate that you do not have the letter, but you can take it on notice and you can deliver it if you so desire to give the committee access to it.

**Mr de BRENNI:** I don't accept that—

**Mr BENNETT:** So you refuse to table the letter?

**Mr de BRENNI:** I don't accept that the question relates to this SDS and I do not accept that it is a question that is not laden with imputation. We are not going to enter into that.

**Mr BENNETT:** So a \$2 billion portfolio about housing affordability for Queensland taxpayers is not relevant?

**Mr de BRENNI:** It is a far more significant portfolio than that.

**CHAIR:** Mr Bennett, you have been allowed to go down this path for quite a few minutes. You are wasting your own time. The minister has stated his position with regard to this matter and I ask you to move on to the next question.

**Mr BENNETT:** To finalise that, in the interests of transparency that you claim with your government, are you prepared to table the letter that you raised in this committee?

**CHAIR:** I asked you to move on to the next question. That is not the next question.

**Dr ROBINSON:** It was a question though.

**CHAIR:** I asked him to move on to the next question.

**Mr HART:** You can rule it out of order if you wish, Chair.

**CHAIR:** I have.

**Dr ROBINSON:** A question on transparency you are going to rule out of order?

**CHAIR:** Yes, and I am asking you to move on to the next question.

**Mr BENNETT:** Is the minister or director-general aware of any instances in the department where it has been invoiced for the supply of materials where investigations have found materials have not been supplied? I reference page 9 of the SDS.

**Mr de BRENNI:** I thank the member for the question. I will just go to page 9. If I could ask the member if he could indicate the particular element of page 9 that the question refers to.

**Mr BENNETT:** Absolutely. In your opening remarks you were very vocal about procurement being a key part of your portfolio and clearly I am talking about procurement practices of your portfolio and I am asking are you aware of any instances where people have invoiced for materials that have not been supplied?

**Mr de BRENNI:** The question that the member asks is around integrity and accountability within our department. I am quite confident that the department has in place all of the processes that are needed to investigate such allegations. Of course, such matters are an element of the operations of the department and I will ask the director-general to outline her response to such circumstances.

**Ms Carroll:** I thank the member for the question. I do not know off the top of my head if there are particular instances, but running such a large department and, in particular, having Building and Asset Services which does a lot of contracting, there will probably have been instances where a service has not been delivered. We have measures in place to ensure if something has not been delivered then it is dealt with under the normal contractual management processes and if something comes to light where it is more systematic it is referred immediately to our Integrity Services Unit and our Integrity Services Unit would investigate those particular matters. There would be a number of matters on foot at any point in time with our Integrity Services Unit—I am not saying that there are huge numbers but there would always be—and if we have any concern about a supplier or anything within the department then I would immediately refer that to our integrity services area.

**Mr KNUTH:** Minister, page 3 of the Service Delivery Statement of the Department of Housing and Public Works states that the vision of the department is to make a difference by working together to build better, safer places to live and work. Can the minister confirm that the Housing Commission homes in Townsville are replacing cyclone proof fences for panel fences and will this extend to other areas of the state and what is the cost of this?

**Mr de BRENNI:** I thank the member for Dalrymple for the question. Certainly when I visited and spent time in the electorate of Dalrymple, in both Charters Towers and in Atherton, the views of the member for Dalrymple are shared by those in his community about the importance of providing safe, secure and affordable places for people in our community to call home. The budget for 2016 outlines a capital works program, including maintenance and upgrades. We will be seeking to ensure that homes right across Queensland that we build and maintain are to the best possible standards.

I can advise the member for Dalrymple and the committee that the department's fencing guidelines and policy informs the replacement of fencing on the homes that we provide for vulnerable Queenslanders right across the state. Under our annual cyclical upgrades and maintenance programs, fencing replacements are completed in accordance with all necessary product specifications, of course, as they should be, and building codes applicable in particular areas. I can outline the actions that have been taken to date in respect of this particular matter for the benefit of the committee and also for the benefit of the residents of our homes in the electorate of Dalrymple, which I know the member is keen to ensure are delivered with the best standards.

In 2015-16 there were 962 fencing upgrades completed, of which 264 were in the Northern Queensland region where Dalrymple is. There was \$5.9 million expended for fencing upgrades, again of which \$1.6 million was expended on works conducted in that North Queensland region, member for Dalrymple. Fencing is an important issue. These homes are homes to families often with children and, of course, we encourage people living in our homes to feel secure and enjoy the comfort of pets as well. The statewide budget for proposed fencing upgrades in 2016-17 is \$4.3 million. We estimate that that will upgrade fences to 710 homes across Queensland. In particular, in that northern Queensland region, of the total budget there will be \$1.3 million allocated. That will lead to upgrades around the family home, fencing of the family home, providing security for children and pets for 182 homes.

**CHAIR:** Minister, I refer to page 3 of the SDS. Can you outline the government's position on the privatisation of public housing in Queensland?

**Mr de BRENNI:** I thank the committee for the opportunity to speak about something that is of significant importance to this government. The Palaszczuk government believes in the delivery of public services and the delivery of essential services by government. It is the policy of the Palaszczuk government to deliver essential services like public housing right across the state of Queensland.

Today, I sent a very clear message to the people of Queensland that we are committed to delivering front-line housing services for the most vulnerable people in this community. We have said that the large-scale transfer of social housing is not this government's policy. As a result, as I indicated in my opening remarks, I have decided to terminate the contract for the privatisation of almost 5,000 homes that people in the region of Logan live in. This would have resulted in government no longer being responsible for the delivery of an essential service in this state. I believe that government and I believe that the people of Queensland and I believe that the people of Logan made a clear decision around the privatisation of publicly owned assets in January 2015 which included our responsibility to deliver public housing to vulnerable Queenslanders.

The management as well as the ownership of social housing in Logan will remain in the hands of the people of Queensland. The LNP's risky scheme to privatise billions of dollars of Queensland's public housing assets to the private sector was unprecedented and it was unnecessary. As a result of the decision that I have taken and that I announced earlier today to the 40-odd staff working at the housing service centre, Logan public housing will remain operated by the Queensland government. We will immediately commence a new plan for the delivery of public housing in Logan. This will be initiated by the commencement of the construction of 70 new homes. It will ensure that we work with community stakeholders across Logan to make sure that the people who rely on government to deliver them a home are able to get one wherever possible.

**Mr CRAWFORD:** Minister, how was your announcement on the Logan Renewal Initiative received by your staff?

**Mr de BRENNI:** I thank the member for Barron River for the question. I attended the Woodridge HSC today. The Woodridge HSC was the first housing service centre that I visited on becoming Minister for Housing and Public Works. The Woodridge Housing Service Centre was established under the housing commission and the city of Logan was built around the Housing Service Centre. The city of Logan was built around public housing in that region. Today I had the opportunity to deliver first-hand to the more than 40 staff the news that hardworking and dedicated public servants have now returned job security, that they are going to continue to play a significant role in the lives of 5,000 families in Logan and that they are going to continue to provide those people with homes.

I go to the specifics of the responses from people in that room today. It was quite an extraordinary response from the staff, all of whom individually thanked me and this government for the decision that we have taken. They thanked me not just because of their job security; they thanked me because they understand the vital role that they play in the delivery of that essential service in our community. Later I spoke to a range of other stakeholders, including the mayor of the Logan City Council and the leadership of the chamber of commerce, who indicated that the decision that our government has taken is the right one for the people of Logan.

**Mrs MILLER:** I refer to page 7 of the SDS in relation to 1 William Street. Minister, many public servants have advised me that they are not at all looking forward to moving to 1 William Street, with its kennel-like open plan design. In fact, many public servants have referred to it as 'the kennel'. Can this building be altered in any way, given that it was authorised under Campbell Newman?

**Mr de BRENNI:** I thank the member for Bundamba for the question. As the committee will recognise, the design of that building occurred under the previous LNP government. In terms of our responsibility, the Department of Housing and Public Works is not yet in control of that building from a government accommodation point of view. However, in terms of going forward when we are, I might refer that question to the director-general to get some more details there.

**Ms Carroll:** Certainly, as the minister indicated, the Treasury department is responsible at the moment for the establishment of 1 William Street. As part of that establishment, the fitout et cetera was in that original contract and is part of that establishment. Effectively, the features of the open plan et cetera will be in place from when the staff start to move in later this year. At the point that staff start to move in, the responsibility for the building will transition over to Housing and Public Works. Given the fact that it is an all-new fitout that has only just been completed and was part of that original contract, there would not be any immediate changes.

**Mrs MILLER:** So it is right that it is basically all open plan and those senior officers who currently have offices at the moment will be in an open plan, kennel-like environment? I have not seen the plans.

**CHAIR:** I think you should make that into a general question rather than an assumption.

**Mrs MILLER:** Is it correct? Is it basically all open plan?

**Ms Carroll:** It is open plan on each floor. Then there are break-out areas for people to go to. The structure and design is an open-plan design and there are break-out areas and meeting rooms and those sorts of things that people can go to. There are not a lot of offices.

**Mrs MILLER:** Minister, this is obviously Campbell Newman's legacy to public administration in Queensland. Thank you.

**Mr de BRENNI:** I agree.

**CHAIR:** Minister, a key theme for your housing strategy discussion paper was sustainable communities. In reference to page 3 of the SDS and the department's contribution to building safe, caring and connected communities and protecting the environment, could you please advise how the housing strategy will contribute to this commitment?

**Mr de BRENNI:** I am very pleased for the opportunity to discuss the progress in the development of a new housing strategy for all Queenslanders. I start by indicating that the previous government's housing strategy was solely focused on the privatisation of publicly owned housing assets. This government's strategy will be focused on providing more sustainable communities, more sustainable homes, more affordable homes and a more responsive housing system for every Queenslander, regardless of whether you find yourself in the unfortunate circumstances of homelessness or you have been fortunate enough to be supported in public housing; whether you rent a home; whether you own a home; whether you rent a home to somebody else; whether you are a builder, a certifier or an investor. Our housing strategy seeks to engage with people across that breadth of the community.

Importantly, through our extensive process, which began in March this year, we have heard from literally thousands of people across the state. Our discussion paper that generated that response was released on 23 March. I would like to report to the committee in respect of the extensive nature of the consultation and the response that we have received from Queenslanders. As I said before, housing is a deeply personal matter. I have been extremely heartened by the contribution that has been made by people right across the state. In fact, more than 1,777 people attended 64 sector and invitational events to share with us their ideas about how we can make housing better and create more sustainable communities. We also received 859 responses to an online survey. We received 167 comprehensive written submissions from individuals, community groups, industry organisations, businesses and not-for-profit groups. There were a number of themes that we discussed across the state in these sessions, which as I said were well attended.

One of the things that I have been really pleased to see is how much engagement people in our community have had around the theme of sustainable housing. Of course, many people are keen to talk with us about innovative design that can reduce the overall cost of housing. I was fortunate enough to attend an internationally recognised and award-winning home in my own neighbourhood of Logan, the Vicker Ridge, which is a home with all of the most outstanding modern comforts. It is also one of the most sustainable homes on the planet, such that it won the Premier's sustainability award. Homes such as that have been an exemplar for people in our community to suggest ideas around more environmentally efficient building design. People have asked us to consider the different types of environments in which homes are built in Queensland. Through the consultation process, I have learned that building materials that are utilised in places such as Shailer Park, where I come from, are not always appropriate for use in places such as Far North Queensland or western Queensland. Making sure that we take into consideration the climate for the build and also the comfort of people living in those homes is important. Our new housing strategy, to be delivered later this year, will take into consideration how we can achieve those sustainable outcomes.

Of course, we want to ensure that sustainability also goes to the energy efficiency of the construction process itself. It is a consideration there. One of the key themes raised with me is a shift towards a real interest in our community around different types of homes, around new options for people to build different designs that are smaller and have a smaller footprint, which makes them more sustainable environmentally and also makes them more sustainable from an affordability perspective.

**Mrs LAUGA:** Minister, I refer to page 3 of the SDS. I also refer to your earlier comments around the development of a 10-year strategy for housing in Queensland. I note that you, your department and other stakeholders have now completed a statewide consultation process. I am interested in understanding what sort of feedback you have received to date from the Queensland community and what have been the key emerging issues.

**Mr de BRENNI:** Thank you very much, member for Keppel, for the question. I am pleased to have the opportunity to elaborate on the development of the housing strategy. When I was in Central Queensland with the member for Keppel I was surprised at just how interested students at the high school we attended together were in discussing their housing future. When we were in Bundaberg, in Far North Queensland, in Atherton and on the Gold Coast it was the same.

I make particular reference to the event on the Gold Coast. A room full of people showed up on a Sunday morning. Students, academics, tenants, home owners and people interested in developing a brighter future for housing in Queensland shared with us their ideas. The member for Southport came along to that particular meeting and made a positive contribution.

Some of the themes that have emerged go to some of the demographic changes that we are recognising in Queensland, nationally and globally. These demographic changes are ones that I am sure we are all well aware of. Two key ones come to mind. The first is an ageing population. The needs of people as they grow older and our desire as a society and community to encourage people to be able to stay in their own homes as they age has been front and centre of the feedback that we have received in these consultation sessions across the state. Importantly, our response will need to consider the types of homes and the design of homes. As a department we have to consider this in respect of the homes that we provide in the public housing space.

The other theme that has emerged is around liveable and accessible housing design. We as a society have taken significant steps with the National Disability Insurance Scheme to provide people with a disability with significantly more independence in terms of their care. What we are hearing from people at the consultation sessions is that they would also like to enjoy significantly more independence in terms of their housing options. The themes that are coming through will challenge us in terms of the setting of policy in the housing space to determine what changes we ought to consider around the design of new homes and the design of communities to ensure that people in their senior years can live in their own homes and also ensure that people with a disability can enjoy independence and flexibility in their own homes.

We also heard about affordability. This issue was raised earlier in the hearing. The themes coming through in that regard were support for measures to help people move down a well-lit path to housing ownership. In Australia the issue of housing affordability has become a national political issue. I am sure it is front of mind for most Queensland households. What our government is seeking to do is deliver a 10-year housing strategy that will help light that path for Queensland families to ensure that they do not fall through the cracks, their homes are appropriate for them, they feel secure and homes are affordable.

This goes back to the comments I made before about the privatisation of public housing. I am very proud to be the Minister for Housing in Queensland. The delivery of an essential service that is as personal as one's home is something that a Labor government feels very strongly about. I am very much looking forward to seeking the support of the government for the implementation of the 10-year housing plan later this year.

**CHAIR:** We will now move to questions from non-government members.

**Mr BENNETT:** With your indulgence, Minister, I will go back to procurement services at page 9 of the Service Delivery Statements. I would respectfully ask the minister to consider taking on notice the question I asked about the instances of invoiced materials not being supplied. Would you be prepared to do that? I am referring to my previous question.

**Mr de BRENNI:** Can you repeat the question, please?

**Mr BENNETT:** I refer to procurement services at page 9 of the SDS. I asked whether the director-general was aware of any instances where the department had been invoiced for the supply of materials yet investigations had found that the materials had not been supplied. I was respectfully asking that you take that on notice.

**Mr de BRENNI:** Can I clarify the question. Are you asking whether there has been—

**Mr BENNETT:** Very simply, have you been invoiced for materials that have not been supplied?

**Mr de BRENNI:** If there has been an investigation into such things?

**Mr BENNETT:** That is correct.

**Mr de BRENNI:** I think we are happy to take that on notice. I am sure the director-general will talk about the breadth of investigations. Like all departments, we will investigate any matters of concern that are brought before us.

**Mr BENNETT:** With reference to the Department of Housing and Public Works's future of property and tenancy systems technology project, can the director-general advise why this project is identified on the government's ICT dashboard as requiring critical action?

**Ms Carroll:** I thank the member for the question. This particular project, the future of property and tenancy systems, is a very significant overhaul of our property and tenancy management system. It has been going for over a year now. Effectively, the current system is a very old system and it is actually based on a finance system. The system is used to actually do not just the finance part but has all the property information and our staff out in our housing service centres use that same system to do the tenancy management—that is, to match tenant applications with available properties et cetera.

The reason it is red on the system at the moment is that we have paused to do a mid-term review of that. We were concerned to look at the progress that it was making and to make sure that we were actually going to be able to deliver the system at the end of the day. The reason it is red is because we have paused and we are going through a review period to make sure that we will be able to deliver it and look at the cost and delivery elements of this particular system.

**Mr BENNETT:** I refer to page 57 of paper budget No. 4. I am after some clarification in relation to what is at the bottom of that page. It advises that \$32 million of additional funding over three years from 2015-16 will be provided to carry out backlog maintenance on government employee housing. The maintenance program is being funded from the sale of surplus general purpose housing. Director-general, how many of these general purpose houses have been sold to date and how many more do you expect may be sold?

**Ms Carroll:** I thank the member for the question. To date we have settled around 60 properties, to the value of \$16.7 million. We have another six properties that are currently under contract. We have on the market at the moment around 19 properties. We are looking in the near term to put around another 30 properties on the market. What we are doing with the funds from those properties is investing in the building of new government employee housing, particularly in remote communities.

**Mr BENNETT:** Director-general, it does say that the backlog maintenance program is the intended revenue stream for the \$32 million. I am reading from that page.

**Ms Carroll:** I was probably talking at cross purposes.

**Mr BENNETT:** I just wanted to clarify for you. It says that to fund the backlog maintenance program you are going to sell the government employee housing.

**Ms Carroll:** The sales from the government employee housing goes to two components. It goes to backlog maintenance and also to the building of new properties. What occurred in 2014 was that the Department of Housing and Public Works got a range of government employee houses from different departments to be managed as a cohort. In particular, this was done to assist when properties need to be redeveloped, particularly in remote communities. Often you need some properties for education, some for health, some for police et cetera. There is a process by which those can be done together. The funds are for two different things. I will see if we have some specifics about that \$32 million.

**Mr BENNETT:** I have a supplementary to that while you are digging for the information. Why are there no figures shown in that line item above that particular comment for the government employee housing program through the forward estimates? There is nothing in 2015-16 and nothing in 2016-17.

**Ms Carroll:** Effectively, it is because it is a self-funding program. There is not a drawdown on the budget, so to speak. I will get some clarification on that particular item and come back to that.

**CHAIR:** Minister, are you happy with that?

**Mr de BRENNI:** We will provide you with that information. As the director-general outlined, there is not an appropriation for that. It is a self-funded program, as you outlined in your question.

**Mr BENNETT:** At point 8 on page 25 of the SDS it says that the increase in operating deficits, which is pretty common, is mainly due to additional expenditure on government employee housing backlog maintenance being funded from cash reserves, maintenance funded from the prior year retained surpluses or a net deferral in capital grants for the Indigenous Community Housing

Organisation program. I am wondering which it is. Is it the sale of government employee housing or is it from cash reserves or from deferred programs? Do they all get thrown into the same pot to fund all those programs? I am after some clarification.

**Mr de BRENNI:** I thank the member for the further question about the operation of the funds to fund the upgrades to government employee housing. We are seeking some clarification. I will take that on notice.

**Mr BENNETT:** I refer to procurement services on page 9 of the SDS and the interdepartmental committee review of Queensland government procurement also at page 9 of the SDS. There is reference to a pilot of the first regional plan by 30 June 2016. Can I ask the director-general or the minister to provide an update to the committee on this trial?

**Mr de BRENNI:** I will hand to the director-general in just a moment to outline the trial. As I indicated in my opening remarks, procurement is a vehicle through which this government will seek to ensure a range of objectives are met. There was a review into procurement in Queensland. The government established an interdepartmental committee to establish our response to that.

I can assure the committee that the focus of that process is about building procurement capability and capacity across government. We will be seeking value for money and leveraging our government buying power to achieve a range of outcomes. Of course we want to partner with local industry in regional and remote areas of Queensland in particular. As the question alludes to, there is a concept of a trial of new procurement processes in regional Queensland. I will get the director-general to outline the progress made in that regard.

**Ms Carroll:** I thank the member for the question. We are scoping what a regional procurement plan might look like. We are looking at how we might trial a specific plan in a particular area. Over the last 12 months we have been doing some work in Cairns with the local chamber of commerce. We have been looking at what is possible and what people would be looking for in terms of regional procurement. We are looking to move to a more formalised trial over this coming year and doing some consultation.

One of the early things that has come out from our discussions with local industry is that there are lots of different elements to procurement and whether this will just be another overlay. We are wanting to make sure that, as we talk to industry within a particular community, the design that we come up with for a regional procurement plan would be most advantageous to that community.

**Mr BENNETT:** I note there are a couple of questions on notice there, but I would like to refer to the QFleet performance statement, commencing on page 62 of the SDS. Can the minister advise the committee how many vehicles were in QFleet at the beginning of the 2015-16 financial year and how many there are now? What is the projected size of the fleet at the end of the 2016-17 financial year?

**Mr de BRENNI:** I thank the member for the question. I will take that on notice.

**Mr BENNETT:** Again, with regard to procurement services in the department, are you aware of any examples or occasions when procurement services have not been put out for public tender?

**Mr de BRENNI:** If there are procurement processes within the department?

**Mr BENNETT:** That have not been put out to public tender.

**Mr de BRENNI:** The purchasing of departmental equipment, material, goods and services is an operational matter. I am not aware of any arrangements that would not have been within the usual processes of day-to-day business operations of the department, but as they are clearly operational matters I will refer that to the director-general.

**Ms Carroll:** Within the department the majority of the work that we do would be put out to tender, but within the procurement guidelines there are different ways that are acceptable to go out for procurement. Often we have a range of panels across government. People can directly procure from the panel or get quotes from people who are on those panels. If it is a particular amount of expertise that is required, it will not necessarily be a broad public tender but it might be what we would call a select tender to a group of providers that would have specific knowledge in that area. The most common is to go out for an open tender or to use one of the procurement panels. Suppliers go through a lot of effort to get on those procurement panels so we use those as much as possible, but there will be a limited number of occasions when it is a more direct tender process.

**Mr BENNETT:** Would you be prepared to take that on notice, Minister?

**Mr de BRENNI:** Mr Chair, I think the director-general has outlined pretty clearly that there is a range of processes that occur. I do not think there is a need to outline for the committee every tender process or every purchasing process of the Department of Housing and Public Works. I do not think the SDS seeks to assert that we intend to report on that.

**Mr BENNETT:** With respect, I am not after a detailed breakdown. It is just where it has not gone to public tender. It is a simple question, but if you do not want to do that, that is fine, Minister. I will just note that.

**Mr de BRENNI:** If the member for Burnett is asserting that every purchasing decision, from a stamp to a paperclip—

**Mr BENNETT:** No, not at all. All I am asking is the occasions when it did not go to public tender. That is all I was asking.

**Mr de BRENNI:** The member for Burnett is seeking advice on insignificant and immaterial purchases—

**Mr BENNETT:** We will move on, Minister, if procurement in Queensland is insignificant to you. I will note that.

**Mrs LAUGA:** I think that is an imputation.

**Dr ROBINSON:** He is refusing to answer it.

**CHAIR:** I think you should also withdraw that comment that you made.

**Mr HART:** Let us put a figure on it, Minister. What about everything over \$10,000 that has not been put out to public tender? Can you do that? Can you take that on notice?

**Mr de BRENNI:** Mr Chair, it is not within the SDS to promulgate the idea of providing a cost for every single piece of paper or for every paperclip—

**Mr HART:** Paper clips do not cost \$10,000, Minister.

**Dr ROBINSON:** No-one is talking about paperclips.

**Mr de BRENNI:** Mr Chair, I am not going to enter into a negotiation with members of the opposition around the procurement policies of the department.

**Mr HART:** It is a direct question, Minister.

**CHAIR:** The minister has responded in the way that he is entitled to. Can we have another question, if you have one?

**Mr de BRENNI:** Mr Chair, I can update the committee on a previous question asked by the committee members in relation to QFleet. I have that information for the benefit of the committee in relation to the size of the motor vehicle fleet. The size of the fleet as at 30 June 2016 was 8,507. That is a reduction from the previous year of 0.4 per cent.

**Mr KNUTH:** Minister, I refer to page 4 of the SDS for the Department of Housing and Public Works regarding the result of the review of housing policy for fairness. It mentions the new legislation which removes the three-strikes policy. Has there been an increased number of people applying for public housing? Will there be more resources to attend to complaints and higher demand for housing in regional departmental offices?

**Mr de BRENNI:** I thank the member for Dalrymple for his clear interest in the rights of public housing tenants in his own electorate and also right across Queensland. I know that when we met with tenants in Atherton they had some very clear views around the preference for the policies of this government over the policies of the previous government which were clearly targeted at leading to the eviction of tenants. The member for Dalrymple and other members of the committee would probably be aware, as was alluded to, that we conducted a review of housing policies in Queensland. Some of the key results of that review established a set of fairness principles, and I will come to the specifics of your question in a moment, member for Dalrymple.

I want to outline for the benefit of the committee the basis on which housing policy decisions are now made. They are to ensure natural justice for the tenant to have a right of reply, to ensure that we do not discriminate against vulnerable people, to ensure that we are reasonable according to legal and legislative definitions, and to ensure that we have a human element. The previous government's three-strikes policy was a gimmick that was aimed at throwing some of the most vulnerable Queenslanders out of their homes. I have said before that I am proud to be the housing minister—

**Dr ROBINSON:** That is verballing.

**Mr de BRENNI:**—and to ensure that people who live in our homes, many of whom have challenging needs around disability, many of whom have mental health challenges, are supported to stay in their home that we have provided them. Simply disregarding their needs and pushing them into homelessness not only is inappropriate but also shows a lack of sophistication and a lack of compassion for people in Queensland.

As I said on almost my first day as minister, the introduction of these policies when I announced them was about no longer treating public housing tenants as second-class citizens. That is what the previous government did: it treated them as second-class citizens. The three-strikes policy unfairly threatened social housing tenants including some of the state's most vulnerable people.

This is not just my view; these are the views of tenants in our homes that we consulted about these policies. These are the views of stakeholders in the housing sector. Importantly, the Mental Health Commission report highlighted that managing behavioural complaints for people with complex needs ought to be improved, and that is what we have done. If members of the opposition think we are watering down our expectations of behaviour, they are simply incorrect.

**Mr HART:** Of course you are. That is exactly what you are doing.

**Mr de BRENNI:** As the member for Dalrymple knows, fairness means fairness for everybody—not fairness based on your views but fairness based on a reasonable assessment of all of the circumstances?

**Dr Robinson** interjected.

**CHAIR:** If we are going back to interjections, it is all over for you guys.

**Dr ROBINSON:** The minister is provoking and he is getting back what he deserves.

**CHAIR:** I have been around here for a long time and I have a pretty good memory.

**Dr ROBINSON:** I am happy to respond to interjections, Jim.

**Mr CRAWFORD:** Minister, I refer to page 3 of the SDS regarding the development of the new 10-year strategy for housing in Queensland. What are the next steps in developing the strategy now that consultation has been completed?

**Mr de BRENNI:** I thank the member for Barron River for the question. There are important next steps in the development of the 10-year housing strategy. I spoke earlier about the volume of responses that we have received. As a department since 30 June, when the community consultation period concluded, we have been working through those submissions. We are working with the department to analyse the experiences of people throughout Queensland. We are analysing their perspectives, and we are drawing together those key themes that I mentioned in response to the member for Keppel's question earlier—themes around innovation, making sure that people with a disability are well catered for, making sure that older people in our community can continue to live in their homes.

Our next steps will be to develop a comprehensive strategy which for the first time in Queensland takes a sophisticated view. This is a government that is going to take a sophisticated view to the delivery of housing strategy that matters for all Queenslanders. I will put together a government response to the consultation process, and I will seek the support of government for the delivery of that strategy later this year. We will then commence implementation of the elements of that strategy that go to delivering better homes and more sustainable communities right across Queensland.

**Mrs MILLER:** Minister, I refer to page 4 of the SDS. Getting public housing in Goodna, Gailes, Riverview, Dinmore, Bundamba, Springfield or Springfield Lakes is like winning Gold Lotto in my electorate, yet over the years too many houses have been sold off. Just like the superannuation ads that you see on TV—same house, same number of bedrooms, same kitchen, same bathroom—they all look alike and yet if you are in public housing you pay \$120 a week but if you are in private housing you pay \$300-plus per week for the same house. Everyone knows that they were Queensland Housing Commission homes. As this causes social upheaval within my electorate, what is the department doing to rectify this public policy failure of previous governments?

**Mr de BRENNI:** I thank the member for Bundamba. I appreciate the question. I reflect on my experiences in the electorate of Bundamba with the member for Bundamba, and I have seen firsthand your advocacy for the rights and conditions of people. I remember that occurring not long after the floods that devastated that community.

The government has taken a very clear decision today to ensure that privatisation or selling off of public houses is no longer going to occur under this government. The important thing that we then have to consider is how we can ensure that many more people in Queensland, in places like Bundamba but also in places like Cairns, the Gold Coast, the Sunshine Coast and close to the city here in Brisbane, can find a safe, secure and affordable place to call home.

One of the unfortunate realities today in Queensland is that far too many people are unable to find housing that ought to be properly described as affordable for them. I think affordability needs to be considered not just in terms of the housing market but also in terms of the incomes of people in our

communities. There are many people who are living in communities across Queensland like Bundamba who survive, take care of their kids, get a meal on the table every day and then struggle to pay their rent. That is why it is so important that we ensure that the Queensland government's stock of public housing in places like Logan but also in places like Bundamba remains in public hands—that it is not privatised, sold off or given away, whatever the preference of members of the opposition might be.

I can assure the member for Bundamba and other members of the committee who might be interested that out of the work that we will deliver in terms of the 10-Year Housing Strategy we will not only ensure that the public housing sector in Queensland remains in government hands and remains robust to be able to provide that essential service; we will also identify ways that we can create more affordable housing. I think one of the key ways that we can free up some of the public housing for more people to move into is to ensure that there is affordable housing for those who do have a slightly higher income or more capacity to do so to find a place for them and their family. I am very committed to ensuring that people, whether they are in Bundamba or in my neighbourhood of Shailer Park, can find those homes and ensure that they are affordable.

**Mr CRAWFORD:** Minister, referring to page 3 of the SDS where it states that long-term funding arrangements with the Australian government will impact on the department's operating environment in 2016-17, can you detail the impact that the national partnership on remote housing will have on the department?

**Mr de BRENNI:** I thank the member for Barron River. The Department of Housing and Public Works plays a key role in the delivery of housing in Aboriginal communities right across this state. In fact, in some communities we provide nearly all of the homes for people to live in. I was struck by the importance of this when I visited communities in the Torres Strait and Cape York. I also want to take the opportunity to recognise the reappointment of Senator Nigel Scullion as the Commonwealth minister responsible working with me on the delivery of Aboriginal housing, particularly in remote communities.

Over the life of the former National Partnership Agreement on Remote Indigenous Housing, I can inform the committee that the state of Queensland has delivered 771 new homes and we worked to refurbish 453 new homes. As I mentioned before, that is an important aspect of the work that we do under that program, particularly in remote communities. The climate in Cape York can be pretty tough on a house.

The national partnership on remote housing is time limited. It concludes on 30 June 2018. However, the housing needs of those remote Aboriginal communities are certainly not going to be resolved in their entirety in that time frame. Queensland's funding over the national partnership on remote housing over the next two years extends to \$245.17 million. That is broken up, I am advised, into \$133 million in 2016-17 and \$111.7 million in 2017-18. It is of concern that the Australian government has not yet made any funding commitments beyond 2017-18. Uncertainty about funding is a concern for me. It is also a concern for those who are working to deliver housing and homelessness infrastructure in remote Aboriginal and Torres Strait Islander communities.

**Mrs LAUGA:** In reference to page 3 of the SDS which states that the department will implement recommendations from the interdepartmental committee *Review of Queensland government procurement*, can the minister advise why an interdepartmental committee review was required?

**Mr de BRENNI:** I thank the member for the question. As I mentioned earlier, the government committed to conduct a broad-ranging review of Queensland government procurement practices to ensure probity and value for money remain at the forefront of the state's procurement policy and that we consider ensuring that local content provisions feature as part of our process going forward. In terms of answering the question, I might put it in some context in terms of what is effectively a six-point plan for delivery of improved procurement in Queensland.

The first one is we are going to ensure that procurement is agency led so that departments will be responsible for their procurement outcomes but they will be supported by a whole-of-government policy, supported by a whole-of-government strategy and of course frameworks that exist are able to function. I will talk about how the interdepartmental committee fits into that. We have established the Office of Chief Advisor—Procurement who will be responsible for the delivery of those whole-of-government procurement governance arrangements. As I indicated before, a focus on probity will strengthen the governance in both policy and practice. Industry engagement is going to be the fifth critical feature of that, and I will talk about the structure of that in just a moment if I can for the benefit of the committee. Finally, we will ensure that capability is enhanced. We will be working around publishing a forward procurement pipeline. We will be working around better coordination and collaboration of programming across department projects. That is designed to help ensure the economic prosperity and economic activity in regional Queensland as well.

The design of the structure that will function behind that will be led by a CEO leadership board. Below that will be a Queensland Government Procurement Committee. A procurement industry advisory group will provide on the one hand direction and advice to government and on the other hand information and oversight. Below that, there will be category councils established where, for instance, the Department of Housing and Public Works will lead the building and construction and maintenance category council, and departments such as Queensland Health will lead procurement around a health element.

It was important to ensure that an interdepartmental committee had the opportunity to work to establish those whole-of-government mechanisms so we could continue towards achieving those broader social, economic and environmental outcomes from sophisticated procurement but at the same time making sure that probity remained at the highest standard.

**CHAIR:** Minister, I have a question and we only have a couple of minutes left. I will ask the question and you can either answer it briefly or take it on notice if you feel as though you do not have enough time. I note you spoke earlier about housing affordability. How do you propose in 2016-17 to work towards more affordable housing for Queensland?

**Mr de BRENNI:** I thank the member for the question. At the core of answering that question has been the consultation that we have conducted with Queensland. I want to at this point talk about the other organisations and experts that have contributed to my early thinking about how we can create more affordable homes for families in Queensland. We have been working with the Local Government Association of Queensland, the Urban Development Institute of Australia, the Housing Industry Association, the Property Council, the Real Estate Industry of Queensland and Tenants Queensland importantly. We have sought in expertise from universities across Queensland. The 10-Year Housing Strategy will be supported by the contributions made by those organisations. The frameworks and initiatives that we put in place will be structured around making sure that as many families in Queensland have a safe and secure place to call home and that affordability becomes a more achievable outcome for more and more families and individuals, whether that is affordable in terms of the home that you want to rent or perhaps the home that you want to buy.

**CHAIR:** Minister, do you have any answers to questions on notice at this stage? If there are any that you do not have now, we need them by 12 o'clock on Friday.

**Mr de BRENNI:** Mr Chair, I am advised that the Queensland Building and Construction Commissioner can provide the answer to the question that was posed of his organisation earlier.

**Mr Bassett:** In response to the question on notice, the estimated actual cost for employee expenses for the 2015-16 financial year does not represent the actual cost of having 403 employees employed for the entire financial year. That explains why there is an increase in FTE from 377 to 403 in the financial year 2015-16. That is why it did not result in a significant difference in the budget figure for employee expenses and the estimated actual cost of \$42,565,000 for the 2015-16 financial year. The reason that the QBCC has budgeted approximately \$48 million for employee expenses in the financial year 2016-17 is that QBCC is anticipating 406 employees employed full time throughout the entire financial year.

**CHAIR:** Thank you.

**Mr de BRENNI:** The director-general also has an answer in relation to the operation of the department's division in relation to government employee housing that we would be pleased to provide to the committee.

**Ms Carroll:** In response to the question that I was asked around Budget Paper No. 4 and page 25 of the SDS and how the things added up, I am informed that the SDS refers to all of HPW not just government employee housing. The government employee housing backlog program was funded from asset sales and the government employee housing maintenance fund. That maintenance fund comes from the rent that is paid in from the different departments. From the prior year, some of this was retained as a surplus and a carryover. Budget Paper No. 4 is correct as well, as we are providing \$32 million for backlog over three years and that is funded as is described from the asset sales. It is a complicated mix of how the funding works within HPW. It is not listed in the table, as I indicated, because it is not funded by Treasury. It is funded through either the sales of the other properties or the rent that we receive.

**Mr BENNETT:** Thank you.

**CHAIR:** Minister, do you have a short closing statement?

**Mr de BRENNI:** Yes. I thank you, Chair. I thank the committee members and the other members who have joined the committee tonight. I thank you for your interest in this important area of housing. I also thank the Queensland Building and Construction Commissioner, the CEO of the Residential Tenancies Authority and, importantly, my director-general, Liza Carroll, and all of the staff of the Department of Housing and Public Works for their ongoing efforts.

I thank all of the staff here at Parliament House as well. I know it has been quite a long day for all of you. I thank the committee staff who I had the pleasure of meeting tonight for your ongoing hard work and dedication. Finally, I say a big thanks to my chief of staff and the other ministerial staff who are here in the room tonight for their constant hard work to ensure that Queenslanders get to enjoy the benefits of a Labor government.

**CHAIR:** Thank you, Minister. That concludes the examination of the proposed expenditure for the portfolio of the Minister for Housing and Public Works. I thank you, Minister, and your departmental officers. Being your first estimates committee, you can now go and have a drink and a pizza somewhere. The committee has resolved that answers to any questions taken on notice or additional information must be provided to the secretariat by 12 pm on Friday, 22 July. I think it has all been covered but just in case we have missed anything. I thank Hansard for your input. You work so very hard for us. I love the way you do my speeches for me and the way they appear in *Hansard*. Thanks again everybody. It has been a long day but it has been a very rewarding day for this committee. I declare the hearing now closed.

**Committee adjourned at 8.44 pm**