



Speech by

Hon. MERRI ROSE

MEMBER FOR CURRUMBIN

Hansard 18 September 1998

EMERGENCY SERVICE LEGISLATION AMENDMENT BILL

Hon. M. ROSE (Currumbin—ALP) (Minister for Emergency Services) (10.54 a.m.): I move—
"That the Bill be now read a second time."

Today is an important day for the future of all Queenslanders. Perhaps it is most important, however, for officers and staff of the Queensland Fire and Rescue Authority, the Queensland Ambulance Service and for members of local ambulance committees. The Bill that I have just introduced into this House provides a legislative framework to address problems associated with the Fire and Rescue Authority Act 1990 and the Ambulance Service Act 1991.

The Queensland Fire and Rescue Authority and the Queensland Ambulance Service were created respectively as statutory authorities in February and July 1997. The amending legislation at that time provided for both organisations to be governed by boards which have responsibility for making policy, determining the strategic direction and the management of the respective authorities. At the time that legislation was introduced, the previous Minister identified increased management autonomy and the ability to operate more independently of the Department of Emergency Services as the benefits associated with the new structures.

The previous Minister never adequately explained to this House why independence from the Department of Emergency Services and increased management autonomy were appropriate for organisations providing essential services to the people of Queensland and which are funded, to a large extent, by public monies. The Minister was effectively saying he did not want to take responsibility for providing ambulance services and fire services to the people of Queensland and that he would install ostensibly unaccountable and unelected boards to do his job for him.

When we raised questions about the financial position of the QFRA trust fund during the last Parliament, we were told there were no problems. To ascertain the truth and extent of the problem, I commissioned an independent report into the fund's financial state. The PricewaterhouseCoopers report confirmed the terrible state of the QFRA trust fund. We have since found that an independent financial consultant produced a report in 1997. The former Minister and the board that he set up ignored the issue and little action was taken by the board, or that same Minister, to address the problems.

Several other major issues emerged from the PricewaterhouseCoopers report. The auditors validated the departmental financial projections and confirmed that the QFRA would be insolvent within two years. Furthermore, the organisation would be \$118m in the red within six years if no remedial action was taken.

The report goes to the heart of the problems confronting the State's fire service. It identified serious corporate governance and accountability failings and questioned—and I quote—"the irrelevance of the board structure for a service delivery agency such as QFRA". In addition to the problems identified by the audit, it is clear that the role of the director-general as the accountable officer under the Financial Administration and Audit Act 1977 and the role of the boards are in direct conflict. As accountable officer, the director-general is ultimately responsible for the financial management and performance of the statutory authorities.

But the previous Government established boards to be responsible for the way the authorities performed their functions and exercised their powers and also to decide the objectives, strategies and policies to be followed by those authorities. The previous Government was unclear about who would actually run the authorities—the director-general or the boards. I intend, by the introduction of this legislation, to resolve this inconsistency.

Mr Veivers interjected.

Mrs ROSE: As I have said before, this Bill will not affect the role of the respective commissioners, firefighters or ambulance officers. It simply provides that the director-general will have the management and decision-making role previously held by the board. This will ensure that the director-general's responsibilities under the Financial Administration and Audit Act 1977 are consistent with the powers that the director-general has under the Fire and Rescue Authority Act and the Ambulance Service Act.

Mr Veivers interjected.

Mr DEPUTY SPEAKER (Mr D'Arcy): Order! I think it is time I protected the Minister from the member for Southport.

Mrs ROSE: Thank you, Mr Deputy Speaker.

In reviewing the financial status of that organisation, the report author found that—and again I quote—"the board had not resolved the funding issues faced by QFRA", "political expediency constrained the board in fulfilling its role", and that "the board could not act entirely independently and that political interference had occurred to hold up action to save the trust fund".

The audit report proves that the board structure does not work; that it is entirely inappropriate for an emergency service delivery agency. The argument that the boards allow a distancing of responsibility from the Minister cannot work in practice. PricewaterhouseCoopers identified that—

"... political issues have stalled action that should have been taken by the board to address the funding issues. These issues were notified to the board and the Minister in April"—

Mr VEIVERS: I rise to a point of order. The Minister is referring to an audit report that neither the board nor the Parliament has seen. She is quoting from it and using it as ammunition when we have not had a chance to see it.

Mr DEPUTY SPEAKER: Order! The member will resume his seat. There is no point of order.

Mrs ROSE: I will continue—

"These issues were notified to the board and the Minister in April 1997";

"The board does not have a comprehensive range of expertise to deal with its responsibilities under its Act"; and

"The board has not resolved the funding issues faced by the QFRA which have been tabled since April 1997."

QFRA and QAS are public sector bodies responsible for spending and managing taxpayers' money and delivering essential emergency services. Every Queenslanders is a shareholder in these vital services. The boards have created another layer of cumbersome decision making and have a supporting bureaucracy of significant size. The current boards lack effective representation from key stakeholder groups and are completely unnecessary in a service delivery agency which is not operating in a commercial market environment.

This Bill introduced today will achieve a number of important objectives. These objectives are—

to restore ministerial authority and reflect appropriate levels of ministerial responsibility;

establish a reporting structure where the Chief Commissioner of the QFRA and the Commissioner of the QAS report to the Minister through the director-general;

abolish the QFRA and QAS boards;

maintain both the QFRA and QAS as statutory authorities and retain their employees' status outside the public service; and

maintain the existing operational decision-making authority of the commissioners.

The legislation will also create an Emergency Services Advisory Council. This body will have high-level stakeholder representation and will perform an advisory role with respect to emergency services. It will also advise me on the extent to which current service delivery satisfies community needs and contributes to the achievement of the Government's desired community outcome. I want to know what we are doing right, what we are doing wrong and how we can improve service delivery to Queenslanders. The council will have an independent chairperson drawn from the community and will act as a consumers' feedback forum on service delivery standards and outcomes. It is a far better model than the boards for community input and feedback regarding emergency services delivery.

Most importantly for fire and ambulance officers, this change will enable in excess of \$300,000 per annum to be redirected to front-line operations. The Emergency Services Advisory Council will not constrain QFRA and QAS as the current boards have done. The commissioners will be able to get on with the job. The focus will be on improved operational service delivery and improved equipment for firefighters and ambulance officers and not on having to obtain approval from bureaucratic boards. The commissioners will be able to run their own organisations.

Another very important issue addressed by this Bill is this Government's commitment to provide free ambulance service to an estimated 850,000 Queensland pensioners, Seniors Card holders and their dependants. Amendments are required to the Ambulance Service Act to allow pensioners to continue their membership of local ambulance committees. Currently a person must be a subscriber to be eligible to be a member of a local ambulance committee. With the introduction of free ambulance services from 1 January 1999, pensioners and Seniors Card holders may not be eligible to remain as LAC members under existing legislation. Amendments to the Ambulance Service Act are required to ensure that members of the group who receive these free services continue their membership of the LACs as though they continue to pay subscriptions.

I am proud to be able to play a role in giving fire and ambulance service officers back their service, which was hijacked by the boards, and of ensuring pensioners can remain on their local ambulance committees. I commend the Bill to the House.
