

2013-14 Budget Estimates

Report No. 28

Transport, Housing and Local Government Committee

August 2013

TRANSPORT, HOUSING AND LOCAL GOVERNMENT COMMITTEE

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Acknowledgements

The Committee wishes to acknowledge the assistance provided by the Department of Transport and Main Roads, the Department of Housing and Public Works, and the Department of Local Government, Community Recovery and Resilience during the course of the Committee's inquiry.

Chair's Foreword

This report presents a summary of the Committee's examination of the Budget Estimates for the 2013-14 financial year.

Consideration of the Budget Estimates allows for the public examination of both the responsible Minister and Chief Executive Officers of agencies within the Committee's portfolio area. This examination was undertaken through a process of questions on notice and public hearing.

The Committee has made one recommendation as follows:

- that the proposed expenditure, as detailed in the Appropriation Bill 2013 for the Committee's areas of responsibility, be agreed to by the Legislative Assembly without amendment.

On behalf of the Committee, I wish to thank each Minister and their departmental officers for their cooperation in providing information to the Committee throughout this process.

I would also like to thank the Members of the Committee for their hard work and valuable contribution and the Committee's secretariat for their assistance and support through the process.



Howard Hobbs MP
Chair

August 2013

1. Introduction

1.1 Role of the Committee

The Transport, Housing and Local Government Committee (the Committee) is a portfolio committee of the Queensland Parliament required under section 88 of the *Parliament of Queensland Act 2001* and established under the Standing Rules and Orders. The Committee's areas of responsibility include transport, main roads, housing, public works, local government and community recovery and resilience.¹

On 4 June 2013, the Appropriation Bill 2013 and the estimates for the Committee's areas of responsibility were referred to the Committee for investigation and report.²

On 25 July 2013, the Committee conducted a public hearing and took evidence about the proposed expenditure from the Minister for Transport and Main Roads, the Minister for Housing and Public Works, the Minister for Local Government, Community Recovery and Resilience, and other witnesses. A copy of the transcript of the Committee's hearing can be accessed at:

http://www.parliament.qld.gov.au/documents/hansard/2013/2013_07_25_EstimatesTHC.pdf

1.2 Aim of this report

The Committee considered the estimates referred to it by using information contained in:

- budget papers
- answers to pre-hearing questions on notice
- evidence taken at the hearing and
- additional information given in relation to answers.

This report summarises the estimates referred to the Committee and highlights some of the issues the Committee examined.

Prior to the public hearing, the Committee provided the Minister for Transport and Main Roads, the Minister for Housing and Public Works and the Minister for Local Government, Community Recovery and Resilience with questions on notice in relation to the estimates. Responses to all the questions were received.

Answers to the Committee's pre-hearing questions on notice, documents tabled during the hearing, answers and additional information provided by Ministers after the hearing, and minutes of the Committee's meetings are included in a volume of additional information tabled with this report.

1.3 Other Members participation

Mr Curtis Pitt MP, Member for Mulgrave, replaced Mrs Desley Scott MP, Member for Woodridge, on the Committee for the period between 9.00am and 12.00pm of the estimates hearing. The following Members also participated in the hearing with the leave of the Committee:

- Ms Verity Barton MP, Member for Broadwater
- Ms Anastacia Palaszczuk MP, Leader of the Opposition and Member for Inala
- Ms Jackie Trad MP, Member for South Brisbane
- Mr Bill Byrne MP, Member for Rockhampton
- Mr Tim Mulherin MP, Member for Mackay
- Ms Jo-Ann Miller MP, Member for Bundamba

¹ Schedule 6 – Portfolio Committees, *Standing Rules and Orders of the Legislative Assembly* as amended 14 February 2013.

² Standing Order 177 provides for the automatic referral of the Annual Appropriation Bills to portfolio committees once the Bills have been read a second time.

2. Recommendation

Pursuant to Standing Order 187(1), the Committee must state whether the proposed expenditures referred to it are agreed to.

Recommendation 1

The Committee recommends that the proposed expenditure, as detailed in the Appropriation Bill 2013 for the Committee's areas of responsibility, be agreed to by the Legislative Assembly without amendment.

3. Minister for Transport and Main Roads

The Minister for Transport and Main Roads (the Minister) is responsible for the Department of Transport and Main Roads (the Department), its commercialised business unit RoadTek, and its statutory body the Gold Coast Waterways Authority.³

The *Transport Operations (Translink Transit Authority) Act 2008* was repealed on 1 January 2013 and the former Translink Transit Authority ceased to exist as a legal entity from that date. Therefore, the information provided in this report only reflects the operations of the Translink Transit Authority for the period 1 July 2012 to 31 December 2012.

3.1 Department of Transport and Main Roads

The Department aims to “plan, manage and deliver Queensland's integrated transport environment to achieve sustainable transport solutions for road, rail, air and sea.”⁴ The Department was restructured in the latter half of 2012 resulting in the previous five service areas (2012-13 Service Delivery Statement (SDS)) being collapsed into four new service areas (2013-14 SDS). The new service areas align with the Department’s new divisions and with the business objectives in the *Transport and Main Roads Strategic Plan 2013-17*.⁵ The four service areas are:

- Transport system investment planning and programming
- Transport infrastructure management and delivery
- Transport safety, regulation and customer service
- Passenger transport services.⁶

In addition, the Department will administer funds on behalf of the Government which for 2013-14 will include:

- the State-wide driver licensing system
- marine licensing system and
- vehicle and vessel registration systems.

The following table taken from the Appropriation Bill 2013 compares the appropriations for the Department of Transport and Main Roads for 2012-13 and 2013-14.

Appropriations	2012-13 \$'000	2013-14 \$'000
<i>Controlled Items</i>		
departmental services	3,509,579	4,571,990
equity adjustment	2,007,707	1,141,580
<i>Administered Items</i>	1,483,771	78,037
Vote	7,001,057	5,791,607

Source: Appropriation Bill 2013, Schedule 2, p. 12.

In 2013-14, budgeted capital purchases for the Transport and Main Roads portfolio⁷ is \$5.599 billion.⁸ The Department’s budgeted capital purchases for 2013-14 total \$4.369 billion.⁹ The

³ State Budget 2013-14, Service Delivery Statements, Department of Transport and Main Roads, p.1.

⁴ <http://www.tmr.qld.gov.au/About-us/Our-organisation.aspx>; accessed 11 July 2013

⁵ State Budget 2013-14, Service Delivery Statements, Department of Transport and Main Roads, p.9.

⁶ State Budget 2013-14, Service Delivery Statements, Department of Transport and Main Roads, p.1.

⁷ The portfolio includes the Department, Queensland Rail Limited, Far North Queensland Ports Corporation Limited, Gladstone Ports Corporation Limited, North Queensland Bulk Ports Corporation Limited, Port of Townsville Limited, RoadTek and the Gold Coast Waterways Authority.

Department's capital purchases will primarily focus on significant investment in transport infrastructure to support Queensland's growing population¹⁰ and in restoration work to rebuild the transport network following the significant damage resulting from recent natural disasters.¹¹ The capital works program for the Department will include:

- \$1.934 billion towards capital recovery and reconstruction works resulting from natural disaster events throughout the State over the last three years
- \$178.8 million to continue the construction of the Gold Coast Rapid Transit System
- \$170.6 million towards the construction of the Moreton Bay Rail Link
- \$65 million towards the duplication of the Bruce Highway (Cooroy to Curra)
- \$45.8 million to continue the construction of auxiliary lanes on the Centenary Motorway, adjacent to the Darra to Springfield rail project
- \$33.7 million to complete the construction of a deviation between Sandy Corner and Collinsons Lagoon on the Bruce Highway
- \$15.8 million to continue the extension of the South East Busway from Eight Mile Plains Station to Priestdale Road, Rochedale South.

The following table shows a comparison of the budgets for 2012-13 and 2013-14 for the Department of Transport and Main Roads¹²:

Agency	2012-13 Adjusted \$'000	2013-14 \$'000
Department of Transport and Main Roads	4,896,649	5,457,566
▪ <i>Controlled</i>		1,037
▪ <i>Administered</i>	590,581	

Source: State Budget 2013-14, Service Delivery Statements – Department of Transport and Main Roads.

Other 2013-14 budget highlights for the Department in addition to the capital works program include:

- Undertaking a review of speed limits on Queensland's roads and implementing changes to improve safety and make speed limits easier for motorists to comply
- Implementing reforms to the Driver Licensing System (including Q-Ride, QSAFE and Older Drivers)
- Commencing the staged implementation of the SEQ Bus Network Review in conjunction with the BCC13
- \$1.934 billion towards capital recovery and reconstruction works resulting from natural disaster events throughout the State over the last three years
- \$178.8 million to continue the construction of the Gold Coast Rapid Transit System, an Australian, Queensland and local government jointly funded project, to be delivered as a public private partnership
- \$170.6 million towards the construction of the Moreton Bay Rail Link, an Australian, Queensland and local government jointly funded project

⁸ State Budget 2013-14, Capital Statement – Budget Paper No. 3, p. 105.

⁹ State Budget 2013-14, Capital Statement – Budget Paper No. 3, p. 105.

¹⁰ State Budget 2013-14, Capital Statement – Budget Paper No. 3, p.105.

¹¹ State Budget 2013-14, Service Delivery Statements, Department of Transport and Main Roads, p.3.

¹² The table indicates the agency budget. It may not represent the actual appropriation.

¹³ State Budget 2013-14, Service Delivery Statements, Department of Transport and Main Roads, pp.3-4.

- \$65 million towards the duplication of the Bruce Highway (Cooroy to Curra), the first project to be funded under the \$1 billion Bruce Highway State election commitment
- \$797.6 million towards capital outlays for Queensland Rail
- \$199.4 million combined for the ports.¹⁴

3.2 Gold Coast Waterways Authority

The Gold Coast Waterways Authority was established on 1 December 2012 as provided for by the *Gold Coast Waterways Authority Act 2012*. At this time, 17 positions (full time equivalents) were transferred from the Department of Transport and Main Roads to staff the Authority.¹⁵ The Authority's main function is to "...deliver(ing) the best possible management of Gold Coast waterways at reasonable cost to the community and Government, while minimising regulation."¹⁶

The budget comparison for 2012-13 and 2013-14 for the Gold Coast Waterways Authority is shown below.¹⁷

Agency	2012-13 Adjusted \$'000	2013-14 \$'000
Gold Coast Waterways Authority	5,768	8,395

Source: State Budget 2013-14, Service Delivery Statements – Department of Transport and Main Roads.

The Authority will release a Waterways Management Program by July 2013 which will flag planned investment in small marine infrastructure and waterways access. The Authority is also required to submit to the Minister a 10-year Waterways Management Strategy by 1 December 2013.¹⁸

3.3 RoadTek

RoadTek's business is about:

- providing transport infrastructure in regional and remote areas of Queensland and infrastructure services to other State and local government agencies
- assisting in the delivery of the Queensland Transport and Roads Investment Program (QTRIOP) for TMR where private firms are unable to do so
- undertaking emergency response activities.

RoadTek's operations will concentrate on areas where a competitive market does not exist.¹⁹

The budget comparison for 2012-13 and 2013-14 for RoadTek is shown below.²⁰

Agency	2012-13 Adjusted \$'000	2013-14 \$'000
RoadTek	548,620	547,890

Source: State Budget 2013-14, Service Delivery Statements – Department of Transport and Main Roads.

¹⁴ State Budget 2013-14, Capital Statement – Budget Paper No. 3, pp.105-107.

¹⁵ State Budget 2013-14, Service Delivery Statements, Department of Transport and Main Roads, p.8.

¹⁶ State Budget 2013-14, Service Delivery Statements, Department of Transport and Main Roads, p.46.

¹⁷ The table indicates the agency budget. It may not represent the actual appropriation.

¹⁸ State Budget 2013-14, Service Delivery Statements, Department of Transport and Main Roads, p.46.

¹⁹ State Budget 2013-14, Service Delivery Statements, Department of Transport and Main Roads, p.38.

²⁰ The table indicates the agency budget. It may not represent the actual appropriation.

RoadTek's priorities for 2013-14 are:

- deliver value for money solutions in regional and remote areas
- provide construction and operational capability for TMR where private firms are unable to do so
- to embed the Zero Harm philosophy.

3.4 Issues raised at the public hearing – Department of Transport and Main Roads

Issues raised by the Committee in relation to the Department of Transport and Main Roads included:

- Staffing redundancies offered and accepted within the Department of Transport and Main Roads (TMR), and savings achieved
- Circumstances and conditions of appointment of Senior Departmental Liaison Officer and Departmental Liaison Officers
- Selection process for appointment of new Regional Directors for Main Roads
- Approval for use of Segways on trial basis
- TMR Board of Management 'roadshows' and numbers travelling
- Disability parking permits
- Parking around Springfield and Richlands stations
- Department's response to 2012 floods, in particular Bundaberg
- Patronage targets
- Consultation with TMR re. Peninsula Development Road
- Integration of the Southern Moreton Bay islands into the TransLink network
- Initiatives to allow greater access to go-card top-up facilities
- Changes to taxi security and automation of taxi meters
- Further details of the \$13.7m cycle network requested
- Further details of the \$4.9m Passenger Transport Accessible Infrastructure Program
- Further details of the Government's road safety program
- Centenary Motorway auxiliary lanes and community expectations
- Concessional treatment for Bruce Highway upgrade
- Projects included in Bruce Highway funding
- State-Federal contributions (year-by-year breakdown) for Bruce Highway upgrade
- Clarifying the Federal Government contribution to the 2013-14 Gateway Upgrade North
- Clarifying the increased cost (from \$74m to \$94m) of the Brisbane Valley Highway
- Traffic flow and speed limits on roads under repair
- Locations, commencement dates and nature of capital works projects for various roads in South West Queensland
- Detail each ">\$5 million" Queensland Transport and Roads Investment Program (QTRIP²¹) project, including the proportion completed more than 10% after the programmed construction period in 2012-13 and steps to meet the 90% target in 2013-14
- Impact of extensive roadworks on the traffic flow on M1 between Helensvale and Robina
- QTRIP overview and comparison to previous years
- National road network funding allocations, including the overall maintenance allocation

²¹ QTRIP is a four-year rolling program of priority transport infrastructure works published annually.

- Inclusion in budget of full funding for all QTRIP planned projects
- Detail how much RoadTek spent on private contractors in 2010-11, 2011-12, 2012-13 and estimates for contractors for 2013-14
- Cessation of competitive tendering by RoadTek in South-East Queensland (including relative to Commission of Audit recommendation to outsource commercial business units)
- Staffing levels in RoadTek
- QRTA graffiti management initiatives
- Former Chair of Queensland Rail – resignation from position, tour of Queensland rail network and application for the QRTA CEO
- Cross-river Rail Project, concessional treatment and Federal government partnership prospects
- Rail access for transporting grain and cattle for processing and export
- Review of peak hour demand on the Brisbane-Gold Coast rail line
- Proposed solution to the 2016 maximum capacity deadline on the Merryvale Street Rail Bridge
- No. of rail trips taken by seniors on each rail service in 2012-13 and plans to cease or reduce certain tourist rail and Tilt Train services
- Clarify capital funding allocations to and details of the interim measures stemming from the 'Independent Panel Review - Cross River Rail' report
- Benefits and estimated timeline for the Moreton Bay Rail Link
- Queensland Rail Transit Authority (QRTA) review of staffing structures at stations
- Trial of go-cards issued to QRTA staff
- Planned spending for safety at rail crossings
- Marine infrastructure and services on the Gold Coast
- Integration Gold Coast Waterways Authority progress since establishment, management plan and relationship with the Gold Coast City Council
- Gold Coast Rapid Transit operating costs and revenue projections
- List and detail each road project which commenced construction in the 2012-13 year, identifying those which constitute flood repair works or NDRRA-funded²² works
- Patronage strategies for the TransLink network
- Funds allocated for special community projects for the Port of Townsville
- Gladstone Ports Corporation plans to develop the Port of Bundaberg and Port Alma
- Detailed costs of conducting the South-East Queensland Bus Network Review
- The Bus Industry Safety Committee and the South-East Queensland Bus Network Review
- List of schools which have benefitted from the Government's flashing school lights scheme.

²² NDRRA is the joint Commonwealth-State Natural Disaster Relief and Recovery Arrangements under which assistance is provided by the Federal Government to alleviate the financial burden of natural disasters on states and territories. Under these arrangements, the State or Territory Government determines which areas receive NDRRA assistance and what assistance is available to individuals and communities.

4. Minister for Housing and Public Works

The Minister for Housing and Public Works is responsible for the Department of Housing and Public Works (the Department), commercialised business units Building and Asset Services (BAS) and QFleet, and the Queensland Building Services Authority (QBSA) and the Residential Tenancies Authority (RTA).²³

Sales and Distribution Services was an online retail and distribution business, trading educational, office furniture and other agency specific products to schools and Government agencies throughout the State. Sales and Distribution Services ceased business operations on 28 February 2013. In addition, Goprint, which provided print and distribution services for government, ceased business operations on 31 January 2013.

4.1 Department of Housing and Public Works

The Department leads the Government's capital works building program including building and maintaining public facilities, such as schools, public housing, hospitals, police stations and courthouses.²⁴ The Department provides services to its customers through three broad service areas:

- housing services which coordinates and delivers a broad range of integrated housing support and services to Queenslanders most in need, including remote Indigenous communities and low income and high needs families
- building services which delivers the Government's office accommodation and employee housing, manages building and property initiatives and the building and plumbing laws in Queensland
- procurement services which secures value for money outcomes by implementing sourcing strategies and practices, building capability and better leveraging Government.²⁵

In addition, the Department will administer funds on behalf of the Government which for 2013-14 will include:

- payment of the Community Services Obligation to Building and Asset Services to assist in subsidising its apprenticeship program
- revenue from fees collected by Building Codes Queensland and fees for the accreditation of residential service units and retirement villages by Housing Services.

The following table taken from the Appropriation Bill 2013 compares the appropriations for the Department of Housing and Public Works for 2012-13 and 2013-14.

Appropriations	2012-13 \$'000	2013-14 \$'000
<i>Controlled Items</i>		
departmental services	497,659	513,086
equity adjustment	139,960	167,920
<i>Administered Items</i>	9,765	8,570
Vote	647,384	689,576

Source: Appropriation Bill 2013, Schedule 2, p.9.

²³ State Budget 2013-14, Service Delivery Statements, Department of Housing and Public Works, p.1.

²⁴ <http://www.hpw.qld.gov.au/aboutus/Pages/default.aspx>, accessed 11 July 2013.

²⁵ State Budget 2013-14, Service Delivery Statements, Department of Housing and Public Works, p.9.

Budgeted capital purchases for the portfolio for 2013-14 is \$341.6 million²⁶ while budgeted capital expenditure for the Department for 2013-14 is \$331.7 million. The capital works program for the Department will include:

- \$154.1 million for social housing in Indigenous communities
- \$133.5 million to commence, complete, purchase and upgrade social housing units
- \$13.7 million to complete property solutions under the Accommodation Initiative in Ipswich
- \$11.4 million to complete the fitout of a new building in Flinders Street, Townsville
- \$5.3 million to construct and acquire 15 units of accommodation for government employee housing in rural and remote communities.²⁷

The budget comparison for 2012-13 and 2013-14 for the Department of Housing and Public Works is shown below.²⁸

Agency	2012-13 \$'000	2013-14 \$'000
Department of Housing and Public Works	1,651,658	1,610,864
▪ <i>Controlled</i>		8,570
▪ <i>Administered</i>	11,222	

Source: State Budget 2013-14, Service Delivery Statements – Department of Housing and Public Works.

Other 2013-14 budget highlights for the Department in addition to the capital works program include:

- implementing a new strategic approach to the delivery of housing assistance through the development of regional plans, partnering with the non-government and community services sector, implementing the National Regulatory System framework, leading the whole-of-Government homelessness strategy, facilitating home ownership opportunities for people living in Indigenous communities and reforming tenancy arrangements including the renewal of rent policy
- addressing overcrowding and increasing the number of dwellings in Indigenous communities
- improving delivery and design of Indigenous housing in Far North Queensland with an emphasis on local climate conditions and timely project delivery
- providing \$20.7 million as incentives to investors to deliver over 10,000 affordable private rental dwellings across Queensland as part of the National Rental Affordability Scheme
- progressing implementation of the Government's response to recommendations made by the Transport, Housing and Local Government Committee's review of the *Retirement Villages Act 1999* and its Report no. 14 Inquiry into the Operation and Performance of the Queensland Building Services Authority 2012
- progressing a review of the *Manufactured Homes (Residential Parks) Act 2003*
- providing an independent review process for complaints made against the Queensland Building Services Authority through the Building Industry Complaints Review Unit.

²⁶ State Budget 2013-14, Capital Statement – Budget Paper No. 3, p.74.

²⁷ State Budget 2013-14, Service Delivery Statements, Department of Housing and Public Works, p.18.

²⁸ The table indicates the agency budget. It may not represent the actual appropriation.

4.2 Building and Asset Services

On 9 August 2012, the Queensland Government approved the amalgamation of QBuild and Project Services into a single integrated business unit delivering centrally coordinated procurement and contract management of building services, thereby providing value for money and best practice services across Queensland Government agencies. The new commercial business unit will operate as Building and Asset Services (BAS) and will be operational from 1 July 2013. BAS will assist Government agencies to manage risks associated with the ownership and operation of their asset portfolios, as well as the risks associated with the planning, procurement and delivery of new building infrastructure.²⁹

The budget comparison for 2012-13 and 2013-14 for Building and Asset Services (and QBuild and Project Services) is shown below.³⁰

Agency	2012-13 \$'000	2013-14 \$'000
Building and Asset Services	-	692,160
QBuild	694,651	-
Project Services	102,475	-

Source: State Budget 2013-14, Service Delivery Statements – Department of Housing and Public Works.

In 2013-14, BAS will:

- deliver savings by aggregating work to achieve economies of scale prior to contracting with the private sector
- maintaining a rapid response capacity to support disaster recover, urgent after-hours repairs, asbestos issues and vandalism impacting State Government facilities
- providing procurement management of major hospital projects
- providing procurement, project management, quantity surveying and contract administration for much of the Department of Education, Training and Employment's ongoing Transition of Year 7 into High School
- having a single point of contact for agencies for buildings services work.

4.3 QFleet

QFleet manages a fleet of approximately 11,800 vehicles throughout the State. Its services include vehicle procurement and contract management, fleet advisory services to public sector departments as well as government-funded organisations, in-service maintenance, accident management, end of life repairs and vehicle remarketing, and short-term vehicle hire. QFleet is also responsible for whole-of-Government fleet policy development and implementation.

²⁹ State Budget 2013-14, Service Delivery Statements, Department of Housing and Public Works, p.42.

³⁰ The table indicates the agency budget. It may not represent the actual appropriation.

The budget comparison for 2012-13 and 2013-14 for QFleet is shown below.³¹

Agency	2012-13 \$'000	2013-14 \$'000
QFleet	155,960	133,405

Source: State Budget 2013-14, Service Delivery Statements – Department of Housing and Public Works.

Initiatives for 2013-14 include:

- working with Statutory Bodies, Government Owned Corporations and potentially local governments to improve procurement outcomes for all levels of government around the purchasing of vehicles and also the servicing and maintenance of vehicles
- considering four-year or greater lease terms for new vehicles, taking into account utilisation levels, the operating environment, manufacturer warranty terms and the used car market
- investigating the financial viability and practicality of inter-agency vehicle pooling in Brisbane Central Business District (CBD) precincts, following improvements made in the utilisation of pooled vehicles.

4.4 Queensland Building Services Authority

The Queensland Building Services Authority is a statutory body established under the *Queensland Building Services Authority Act 1991*. The Authority provides a comprehensive licensing regime for the building industry and performs regulatory functions under the Act including compliance activities, complaints management, administration of the Queensland Home Warranty Scheme, and the provision of consumer and contractor education. The Authority also administers the *Building and Construction Industry Payments Act 2004*, the *Subcontractors' Charges Act 1974* and the *Domestic Building Contracts Act 2000*.³²

The budget comparison for 2012-13 and 2013-14 for the Queensland Building Services Authority is shown below.³³

Agency	2012-13 \$'000	2013-14 \$'000
Queensland Building Services Authority	165,076	155,363

Source: State Budget 2013-14, Service Delivery Statements – Department of Housing and Public Works.

Major initiatives planned for 2013-14 will be implementation of reforms identified by Government (from the Transport, Housing and Local Government Committee *Report No. 14 Inquiry into the Operation and Performance of the Queensland Building Services Authority 2012*) to ensure the right balance between builders and consumers.³⁴

³¹ The table indicates the agency budget. It may not represent the actual appropriation.

³² State Budget 2013-14, Service Delivery Statements, Department of Housing and Public Works, p.82.

³³ The table indicates the agency budget. It may not represent the actual appropriation.

³⁴ State Budget 2013-14, Service Delivery Statements, Department of Housing and Public Works, p.83.

4.5 Residential Tenancies Authority

The Residential Tenancies Authority (RTA) is constituted under the *Residential Tenancies and Rooming Accommodation Act 2008* which regulates the residential rental sector in Queensland. The RTA is self-funded from the earnings on the investment of rental bonds lodged with the organisation. The RTA assists tenants, lessors, agents, residents and accommodation providers in houses, flats, caravans and rooming accommodation.

The budget comparison for 2012-13 and 2013-14 for the Residential Tenancies Authority is shown below.³⁵

Agency	2012-13 \$'000	2013-14 \$'000
Residential Tenancies Authority	35,404	35,359

Source: State Budget 2013-14, Service Delivery Statements – Department of Housing and Public Works.

With the overall fall in market interest rates, the RTA has forecast reduced revenue in 2013-14 relative to estimated revenue in 2012-13. In 2013-14, the RTA will provide grant funding to the Department of Housing and Public Works for an amount of \$10 million to support affordable social housing and rental advisory schemes.

A review of the Act is underway with amendment legislation likely to be introduced in 2013-14. The RTA has also introduced new online services as alternatives to manual paper based processing.

4.6 Issues raised at the public hearing – Department of Housing and Public Works

Issues raised by the Committee in relation to the Department of Housing and Public Works included:

- New initiatives and efficiencies of the Department
- Social housing security budget allocation
- New Housing 2020 Strategy, specifically the implementation plan, total costings and the proposed 'pathways into the private rental market'
- 10-point action plan to reform the Queensland Building Services Authority (QBSA)
- Will QBSA reforms reduce red tape and streamline certification?
- Department's QBSA Review Panel: Terms of Reference, cost and qualifications of appointees
- Unresolved complaints in the QBSA
- Incorporation of KPMG recommendations about the QBSA in the QBSA Review Panel's report
- Intentions re QBSA cash reserves
- Procurement transformation program and expected financial benefit
- New government employee housing in rural and remote communities
- Decrease in government employee housing, nos. of units of accommodation and budgeted expenditure for 2013-14
- Amalgamation of QBuild and Project Services and the new Building and Asset Services
- Merger generating increased private sector capacity in remote and regional communities
- Options between Building and Asset Services or private contractor for school maintenance

³⁵ The table indicates the agency budget. It may not represent the actual appropriation.

- Red tape reductions by the Department
- Reducing waste and government expenditure for fleet management (QFleet)
- Savings from closure of QFleet Zillmere facility
- QFleet’s shift to four-year or more lease terms for new vehicles
- Removal of asbestos from government buildings and expenditure comparison over past two financial years
- The defunding of the Tenant Advice and Advocacy Service (TAAS), the potential service delivery gap and savings expected to be generated by its replacement system
- Go-Print closure and replacement services
- Home Assist Secure changes, specifically the removal of lawn mowing services
- Discontinuation of the Travel Management System
- Social housing renewal projects at Logan, Gold Coast, Mount Isa, Townsville and Gladstone
- Benefits of the National Rental Affordability Scheme
- Indigenous housing design and provision (compared with other states), involvement of local Indigenous builders and long-term Indigenous housing plans
- Completion date of new office building in Cairns and Boggo Road precinct and reasons for delay
- Decreases in public works expenditure over past three years
- Funds underspent on Townsville government office and the accommodation initiative in Ipswich
- Budget breakdown for \$8.312 million for 2013-14 for ‘Other property, plant and equipment’
- Introduction of the ‘three-strikes’ policy
- The Homelessness to Housing service system
- Propoosed closure of Housing Service Centres and transfer of public housing stock to community management
- Residents of Monte Carlo Caravan Park – unanswered correspondence
- *The Retirement Villages Act 1999* review
- Caboolture Housing Service Centre
- Capital management platform/system used by Department
- Review of the *Manufactured Homes (Residential Parks) Act 2003*
- Increase in Building and Asset Services outsourcing from 70% to 85%
- Centralised management of government employee housing in Department of Housing and Public Works
- Detailed social housing waiting list numbers
- Interest earned on rental bonds for past three financial years and how interest will be used
- Reduction in government office space portfolio
- Value of the old Supreme and District Court sites on George Street
- No. of complaints made to QBSA and time taken to resolve
- Vehicles purchased by QFleet in 2012-13
- Reasons for shortfall in meeting Procurement Services target for 2012-13 and detailed savings for 2013-14
- Dwelling units funded by grants from the Residential Tenancies Authority (RTA)
- Proposals for new public housing on the Gold Coast.

5. Minister for Local Government, Community Recovery and Resilience

The Minister for Local Government, Community Recovery and Resilience is responsible for administration of local government legislation, ensuring that Queensland councils have the necessary authority and capacity to contribute to the State's growth and economic success. The focus of new portfolio responsibilities will be on recovery from January's floods and on building and improving the State's resilience to natural disasters in future years.

The Minister's new portfolio responsibilities include oversight of the Queensland Reconstruction Authority (QRA). The QRA's mandate has been extended until 30 June 2015 underpinning the continued focus on reconstruction activities.³⁶

5.1 Department of Local Government, Community Recovery and Resilience

With a renewed emphasis on long-term, sustainable community recovery following the devastating January 2013 floods that affected many parts of Queensland, the former Department of Local Government became the Department of Local Government, Community Recovery and Resilience (the Department) in February 2013.

The Department now has two service areas:

- Local Government – to be delivered through program implementation and review including capacity building, support for local government financial sustainability, administration of the Local Government Grants and Subsidies Program and the network of regional offices in the Department's northern and southern regions
- Community Recovery and Resilience – to be delivered through the Department's new Strategy, Governance and Resilience Division and in collaboration with other state agencies closely involved in natural disaster recovery and resilience initiatives.³⁷

In addition, the Department will administer funds on behalf of the Government which for 2013-14 will include:

- Queensland Reconstruction Authority (QRA) – the Department administers funding to the QRA of \$0.76 billion in 2012-13 and an estimated \$4.1 billion projected for 2013-14
- Australian Government Financial Assistance Grants (FAG) – under the *Local Government (Financial Assistance) Act 1995* the Australian Government provides grant funding to support Queensland councils in delivering services to their communities
- Kuranda Rail Levy
- Kuranda Skyrail Levy

³⁶ State Budget 2013-14, Service Delivery Statements, Department of Local Government, Community Recovery and Resilience, p.2.

³⁷ State Budget 2013-14, Service Delivery Statements, Department of Local Government, Community Recovery and Resilience, p.2.

The following table taken from the Appropriation Bill 2013 compares the appropriations for the Department for 2012-13 and 2013-14.

Appropriations	2012-13 \$'000	2013-14 \$'000
<i>Controlled Items</i>		
departmental services	223,526	176,348
equity adjustment	27,301	21,220
<i>Administered Items</i>	197,634	4,339,224
Vote	448,461	4,536,792

Source: Appropriation Bill 2013, Schedule 2, p. 10.

Budgeted capital purchases for the portfolio for 2013-14 are approximately \$22.4 million. The Department's capital program primarily relates to the capital works undertaken under the Indigenous State Infrastructure Program (ISIP). The program provides funding for water supply, sewerage, drainage, solid waste, town roads and serviced land in Queensland's Indigenous councils. In addition, in 2013-14, \$1.93 billion is being provided as capital grants to Local Government Authorities to undertake recovery and reconstruction projects and \$80 million is being provided to Local Government Authorities to undertake Betterment projects to restore or replace essential assets to a more resilient standard.

The budget comparison for 2012-13 and 2013-14 for the Department of Local Government, Community Recovery and Resilience is shown below.³⁸

Agency	2012-13 \$'000	2013-14 \$'000
Department of Housing and Public Works	1,651,658	1,610,864
▪ <i>Controlled</i>		
▪ <i>Administered</i>	11,222	8,570

Source: State Budget 2013-14, Service Delivery Statements – Department of Local Government, Community Recovery and Resilience.

Other 2013-14 budget highlights for the Department in addition to the capital works program include:

- implement the Local Government (De-amalgamation Implementation) Regulation 2013 to establish four new councils by January 2014
- establish the Strategy, Governance and Resilience Division within the Department of Local Government, Community Recovery and Resilience
- oversee the implementation of the 2013 Flood Recovery Plan
- highlight financial sustainability issues of local governments to key Government decision makers and to councils and provide support through education and training activities
- monitor local government performance and corporate governance to determine appropriate capacity building and intervention strategies
- establish governance frameworks to oversee and coordinate recovery and resilience activities undertaken by Government agencies.

³⁸ The table indicates the agency budget. It may not represent the actual appropriation.

5.2 Queensland Reconstruction Authority

The QRA was established under the *Queensland Reconstruction Authority Act 2011*. Subsequently, the Queensland Reconstruction Authority Amendment Bill 2013 was passed on 14 February 2013 to expand the jurisdiction of the Authority to include recent events of 2013, extending the term of the Authority to 30 June 2015.

The Authority manages and coordinates the Government's program of infrastructure reconstruction within disaster affected communities. The Authority's role focuses on working with state and local government partners to deliver value for money, and best practice expenditure and acquittal of public reconstruction funds.³⁹

On 1 March 2013, the administrative funding for the Queensland Reconstruction Authority (QRA) was transferred from the Department of State Development, Infrastructure and Planning to the Department of Local Government, Community Recovery and Resilience.⁴⁰ The Department administers funding to the QRA of \$0.76 billion in 2012-13 and an estimated \$4.1 billion projected for 2013-14.⁴¹

The budget comparison for 2012-13 and 2013-14 for the Queensland Reconstruction Authority is shown below.⁴²

Agency	2012-13 Adjusted \$'000	2013-14 \$'000
Queensland Reconstruction Authority	4,027,874	4,142,774

Source: State Budget 2013-14, Service Delivery Statements – Department of Local Government, Community Recovery and Resilience.

In 2013-14, the Authority will:

- continue to actively manage and resource State-wide Natural Disaster Relief and Recovery Arrangement reconstruction works and report on their progress
- acquit Natural Disaster Relief and Recovery Arrangement claims with the Australian Government
- continue damage assessment operations to capture and monitor progress of reconstruction in natural disaster affected areas across the State
- continue to operate a Regional Liaison Officer network to engage with reconstruction delivery agents across the State, providing principal points of contact for each effected region.

³⁹ State Budget 2013-14, Service Delivery Statements, Department of Local Government, Community Recovery and Resilience, p30.

⁴⁰ State Budget 2013-14, Service Delivery Statements, Department of Local Government, Community Recovery and Resilience, p.17.

⁴¹ State Budget 2013-14, Service Delivery Statements, Department of Local Government, Community Recovery and Resilience, p14.

⁴² The table indicates the agency budget. It may not represent the actual appropriation.

5.3 Issues raised at the public hearing – Department of Local Government, Community Recovery and Resilience

Issues raised by the Committee in relation to the Department of Transport and Main Roads included:

- Brisbane City Council debt levels
- Year in which Legacy Way will turn a profit
- QTC recommendations regarding the purchase by QIC of Legacy Way and the Go Between Bridge
- Local government efforts to lower debt levels, in general
- Details of local government debt levels 2013-14 and any concerns for financial viability
- Advocacy of local government financial sustainability to key government decision makers
- Initiatives to help councils with financial management
- The upcoming inaugural Regional Round Table
- Support for Indigenous councils to manage interests and become financially viable
- Audit results for each Indigenous council since amalgamations in 2008
- Capital grants funding to Indigenous councils in 2013-14
- Progress with deamalgamations of Councils
- Total funds available through the Local Government Grants and Subsidies Program and the types of delivered from 2012-13
- Compare earlier disasters with the disaster of 2013 in terms of 'getting work out to the market'
- Timelines for and projects approved under the Local Government Grants and Subsidies Program Infrastructure Subsidies (LGGSPIS)
- Thargomindah integrated community hub (funded under LGGSPIS)
- Outline changes to the LGGSP Flood Subsidy program
- Payment of the Boundaries Commissioner to assess the 19 Council deamalgamation proposals and selective acceptance of the recommendations
- Rockhampton Regional Council financial burden as a consequence of Livingstone Shire Council deamalgamation
- Mareeba local government authority area against deamalgamation from the Tablelands Regional Council
- Redcliffe denied community plebiscite on de-amalgamation from the Moreton Bay Regional Council
- Contingency plans to support long-term financial viability of re-established councils (Livingstone, Mareeba and Douglas)
- Details of staffing reductions between 2011-12 to 2013-14
- Processes for monitoring financial viability of deamalgamated councils
- Material personal interests of councillors
- No. of complaints regarding councillors and effectiveness of the current process
- Red tape reduction via the new *Local Government Act 2009* and the *City of Brisbane Act 2010*
- Engagement with local governments across Queensland
- Responsibility for repairing beach erosion on the Gold Coast

- State Government discussion paper 'Infrastructure planning and charging framework review' and reduction of listed 'essential infrastructure'
- Bundaberg and North Burnett clean-up efforts/progress
- Establishment of the Strategy, governance and resilience division of the Department
- Support for mining communities through disaster mitigation and resilience funding
- Timeliness of approving and releasing local government reconstruction expenditure
- Timeline for completing all reconstruction work and consequences of not meeting that deadline
- Federal contribution under the regional national partnerships agreement, by year since 2010-11
- Commonwealth impediments to future flood recovery
- Show Societies Grants Program
- Impact of shortfall in the Betterment Fund
- Specific Betterment Fund projects such as the Moorabinda Drive betterment project
- List of projects funded under the Betterment Fund
- Auditor-General-issued qualified audit opinion of \$700-odd million in reconstruction works
- Development of online resources re local government legislation
- Implementation of the Queensland Floods Commission of Inquiry recommendations
- Legislative changes to help tackle graffiti
- State Government support for the referendum on recognising local government in the Commonwealth constitution
- Local governments' improvement in performance and corporate governance
- Impact of delayed state election on local governments' planning and budgeting
- List of local governments evaluated for financial sustainability by the Office of Local Government in 2012-13
- Federal Government funding of the Queensland Reconstruction Authority in 2013-14
- Progress towards the local, state and federal government flood preparedness fund on a 40-40-20 basis
- Arrangements in place to ensure councils charge both the new emergency fire service levy and the rural fire levy.

Transport Housing and Local Government Committee Estimates Hearing 2013

Statement of Reservation

The Member for Woodridge submits the following Statement of Reservation. All other Opposition Members that attended the Transport, Housing and Local Government Estimates hearing agree with this statement.

1.0 Transport and Main Roads

1.1 Questions on Notice

Once again Minister Emerson's answers to Questions on Notice show that he does not take the estimates process seriously and does not feel that he needs to answer questions that are asked of him by the Parliament. In particular, his answer to question 12 where he was asked to provide a list of projects that had run significantly over time stands out as an example of his disregard for the legitimate scrutiny of the committee.

Instead of providing a list of projects as requested, the Minister advised that 15 out of 113 projects in question had run significantly over time. The Minister refused to name the projects as requested, rather he referred the committee back to QTRIP which contains hundreds of projects. Presumably he believes that this has discharged his duty to answer questions. The Opposition believes strongly that it does not.

1.2 Transport

Minister Emerson was asked about the employment of Departmental Liaison Officers (DLOs) in his office. Despite advising Parliament in 2012 that he 'may' have known one of the DLOs in his office personally before they were appointed, the Minister confirmed at the hearing that he did know one of the DLOs before she was appointed. He further advised the committee that the DLO in question had worked as a volunteer on his past two election campaigns in 2009 and 2012 and that he had had a private meeting with the person after he was sworn in as Minister and before they were appointed as DLO. The discrepancies between the Minister's past statements and the answers given to questions at the hearing are a cause for concern and the Opposition will pursue the issue further through the appropriate channels.

The Member for Rockhampton asked the Director-General of the Department of Transport and Main Roads about the ongoing controversy surrounding the replacement of Transport and Main Roads Regional Director, Mr Terry Hill. The Director-General undertook to provide materials relating to the appointment to the committee. It is noted that these materials will be provided to the committee through the Right to Information process. The Opposition will await the provision of the promised documents.

The Minister used the estimates process to reveal that patronage projections for the Gold Coast Rapid Transit project would be lower than previously thought. Without having seen the updated passenger projections that the Minister was referring to in

order to scrutinize them, the Opposition sincerely hopes that this is not used as an excuse by the Government to abandon the Gold Coast by stepping back from the project as it is currently being delivered or future stages.

1.3 Cross River Rail

The Minister was asked about the Cross River Rail project and the Newman Government's ongoing refusal to cooperate with the Federal Government regarding funding. This is despite the Federal Government agreeing to the terms that were formally requested by the Newman Government. Publicly released correspondence between Minister Emerson and Minister Albanese confirms this. Notwithstanding the facts of the matter, Minister Emerson has sought to construct an argument regarding concessional treatment and proceeded to elaborate on this argument at length to the committee.

The Minister restated the Newman Government's new position that any payment from the Federal Government for Cross River Rail be 100% GST exempt. However, when questioned as to how payments for road infrastructure from the federal Government were treated (for example for the Bruce Highway) the Minister confirmed that they received 50% concessional treatment. It is not surprising, but it is disappointing, that the Minister and the Newman Government have enthusiastically endorsed a proposed funding package from the Federal Liberal-National Opposition for the Bruce Highway with a 50% GST concession but at the same time has rejected and denounced a funding package for Cross River Rail from the Federal Government with the same 50% GST concessional treatment.

It would appear that any offer of a 50% concessional treatment from the Federal Opposition is hailed as a 'win' for Queensland, but the same offer when it comes from the Federal Government is 'short changing' Queensland. The Minister is continuing to play petty politics with Cross River Rail instead of starting work on this nationally-prioritised, shovel-ready project now.

1.4 Queensland Rail

The Acting CEO of Queensland Rail was asked whether his organisation was reviewing the hours of staffing for stations across the CityTrain network with a view to reducing them. The Acting CEO confirmed that this was the case and that the review was due to be completed in August.

Minister Emerson confirmed that the former Chair of Queensland Rail had resigned as Chair in order to contest the CEO position. The Acting CEO later confirmed that the former Chair was the subject of a harassment claim which was investigated internally by Queensland Rail. It is concerning that no announcement was made that Mr Dawe had stepped aside and then resigned as Chair on 16 June 2013 or that he had been replaced in the role by Acting Chair, Mr Geoff Harley.

1.5 Public Transport

Minister Emerson refused to address the fact that on his watch patronage has dropped to its lowest level in five years. Despite being the Minister responsible for more than a year, he consistently refuses to accept any responsibility for matters within his direct control. He continues to peddle the old, tired excuse that it was the fault of the previous Government, whilst ironically last October claiming credit for

what he thought was an increase in patronage figures, claiming it as a win for the Newman Government's policies. When it turned out that he had in fact delivered the worst patronage results since 2007-08, he reverted to blaming the previous Government.

There has been considerable community concern surrounding the amount of violence perpetrated against bus drivers and commuters. However, when asked, the Minister confirmed that the Government would not be installing duress alarms in buses. The Opposition shares the concerns of unions such as the TWU and RTBU regarding driver safety and will continue to advocate for policies to improve driver and passenger safety.

1.6 Main Roads

The Minister was asked about funding for the Bruce Highway and the Government's election promise to spend an extra \$1 billion on the highway over 10 years. Unfortunately the Minister could not point to this additional funding in the budget forward estimates. When asked further about the Government's endorsement of the Federal Opposition's election commitment to spend \$6.7bn on the Bruce Highway – which would necessitate an extra \$1.8bn in funding from the State Government – the Minister could not point to any additional funding in the state budget, nor could he adequately explain whether all of the money promised was new money or whether it was what the Government calls 'base funding.'

The Minister was asked about the Queensland Transport and Roads Investment Program (QTRIP) and the fact that funding had declined in QTRIP this year compared to last year. The Minister did not adequately address this point. The facts are that less is being spent this year compared with last year.

Considering first the National Network, excluding NDRRA funding total funding for the National network will be \$1.258bn in 2013-14. This is down from \$1.568bn last year and represents a reduction of \$310m. Importantly, maintenance spending for the National road network in Queensland will decline from \$218.3m last year to \$148.3m this year. Looking at the State Network, excluding NDRRA funding, the total funding for the state network will be \$1.652bn in 2013-14. This is down from \$1.813bn last year and is a reduction of \$161.6m. Importantly, construction and project spending will decrease from \$1.293bn last year to \$1.070bn.

In relation to RoadTek, the Minister confirmed that 522 jobs had been lost in RoadTek since the Newman Government came to office. The Opposition holds concerns that RoadTek will no longer be able to respond as quickly as it has done to natural disasters with this severely reduced workforce. The Minister was also asked to address recommendation 33 of the Costello Report which relates to the outsourcing of RoadTek operations in regional Queensland. The Government has officially accepted this recommendation and the Minister failed to guarantee that RoadTek jobs in regional areas would not be outsourced, only saying that his position "at this moment" was to retain the status quo in regional Queensland. This response contradicts the Government's official response to the Commission of Audit in terms of recommendation 33 as well as the overall intent of the Government's approach to 'contestability'.

2.0 Housing and Public Works

2.1 Building Services Authority

The Opposition asked the Minister a series of questions regarding the review of the Building Services Authority (BSA) that is being undertaken by the Newman Government. The Minister was able to advise that the cost to government of the review of the Parliamentary Committee report into the BSA by the expert panel appointed by Government was \$372,000. The Minister was asked whether the people appointed to the expert panel had experience in a broad range of areas. The Opposition notes that the panel appointees have considerable experience in the building industry, but nonetheless there are certain aspects of the industry in which they had no direct experience.

The Minister and his officials acknowledged that KPMG was heavily involved in the expert review panel after having previously prepared the KPMG report into the BSA commissioned by the previous Government. Since that initial KPMG report there has been a parliamentary inquiry and an expert panel appointed at a cost of \$372,000 to review the findings of the parliamentary inquiry. The Opposition is therefore concerned that there is an element of repetition in the process surrounding the review of the BSA.

It is noted that the Minister stopped short of committing to not doing anything arising out of the review into the BSA that would jeopardize the financial sustainability of the BSA or whatever bodies will succeed it.

2.2 Printing of Betting Slips

The Opposition questioned the Minister regarding the closure of Goprint and the outsourcing of secure work previously undertaken in the public sector. The Minister was asked whether at the time tenders were called for the reserved services of printing of election ballot papers, the budget papers and betting tickets for bookmakers, whether anyone was granted the tender for betting tickets. The Minister was unable to satisfactorily answer this question or any other on this topic. The Opposition considers the Government's handling of this matter has been totally incompetent. Every time questions have been asked regarding this issue the Government has attempted to obfuscate and avoid answering legitimate questions.

2.3 Public Works Capital Spending

The Opposition raised a range of legitimate concerns at the estimates hearing regarding the management of the Public Works capital budget and reductions that have been made in capital spending this year on top of those already made. The Government was unable to satisfactorily explain time overruns for certain capital projects as well as significant capital budget reductions on top of an underspend of last year's allocated capital budget.

2.4 Housing

The second year of Estimates for the Newman LNP Government with a new Minister for Housing and Public Works, to replace the first one who lasted only 7 months and 12 days. However, it is unfortunate that with a new Minister has not brought a fresh approach to housing, but rather continues the same approach that has been evident

since the LNP Government came to power: defunding vital frontline services, putting the fear into public housing tenants, and privatising various parts of the department, including but not limited to caravan parks.

2.5 Social Housing Upgrade Activity

It is concerning to note the number of zero dollar amounts in the “social housing upgrade activity costs by region” table for 2013-14, as provided in the Minister’s response to Estimates Question on Notice, Number 12.

It is even more concerning to note that no funding has been allocated for security and community lighting for the Southern Region, Brisbane and North Coast Region, Central Region and Northern Region for 2013-14. In addition, it is disturbing to find that the Southern Regional, Brisbane and North Coast Region did not receive funding to upgrade security and communal lighting in last year’s budget either.

When pressed on the issue, the Minister stated that he was “*committed to making sure that the highest levels of social housing standards are kept right across-the board, no matter where you live*”. These comments are surprising, considering that the Minister has presided over a budget that has provided no further funding to vital upgrade activities, not only for this financial year, but over two consecutive financial years.

The Minister reiterated his support for the funding allocations for social housing upgrades by indicating that he believes that if “*there is no money allocated for the upgrade of security screens in those areas it has been deemed that there is no upgrade necessary*”. Even when provided with an opportunity to clarify these comments, the Minister stood by them, despite common sense indicating that his statement is unlikely to reflect the real reasons behind low funding allocations.

While the Minister believes that he has done enough to ensure the safety of social housing tenants, the Opposition believes that there is scope for more funding to be directed to this area to ensure that social housing tenants feel safe and secure.

2.6 Tenant Advice and Advocacy Service

The Tenant Advice and Advocacy Service (TAAS) provides a vital frontline service to not only residents residing in public housing but also to those in the private rental market. Therefore, it is perplexing and concerning that the new Minister for Housing and Public Works has continued to the previous Minister’s decision to defund this vital service.

At the conclusion of the former Minister’s relatively short role as Minister for Housing and Public Works, the community and, indeed, all TAAS workers were optimistic that the new Minister would change his predecessor’s decision. Unfortunately, those hopes were not realised.

It should be noted that the Minister has been quoted in multiple news sources, including the *Queensland Times* on 17 April 2013, in an article entitled “Closure of TAAS is Maggie Thatcherism on steroids”, as saying:

“The services provided by TAAS are available through other government agencies like the Residential Tenancies Authority...”

However, Department of Housing and Public Works briefing material, dated 28 August 2012, signed by the first LNP Minister for Housing and Public Works, Dr Bruce Flegg, released under Right to Information laws, states:

“As the Residential Tenancies Authority is only able to provide basic information on a tenant’s rights and responsibilities and not provide more tailored assistance, it has been identified that there will be a service gap ...”

The briefing note continues by stating:

“The Residential Tenancies Authority has advised that as regulators of the industry, it would be a conflict of interest for it to also manage the delivery services ... and that this function is not its core business”.

Therefore, it is perplexing to keep hearing the Minister state that the Residential Tenancies Authority can replace the role of TAAS, even though the Minister’s own departmental briefing note has indicated that there will be a service gap and a conflict of interest, if some or all of the services are run by the Residential Tenancy Authority.

With the TAAS service assisting approximately 80,000 households, with around 100,000 pieces of advice being provided by telephone and face-to-face contact in any given year, it begs the question how the Residential Tenancy Authority will be able to provide the same high level of service that TAAS currently does.

We note with interest the answer provided by the Minister for Housing and Public Works, to Question on Notice, Number 472 of 2013, which states that there will be a *“saving of \$5 million from 2012-2013 [which] will be redirected into the department’s social housing capital works budget to deliver new accommodation in high needs areas of the State”*. While the Opposition supports the development of new social housing, we have concerns that the savings will only deliver *“up to 20 new units of accommodation to Queenslanders in need of social housing”*.

It just does not make sense, to defund a vital frontline service, with proven success measures, which supports thousands of residents in public and private housing across the State, remain in their accommodation and not become homeless, to then use that money to only develop 20 new units, which will support far fewer people.

Thankfully the Federal Labor Government recognises the benefit of the Tenant Advice and Advocacy Service and has provided emergency funding to keep the services open until the end of 2013. The Opposition will be monitoring this issue closely and urges the Newman Government to restore funding to the Tenant Advice and Advocacy Service.

2.7 Home Assist Secure

The Opposition is concerned, but not surprised, by the LNP Government's decision to remove services that support the elderly in our communities. The Home Assist Secure service is a vital frontline service which helps the elderly remain in their homes, by allowing odd jobs around the home be done at minimal cost.

For years, lawn mowing services were provided under the program from time to time. At the 2012 Estimates, under the former Minister for Housing and Public Works, Dr Flegg MP, an answer to a question on notice about the service included the following statement:

“Lawn mowing provisions within the program specifications remain the same as offered in 2011-12”.

However, the new Minister for Housing and Public Works, Mr Mander, has made it clear that he does not believe that elderly residents should be entitled to have assistance in getting their lawn mown. This was made clear in a communiqué fact sheet entitled 'Home Assist Secure Changes', which indicates that lawn mowing is no longer provided.

This development is disappointing and will have a serious impact on the lives of many elderly residents who are unable to obtain the services they need to keep their yards in order, due to the rising cost-of-living pressures placed on them by the LNP Government.

2.8 Caravan Parks

It is disappointing to note that with regard to the government's decision to sell off three government-owned caravan parks, the Minister dismissed the concerns of the residents, in particular the residents of the Monte Carlo Caravan Park.

Upon questioning of whether or not the residents' submission was being considered or taken seriously, the Minister responded:

“They provided some sort of submission, I believe, before I made my decision and so as far as I was concerned that made their submission null and void and it was no longer relevant ...”

The residents of the Monte Carlo Caravan Park have gone to great lengths to provide a submission to the department and it is believed that they had made several representations to the department, the former Minister and the current Minister, but their representations have fallen on deaf ears. The Minister should allow his department to consider the residents' submission in relation to the future of their caravan park.

2.9 Housing 2020 Strategy

On the morning of the Estimates Hearings, the Minister rolled out his new plan to combat housing and homelessness issues in Queensland, titled Housing 2020. This strategy has many concerning elements contained within it.

The Minister claims that he wants to prevent people from entering the social housing market and assist them in entering the private rental market. However, this policy, just like many others, is another example of policy on the run, as many people who currently reside in social housing properties do not earn enough to qualify for private rental dwellings, as was pointed out through Opposition questioning.

It was clear that the Minister did not fully understand his own policy. When asked to table the implementation plan of his Housing 2020 strategy, he asked for clarification and then stated that the implementation plan was contained within the Housing 2020 strategy document. However, the Minister was later corrected by the Director-General in the dying minutes of the Estimates Hearing when he stated:

“With respect to the Housing 2020 strategy and the implementation plan, the implementation plan is around the strategy. We have to operationalise that strategy and put the dollars against it.”

These comments indicated that there was indeed no implementation plan at that time and showed that the Minister was unaware of the complexities involved in developing and implementing policy.

Another major concern of the Opposition relates to the staff of the current Housing Service Centres, which are located across Queensland. These staff are highly trained and skilled individuals who have worked for many years to help Queenslanders get a roof over their heads. Now, with the transitioning of up to 90 per cent of the management of housing to the non-government sector, under the Housing 2020 Strategy, these government employees face the prospect of having their jobs cut.

The Minister tried to assure the Estimates Hearing that the current government workers would be safe; however he ended his remarks by saying:

“If they are passionate and are doing as good a job as I think they are doing, they will be snapped up by these community housing organisations”.

The use of the term ‘snapped up’ is deeply concerning as it means that none of the government workers in the Housing Centres have security and will have to fight for a job, when the management is transferred to the non-government sector. This effectively means that these public servants will be sacked from their public servant jobs.

This new policy announcement by the Minister and the LNP Government means that tenants right across Queensland no longer have security in knowing that they have a house to live in. With an ambitious target of 250,000 people to enter the private rental market, no one will be left alone.

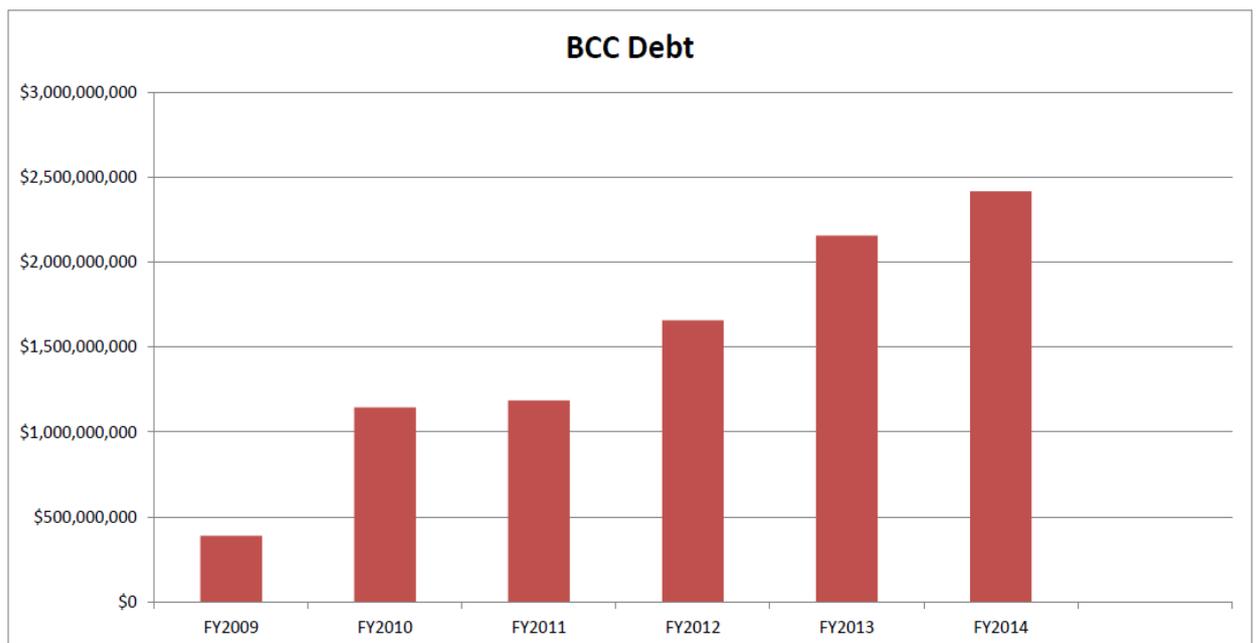
The Opposition will continue to monitor the actions of the Minister and the LNP Government with regards to housing, to ensure that everyone is looked after and gets a fair go.

3.0 Local Government

3.1 Brisbane City Council Debt

Minister Crisafulli refused to engage with questions on the issue of the debt accrued by Brisbane City Council. Despite being the Minister responsible for the financial sustainability of local councils in Queensland, the Minister did not seem concerned that despite having only 25% of the state's population, Queensland Treasury Corporation half-yearly report for December 2012 details that total debt outstanding for the Brisbane City Council is \$2.04 billion or 33 per cent of all local government debt in Queensland. In the Queensland Treasury Corporation review it also reveals that debt for the Brisbane City Council is projected to increase from \$389.188 million in the financial year 2009 to \$2.415 billion this financial year—an increase of 521 per cent. In comparison, the projection for state government debt under the previous government was an increase of 84 per cent over the same period.

A table outlining the increase in Brisbane City Council's debt is below.



Data sourced from 2012 QTC Credit Review. Debt is forecast by BCC for QTC.

This significant and increasing level of debt raises questions as to the ability of the Premier and Treasurer as economic managers as both have been responsible in recent times for the budget of Brisbane City Council.

3.2 De-amalgamation

The Minister was asked about his decision to override the recommendations of the Boundaries Commissioner and allow certain Local Government Areas to proceed to

a poll despite Queensland Treasury Corporation assessing their prospects of financial viability as doubtful. Additionally, in the case of Rockhampton Regional Council, its residents were not allowed to vote on the de-amalgamation proposal even though it will leave their council financially unsustainable. In their report the Queensland Treasury Corporation recommended that, '[t]he remaining RRC has been evaluated as unsustainable. A de-amalgamation would result in an unwarranted financial burden on ratepayers. In this case, a poll is not recommended.' Needless to say this recommendation was ignored.

The Minister argued that because the previous Government had not conducted votes on amalgamations the Newman Government was excused from giving affected Queenslanders a say. Notwithstanding his rhetoric about giving everyone a say about de-amalgamation, the hypocrisy of his argument seemed to be lost on the Minister.

The Minister did confirm that the appointment of administrators would be considered by the Government should any of the new councils fail financially. It remains to be seen whether this will be required given the Minister ignored expert advice and went ahead with de-amalgamation polls at the risk of creating financially unsustainable councils.

With respect to the residents of Kuranda and the surrounding communities in the new Mareeba Regional Council, the Minister agreed to meet with residents further to discuss their concerns but only if they agreed to remain as part of the new Mareeba Local Government Area. The Minister has therefore refused to reconsider their request to remain a part of Tablelands Regional Council.

3.3 Gold Coast Beaches

The Minister confirmed under questioning that he had discussed the issue of erosion on Gold Coast beaches with the Mayor of the Gold Coast. He also confirmed that the State Government would not be considering any financial assistance to council in order to repair the ongoing damage. This means that ratepayers will shoulder the full burden of having to continually repair Gold Coast's beaches.

3.4 Infrastructure Charges

The Minister was asked about infrastructure charges and a discussion paper being managed by the Department of State Development, Infrastructure and Planning which could see infrastructure charges reduced. Whilst it was appreciated that the Minister was commenting on a matter not directly within his portfolio this issue does impact on the financial capacity of councils to deliver much needed infrastructure. The Minister could not confirm that his Department had modelled what impact a reduction in infrastructure charges would have on the viability of councils or their ability to deliver infrastructure. This was disappointing and the Opposition will continue to monitor this area to ensure that an appropriate balance is achieved in infrastructure charging.

3.5 Reconstruction

The Minister showed obvious concern when questioned about the deadline for reconstruction, however, he was not able to articulate any strategies that were being employed by the government to ensure that the deadline for reconstruction projects

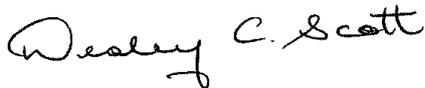
would be met. The Minister also confirmed that \$5.2 billion had been received to date from the Commonwealth for reconstruction.

The Minister raised the issue of \$725 million in Commonwealth funding for reconstruction work that had not yet been paid. The CEO of the Queensland Reconstruction Authority confirmed that the Queensland Auditor-General had not fully signed off on the projects for which that funding was sought and had in fact provided a qualified audit.

The Opposition would like to once again place on record its thanks and congratulations to the staff of the Queensland Reconstruction Authority for their professional and diligent management of the reconstruction process.

3.6 Constitutional Recognition of Local Government

The Minister was asked about the proposed referendum to recognise local government in the Australian Constitution. A letter dated 4 March 2013 was tabled from the Premier to the Prime Minister in which he stated the Queensland Government's support for the proposed referendum as it is currently worded. Subsequent to that letter the Government changed its position in response to Crown Law advice which has not been made public. The Minister confirmed that the Local Government Association of Queensland had contrary legal advice and therefore was continuing to support the referendum.



Desley Scott MP
Deputy Chairperson
Member for Woodridge