

2021-22 Budget Estimates – Appropriation Bill 2021

Report No. 13, 57th Parliament
Economics and Governance Committee
August 2021

Economics and Governance Committee

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Acknowledgements

The committee thanks the Premier and Minister for Trade; Treasurer and Minister for Investment; Minister for Tourism Industry Development and Innovation and Minister for Sport; and portfolio statutory entities for their assistance.

The committee also acknowledges the assistance provided by the departmental officers and other officials who contributed to the work of the committee during the estimates process.

All web address references were correct as at 18 August 2021.

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Chair's foreword

This report presents a summary of the Economics and Governance Committee's consideration of the budget estimates for the committee's portfolio areas for the 2021-22 financial year, as set out in the Appropriation Bill 2021.

Central to these considerations was the committee's conduct of a question on notice process and public hearing, which provided an opportunity for the committee to examine the estimates of expenditure in greater detail, including further exploring information set out in the budget papers accompanying the Bill.

The committee has recommended that the proposed expenditure, as detailed in the Appropriation Bill 2021, be agreed to by the Legislative Assembly without amendment.

On behalf of the committee, I wish to thank the Premier and Minister for Trade, the Treasurer and Minister for Investment, the Minister for Tourism Industry Development and Innovation and Minister for Sport, and statutory officers and other portfolio entity officers for their cooperation in providing information to the committee throughout this process.

I would also like to thank my fellow committee members for their contributions, and other non-committee members whose participation in the hearing provided additional scrutiny of the estimates.

Finally, I thank the committee's secretariat and other Parliamentary Service staff for their assistance.



Linus Power MP

Chair

August 2021

Abbreviations

committee	Economics and Governance Committee
CTP	compulsory third party
DPC	Department of Premier and Cabinet
DTIS	Department of Tourism, Innovation and Sport
GOCs	government owned corporations
ICT	information and communication technology
MAIC	Motor Accident Insurance Commission
Minister	Minister for Tourism Industry Development and Innovation and Minister for Sport
Premier	Premier and Minister for Trade
PSC	Public Service Commission
QAO	Queensland Audit Office
QT	Queensland Treasury
QTC	Queensland Treasury Corporation
SDS	Service Delivery Statements
Standing Orders	Standing Rules and Orders of the Legislative Assembly (Queensland)
TEQ	Tourism and Events Queensland
TIQ	Trade and Investment Queensland
Treasurer	Treasurer and Minister for Investment

1 Introduction

1.1 Role of the committee

The Economics and Governance Committee (committee) is a portfolio committee of the Legislative Assembly which commenced on 26 November 2020 under the *Parliament of Queensland Act 2001* and the Standing Rules and Orders of the Legislative Assembly (Standing Orders).¹

The committee's primary areas of responsibility are:

- Premier and Cabinet, and Trade
- Treasury and Investment
- Tourism Industry Development, Innovation and Sport.

The committee also has oversight functions in relation to the Auditor-General and the Integrity Commissioner.

1.2 Inquiry process

On 18 June 2021, the Appropriation Bill 2021 and the estimates for the committee's area of responsibility were referred to the committee for investigation and report.²

In making this referral, the Legislative Assembly agreed to a resolution setting out dates and specified timeframes for each portfolio committee to hold its estimates hearing, and requiring the committees to report back to the Assembly on the referred estimates by 20 August 2021.³

In keeping with the Assembly's direction, on 16 July 2021, the committee conducted a public hearing and took evidence about the proposed expenditures from the Premier and Minister for Trade (Premier), the Treasurer and Minister for Investment (Treasurer), the Minister for Tourism Industry Development and Innovation and Minister for Sport (Minister), and other witnesses.

Prior to the hearing, the committee also provided and received answers to questions on notice from the Premier, Treasurer and Minister.

These answers to the committee's pre-hearing questions on notice, along with documents tabled during the hearing and answers and additional information provided by Ministers after the hearing, are included in a volume of additional information tabled with this report. A copy of the transcript of the committee's hearing is available on the committee's webpage.⁴

1.3 Aim of this report

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

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

- the budget papers
- answers to pre-hearing questions on notice

¹ *Parliament of Queensland Act 2001*, s 88 and Standing Rules and Orders of the Legislative Assembly (Standing Orders), Standing Order 194.

² Queensland Parliament, Record of Proceedings, 18 June 2021, p 2193. 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.

³ Queensland Parliament, Record of Proceedings, 18 June 2021, pp 2195-2201.

⁴ <https://www.parliament.qld.gov.au/work-of-committees/committees/EGC/inquiries/past-inquiries/Estimates2021>.

- evidence taken at the hearing
- an answer to a question taken on notice at the hearing
- additional information given in relation to answers.

1.4 Participation of other Members

The committee gave leave for other (non-committee) Members to participate in the hearing. The following Members participated in the hearing during the committee’s examination of the estimates for its portfolio areas:

- Steven Andrew MP, Member for Mirani
- Michael Berkman MP, Member for Maiwar
- Jarrod Bleijie MP, Member for Kawana
- David Crisafulli MP, Member for Broadwater
- David Janetzki MP, Member for Toowoomba South
- Robbie Katter MP, Member for Traeger
- Dr Amy MacMahon MP, Member for South Brisbane
- Tim Mander MP, Member for Everton
- Sam O’Connor MP, Member for Bonney
- Fiona Simpson MP, Member for Maroochydore.

A list of the Members granted leave to participate in the hearing is also included in the volume of additional information tabled with this report.

2 Recommendation

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

The committee agrees to the portfolio area expenditures as proposed and recommends their approval by the Legislative Assembly.

Recommendation 1

The committee recommends that the proposed expenditures, as detailed in the Appropriation Bill 2021 for the committee's areas of responsibility, be agreed to by the Legislative Assembly without amendment.

3 Premier and Minister for Trade

The Premier has responsibility for the following agencies, services and statutory entities:

- the Department of Premier and Cabinet (DPC)
- Trade and Investment Queensland (TIQ)
- the Office of the Governor
- the Public Service Commission (PSC)
- the Queensland Audit Office (QAO).⁵

The Premier’s responsibilities also include:

- the Screen Industry Development area, through which DPC provides administered funding for Screen Queensland
- the administration of the *Integrity Act 2009*, under which the Integrity Commissioner operates.⁶

In keeping with the requirements of Schedule 7 of the Standing Orders,⁷ each of the Auditor-General, Integrity Commissioner, and the chief executives of TIQ, the Office of the Governor, the PSC, and Screen Queensland were present at the hearing on 16 July 2021 to assist the committee with its consideration of the portfolio estimates.

3.1 Department of Premier and Cabinet

DPC is the lead, central agency of the Queensland public service. Its objectives are to:

- lead the policy development process across government to ensure effective outcomes for Queenslanders
- inform the strategic direction of government
- ensure a strong system of government
- maintain a high-performing and responsive workforce.⁸

The department’s activities are coordinated through 4 service areas:

- Policy Advice and Coordination, and Cabinet Support
- Strategy and Engagement
- Government Services
- Legislative Drafting and e-Publishing.⁹

The Policy Advice and Coordination, and Cabinet Support service area provides advice and support to the Premier and Cabinet, leads intergovernmental relations (including supporting the Premier’s attendance at National Cabinet), and leads policy development on key social, economic, environmental and other whole-of-government issues and challenges.¹⁰ Strategy and Engagement informs the

⁵ Queensland Budget 2021-22, Service Delivery Statements (SDS), Department of Premier and Cabinet (DPC), p (i).

⁶ Administrative Arrangements Order (No. 1) 2021, p 2.

⁷ Schedule 7 of the Standing Orders sets out a list of statutory entities to which direct questioning of chief executives at estimates applies.

⁸ Queensland Budget 2021-22, SDS, DPC, p 1; DPC, ‘Strategic Plan 2020-2024’, <https://www.premiers.qld.gov.au/publications/categories/plans/strategic-plan/2020-2024-strategic-plan.aspx#innovative>.

⁹ Queensland Budget 2021-22, SDS, DPC, p 1.

¹⁰ Queensland Budget 2021-22, SDS, DPC, p 4; DPC, *2019-20 Annual Report*, September 2020, p 12.

strategic direction of the Queensland Government and leads the government’s externally focused activities through targeted communications, research and engagement with the community, businesses and stakeholders locally and internationally.¹¹ Government Services provides high-level constitutional, legal and public administration support to the Premier and Cabinet, as well as supporting Ministerial offices and the Office of the Leader of the Opposition.¹² The service area also provides a central point of contact for veterans’ matters and coordinates the delivery of the government’s commitments to support veterans.¹³ Finally, the Legislative Drafting and e-Publishing service area, through the Office of the Queensland Parliamentary Counsel, is responsible for drafting and providing access to Queensland legislation of the highest standard.¹⁴

DPC also has responsibility for administering funding for Ministerial offices, the Office of the Leader of the Opposition, TIQ (see 3.2 below), and Screen Queensland. Screen Queensland is a Queensland Government-owned company that invests in and supports the Queensland screen industry, with the aim of making Queensland a global leader in the screen industry across all platforms and genres.¹⁵

3.1.1 Budget overview

The proposed budget for DPC in 2021-22 is \$276.7 million, comprising \$109.2 million in departmental expenditure and \$167.5 million in funding to be administered by the department on behalf of the state.¹⁶

The proposed \$109.2 million in departmental expenses represents an increase of \$812,000 on estimated actual departmental spending in 2020-21,¹⁷ which the DPC Service Delivery Statements (SDS) advise ‘reflects increased funding provided in the 2021-22 Budget (for initiatives such as the Regional Communities Program) and other adjustments’.¹⁸

The planned \$167.5 million in administered expenses, which marks a \$19.2 million increase on DPC’s estimated actual administered expenditure in 2020-21, includes:

- a \$7.7 million increase in administered grant funding for TIQ as compared with the 2020-21 estimated actual funding for the entity, due primarily to a deferral of funding for certain key programs as a result of COVID-19 related industry impacts which will be expensed in 2021-22
- a \$7.7 million increase in administered grant funding for Screen Queensland (as compared with the 2020-21 estimated actual), driven primarily by additional funding for the Production Attraction Strategy, the Post, Digital and Visual Effects Incentive, and the Screen Finance program, as well as the introduction of the North Queensland Regional program and deferral of some 2020-21 funding commitments to 2021-22
- a \$3.8 million increase in the operating budget for Ministerial Offices and for the Leader of the Opposition (as compared with the 2020-21 estimated actual), as a result of increased funding to support expanded Ministerial portfolios, funds carried over as savings from 2020-21 due to staff vacancies during the year, offset wage cost increases resulting from enterprise bargaining, and additional funding for a device replacement roll out.¹⁹

¹¹ Queensland Budget 2021-22, SDS, DPC, p 5.

¹² Queensland Budget 2021-22, SDS, DPC, p 5.

¹³ Queensland Budget 2021-22, SDS, DPC, p 5.

¹⁴ Queensland Budget 2021-22, SDS, DPC, p 6.

¹⁵ Screen Queensland, ‘About’, <https://screenqueensland.com.au/about-sq/what-we-do/>.

¹⁶ Queensland Budget 2021-22, SDS, DPC, pp 7-8, 11.

¹⁷ Queensland Budget 2021-22, SDS, DPC, p 7.

¹⁸ Queensland Budget 2021-22, SDS, DPC, p 7.

¹⁹ Queensland Budget 2021-22, SDS, DPC, p 7.

To fund this budgeted expenditure, the Appropriation Bill 2021 proposes that DPC receive a departmental appropriation of \$99.8 million in 2021-22,²⁰ with the remainder of the \$109.2 million in planned departmental spending to be financed through a combination of user charges and fees, grants and other contributions, interest and distributions from managed funds, and other revenue.²¹ DPC's administered items expenditure (\$167.5 million) would be wholly funded by appropriation revenue.²²

The following table (as set out in the Appropriation Bill 2021) illustrates the combined total of the cash appropriations for the department for 2021-22, compared with the budgeted and actual cash appropriations for DPC in 2020-21.

Appropriations	Budget 2020-21 \$'000	Est. Actual 2020-21 \$'000	Vote 2021-22 \$'000
<i>Controlled Items</i>			
departmental services	87,757	78,335	99,816
equity adjustment	..	..	..
<i>Administered Items</i>	146,812	138,070	167,549
Vote	234,569	216,405	267,365

Source: Appropriation Bill 2021, Schedule 2, p 11.

As highlighted in the table, the total combined 2021-22 appropriation of \$267.4 million represents a significant increase on both the budgeted and estimated actual total appropriations for the department in 2020-21, which are approximately \$32.8 million and \$51.0 million lower respectively. As previously noted, these differences reflect the effects of both the deferral of certain planned expenditure from 2020-21 to 2021-22, and further, additional funding – particularly for administered bodies – over the year ahead.

The 2021-22 service area highlights for DPC include the following key funding announcements:

- \$71 million over 4 years to support Screen Queensland, including \$53 million to continue the Production Attraction Strategy and \$18 million to extend the Post, Digital and Visual Effects incentive and Screen Finance program and introduce the North Queensland regional program
- \$9.1 million over 5 years and \$2.5 million per year ongoing to continue the Office for Rural and Regional Queensland, which provides stakeholder engagement through the DPC's regional presence, including Regional Community Forums
- \$20.6 million over 5 years for TIQ to continue delivering initiatives from the *International Education and Training Strategy to Advance Queensland 2016-2026*.²³

3.1.2 Capital program

A total of \$860,000 has been set aside in 2021-22 for capital purchases for DPC, including Ministerial offices and the Office of the Leader of the Opposition, for ongoing upgrades and maintenance of departmental and Ministerial Services information and communication technology (ICT) systems and other minor works.²⁴

²⁰ Appropriation Bill 2021, Schedule 1, p 6.

²¹ Queensland Budget 2021-22, SDS, DPC, p 8.

²² Queensland Budget 2021-22, SDS, DPC, p 11.

²³ Queensland Budget 2021-22, SDS, DPC, p 2.

²⁴ Queensland Budget 2021-22, Capital Statement – Budget Paper No 3, p 69.

DPC's 2021-22 budget also provides for capital grants to Screen Queensland for a Far North Queensland film studio (\$6.3 million) and a Gold Coast television hub (\$4.5 million).²⁵ In addition, \$500,000 has been set aside for the Queensland Remembers Grants program to support ex-service organisations and not-for profit organisations that provide services to veterans to upgrade their buildings, facilities and equipment.²⁶

3.2 Trade and Investment Queensland

As previously noted, the Premier also has ministerial responsibility for the budget of TIQ. Established as a statutory body under the *Trade and Investment Queensland Act 2013*, TIQ's purpose is to enable global business opportunities that create jobs and help Queensland grow.²⁷ To achieve this, TIQ assists Queensland exporters to take their products to world markets and promotes investment in Queensland.²⁸ TIQ has 2 service areas: Trade and Investment Missions, and Trade and Investment Services. The Trade and Investment Missions service area uses government and industry missions and international events to promote Queensland as an ideal location for trade, investment, study and migration.²⁹ Trade and Investment Services facilitates trade and investment opportunities for Queensland businesses and encourages investment in Queensland.³⁰

TIQ's objectives are to:

- position Queensland globally for success
- grow diversified exports
- promote regional success through global links
- attract and develop talent to grow Queensland
- attract job creating international investment.³¹

3.2.1 Budget overview

TIQ is funded by DPC-administered grant funding. In 2021-22, it is proposed that TIQ will receive \$53.5 million in administered funding from the DPC, an approximately 16.8% increase from TIQ's 2020-21 estimated actual appropriation funding amount.³² The DPC SDS explain that the increase is primarily associated with the impact of carrying over planned 2020-21 funding for the 'Advancing Trade and Investment Strategy, the Reinvigorated Agricultural Trade funding and the Regional Exporter Go Global program', all of which are to be expensed in 2021–22.³³

Key deliverables for TIQ in 2021-22 include:

- connecting Queensland exporters and project proponents with potential buyers and investors and capitalising on Queensland's success in managing the COVID-19 pandemic to promote the state as an ideal location for trade, investment, study and migration through virtual missions underpinned by digital technology, and physical missions once international travel can safely resume

²⁵ Queensland Budget 2021-22, Capital Statement – Budget Paper No 3, p 69.

²⁶ Queensland Budget 2021-22, Capital Statement – Budget Paper No 3, p 69.

²⁷ Queensland Budget 2021-22, SDS, DPC, p 14.

²⁸ Trade and Investment Queensland (TIQ), About us, www.tiq.qld.gov.au/connect/about-us/.

²⁹ Queensland Budget 2021-22, SDS, DPC, p 16.

³⁰ Queensland Budget 2021-22, SDS, DPC, p 16.

³¹ Queensland Budget 2021-22, SDS, DPC, p 14.

³² Queensland Budget 2021-22, SDS, DPC, p 7.

³³ Queensland Budget 2021-22, SDS, DPC, p 7.

- facilitating trade and investment opportunities for Queensland businesses and encouraging international investment; extending Queensland’s overseas network to grow new markets; providing exporters with support in the form of market intelligence, connections, and financial assistance, to both maintain existing markets and find new markets; and promoting economic opportunities across Queensland to international investors
- continuing to deliver initiatives from the *International Education and Training Strategy to Advance Queensland 2016–2026* with increased funding of \$16.5 million over 4 years (for a combined total of \$20.6 million over 5 years).³⁴

3.3 Office of the Governor

The Office of the Governor is an independent entity that provides executive, administrative, logistical and personal support to assist the Governor in exercising constitutional powers and responsibilities and undertaking constitutional and ceremonial duties and community activities.³⁵ The Office of the Governor also maintains the Government House Estate, in partnership with the Department of Energy and Public Works.³⁶

In 2021-22, the objectives for the Office of the Governor are to:

- support the Governor in safeguarding Queensland’s Constitution and democratic system of government
- support the Governor in fulfilling ceremonial responsibilities
- facilitate the Governor’s civic and community engagement with all Queenslanders
- promote Queensland by supporting Queensland’s trade, investment and cultural endeavours locally and internationally
- provide strong corporate governance and management that utilises emerging technologies and continuously improves performance, capability, accountability and value-for-money service delivery
- provide efficient and effective stewardship of the Government House Estate.³⁷

3.3.1 Budget overview

The Office of the Governor is funded solely by appropriation revenue, with budgeted expenditure for 2021-22 totalling \$8.3 million. The SDS advise that this represents an increase of approximately \$899,000 on the Office’s 2020-21 estimated actual appropriation funding.³⁸ The SDS state that the increase ‘is primarily due to the additional funding provided to support the transition to a new Governor’.³⁹

The following table taken from the Appropriation Bill 2021 (see next page) shows the proposed cash appropriations for the Office of the Governor for 2021-22, compared with the budgeted and actual cash appropriations for the office in 2020-21.

³⁴ Queensland Budget 2021-22, SDS, DPC, p 14.

³⁵ Queensland Budget 2021-22, SDS, DPC, p 21.

³⁶ Queensland Budget 2021-22, SDS, DPC, p 21.

³⁷ Queensland Budget 2021-22, SDS, DPC, p 21.

³⁸ Queensland Budget 2021-22, SDS, DPC, p 24.

³⁹ Queensland Budget 2021-22, SDS, DPC, p 24.

Appropriations	Budget 2020-21 \$'000	Est. Actual 2020-2021 \$'000	Vote 2021-22 \$'000
<i>Controlled Items</i>			
departmental services	7,337	7,326	8,328
equity adjustment	..	11	..
<i>Administered Items</i>	..	..	..
Vote	7,337	7,337	8,328

Source: Appropriation Bill 2021, Schedule 2, p 14.

Key deliverables in 2021-22 for the Office of the Governor include:

- assuming additional activities for planning, development, and implementation to support the transition to a new Governor, including archiving and rebranding, and arranging the accommodation, transport and security requirements to support the transition
- participating in an audience with Her Majesty Queen Elizabeth II, Queensland's Head of State, for the Governors in transition.⁴⁰

The Office has also planned a budget outlay of \$64,000 for investment in upgrading ICT systems to support events and investitures at Government House and to replace assets in hospitality services.⁴¹

3.4 Public Service Commission

Established under the *Public Service Act 2008*, the PSC is an independent central agency of government.⁴² The role of the PSC is to advise, connect, support and partner with Queensland Government agencies to enable them to deliver on the government's objectives for the community.⁴³ To fulfil its vision of a 'high performing, future-focused public sector for Queensland',⁴⁴ the PSC supports the public sector to improve workforce management strategies and data analysis, build leadership and human resources capability, increase sector wide mobility, and implement *the Inclusion and Diversity Strategy 2021-26*.⁴⁵

The PSC's objectives for 2021-22 are to:

- support public sector agencies to effectively manage their workforces
- build a highly capable and responsive public sector workforce
- support the public sector to prepare for and respond to strategic workforce challenges.⁴⁶

The Integrity Commissioner is administratively included within the PSC and is responsible for providing advice to designated persons, raising awareness on ethics and integrity issues, and for maintaining the

⁴⁰ Queensland Budget 2021-22, SDS, DPC, p 21.

⁴¹ Queensland Budget 2021-22, SDS, DPC, p 22.

⁴² Queensland Government, 'About the Public Service Commission', <https://www.qld.gov.au/about/how-government-works/government-structure/public-service-commission/about>.

⁴³ Queensland Budget 2021-22, SDS, DPC, p 29.

⁴⁴ Queensland Public Service Commission, 'strategic plan 2020-24', www.qld.gov.au/__data/assets/pdf_file/0024/152682/Public-Service-Commission-Strategic-Plan-2020-2024.pdf.

⁴⁵ Queensland Budget 2021-22, SDS, DPC, p 31.

⁴⁶ Queensland Budget 2021-22, SDS, DPC, p 29.

Queensland Register of Lobbyists.⁴⁷ The Integrity Commissioner is an independent officer of the Queensland Parliament who reports to the committee.⁴⁸

3.4.1 Budget overview

The PSC's budgeted operating expenditure for 2021-22 is \$15.2 million, an increase of \$952,000 over the 2020-21 estimated actual budget (\$14.2 million).⁴⁹ The SDS state that the increase is primarily due to 'a deferral of funds for learning and development activities across the sector, the impact of enterprise bargaining arrangements and additional funding for the Special Commissioner (Equity and Diversity)'.⁵⁰

It is proposed that the PSC will receive appropriation revenue of just under \$14 million in 2021-22, with the remainder of the PSC's \$15.2 million in operating expenses to be funded from user charges and fees, grants and other contributions, and other revenue.⁵¹

The following table taken from the Appropriation Bill 2021 shows the proposed cash appropriations for the PSC for 2021-22, compared with the budgeted and actual cash appropriations for the PSC in 2020-21.

Appropriations	Budget 2020-21 \$'000	Est. Actual 2020-2021 \$'000	Vote 2021-22 \$'000
<i>Controlled Items</i>			
departmental services	11,485	11,381	13,979
equity adjustment	..	..	..
<i>Administered Items</i>	..	..	..
Vote	11,485	11,381	13,979

Source: Appropriation Bill 2021, Schedule 2, p 16.

As previously noted, the 2021-22 Budget includes additional funding to establish the Office of the Special Commissioner (Equity and Diversity), with \$1.3 million over 5 years to be allocated for this purpose.⁵² The role of that office will be to 'review current public sector employment arrangements and conditions to address gender-based disparities and drive strategies and initiatives that promote gender pay equity and ensure fairness and inclusion across the state's largest workforce'.⁵³

3.5 Queensland Audit Office

The QAO is the independent auditor of the Queensland public sector. The QAO conducts financial and performance audits to provide public confidence in the reliability of public sector entity financial statements and operating performance. Through its audit work, the QAO makes recommendations to its clients on how they can improve their delivery of public services.⁵⁴

⁴⁷ Queensland Budget 2021-22, SDS, DPC, p 29. See also: *Integrity Act 2009*, s 7.

⁴⁸ Queensland Budget 2021-22, SDS, DPC, p 29.

⁴⁹ Queensland Budget 2021-22, SDS, DPC, pp 32, 33.

⁵⁰ Queensland Budget 2021-22, SDS, DPC, p 32.

⁵¹ Queensland Budget 2021-22, SDS, DPC, p 33.

⁵² Queensland Budget 2021-22, SDS, DPC, p 30.

⁵³ Queensland Budget 2021-22, SDS, DPC, p 30.

⁵⁴ Queensland Budget 2021-22, SDS, DPC, p 37.

The objectives of the QAO are:

- to support and inspire its people (including its audit service providers) to best serve Parliament and its clients
- for its services and insights to be trusted and valued by those it serves
- for its assurance services and insights to be used to improve accountability and performance.⁵⁵

3.5.1 Budget overview

The proposed appropriation revenue for the QAO for 2021-22, at \$7.0 million, is approximately \$416,000 higher than the estimated actual appropriation for 2020-21. However, appropriation funding constitutes only around 15% of the QAO's overall income for the year. The majority of the QAO's income is derived from user charges and fees (around 84% of the QAO's incoming funds in 2021-22), which will yield a reduced \$38.7 million in 2021-22— down by around \$1.1 million on the estimated actual amount for this income source for 2020-21.

The sum effect is a reduction in the QAO's overall income of \$703,000 (as compared to the estimated actual for 2020-21), which according to the SDS 'reflects timing differences between when work is performed and when it is planned to be performed'⁵⁶ owing to machinery-of-government changes, new mandates over private hospital viability payments and the audit readiness of QAO clients.⁵⁷ In addition, the COVID-19 pandemic shutdown resulted in some 2019-20 audit work being deferred into 2020-21 to allow QAO clients additional time to prepare for their audits.⁵⁸

The following table taken from the Appropriation Bill 2021 shows the proposed cash appropriation for the QAO for 2021-22 and the budgeted and estimated actual cash appropriations for the QAO in 2020-21.

Appropriations	Budget 2020-21 \$'000	Est. Actual 2020-2021 \$'000	Vote 2021-22 \$'000
<i>Controlled Items</i>			
departmental services	6,598	6,598	7,014
equity adjustment	..	..	..
<i>Administered Items</i>	..	..	..
Vote	6,598	6,598	7,014

Source: Appropriation Bill 2021, Schedule 2, p 16.

In 2021-22, the QAO plans to:

- enhance internal and external relationships, based on QAO's recognition that its success in fostering better public services hinges on the quality of its relationships
- improve client experiences and shared insights
- build capacity through defining future workforce need and developing or attracting employees with essential skills.⁵⁹

⁵⁵ Queensland Budget 2021-22, SDS, DPC, p 37.

⁵⁶ Queensland Budget 2021-22, SDS, DPC, p 37.

⁵⁷ Queensland Budget 2021-22, SDS, DPC, p 40.

⁵⁸ Queensland Budget 2021-22, SDS, DPC, p 40.

⁵⁹ Queensland Budget 2021-22, SDS, DPC, p 37.

3.6 Key issues raised during consideration of the budget estimates

Matters considered by the committee in relation to the estimates for the portfolio areas of Premier and Cabinet and Trade included:

- the operation of Queensland Health, its leadership and its governance framework⁶⁰
- Queensland Health’s asset planning⁶¹ and investment in the Queensland health system⁶²
- the definition of ‘a sustainable health system’⁶³ and demand for Queensland health services⁶⁴
- ambulance services in Queensland⁶⁵
- the COVID-19 health response, its role in keeping Queenslanders safe, and its impact on the state’s economy⁶⁶
- the release of information related to advice provided by the Chief Health Office and communication of the decision-making process in response to the COVID-19 pandemic⁶⁷
- vaccination of Queensland Government employees⁶⁸
- regional quarantine facilities⁶⁹
- investment to support small businesses, including during COVID-19 pandemic lockdowns⁷⁰
- government support for jobs through the COVID economic recovery plan⁷¹
- governance arrangements across government⁷²
- investigations by the CCC and other entities⁷³
- the remuneration of current and former Directors-General of DPC⁷⁴
- the appointment process for the former Under Treasurer⁷⁵
- Queensland Government marketing, advertising and communication activities⁷⁶

⁶⁰ Public hearing transcript, Brisbane, 16 July 2021, pp 14-15, 16.

⁶¹ Public hearing transcript, Brisbane, 16 July 2021, p 13; Premier and Minister for Trade (Premier), response to pre-hearing question on notice no. 20.

⁶² Public hearing transcript, Brisbane, 16 July 2021, p 20; Premier, responses to pre-hearing questions on notice nos. 6 and 20.

⁶³ Public hearing transcript, Brisbane, 16 July 2021, pp 14-15, 17.

⁶⁴ Premier, responses to pre-hearing questions on notice nos. 6 and 12.

⁶⁵ Public hearing transcript, Brisbane, 16 July 2021, p 36; Premier, response to pre-hearing question on notice no. 12.

⁶⁶ Public hearing transcript, Brisbane, 16 July 2021, p 17.

⁶⁷ Public hearing transcript, Brisbane, 16 July 2021, pp 36-38.

⁶⁸ Premier, response to pre-hearing question on notice no. 13.

⁶⁹ Public hearing transcript, Brisbane, 16 July 2021, p 39; Premier, response to pre-hearing question on notice no. 7.

⁷⁰ Public hearing transcript, Brisbane, 16 July 2021, pp 33-34, 42-43; Premier, responses to pre-hearing questions on notice nos. 3, 11.

⁷¹ Public hearing transcript, Brisbane, 16 July 2021, p 18; Premier, response to pre-hearing question on notice no. 1.

⁷² Public hearing transcript, Brisbane, 16 July 2021, p 22.

⁷³ Public hearing transcript, Brisbane, 16 July 2021, pp 20, 23, 28-29.

⁷⁴ Public hearing transcript, Brisbane, 16 July 2021, pp 38, 41.

⁷⁵ Public hearing transcript, Brisbane, 16 July 2021, p 20.

⁷⁶ Premier, response to pre-hearing question on notice no. 14.

- market research and voter sentiment polling contracted by DPC⁷⁷
- grants awarded by the DPC and offices and statutory authorities within the Premier’s portfolio⁷⁸
- communications staff employed in the office of the Premier and in DPC⁷⁹
- the role of government media units⁸⁰
- the strategic review of the Integrity Commissioner⁸¹
- unregistered lobbying⁸²
- briefings of Cabinet by the Integrity Commissioner⁸³
- government investment in frontline staff⁸⁴
- Queensland Government investment in state schools,⁸⁵ including funding for state school health and wellbeing personnel⁸⁶
- support for youth through the Skilling Queenslanders for Work program⁸⁷
- funding for public housing in Queensland⁸⁸
- breach of bail provisions⁸⁹
- support for Queensland’s future athletes⁹⁰
- the potential benefits to Queensland of Brisbane securing the 2032 Olympic Games⁹¹
- community consultation about the 2032 Olympics,⁹² and modelling on costs for residents in suburbs neighbouring the Gabba stadium⁹³
- quarantine arrangements for the Premier following her visit to Tokyo to bid for the 2032 Olympic Games⁹⁴
- initiatives to deliver a strategic advantage to Queensland’s tourism sector⁹⁵

⁷⁷ Premier, response to pre-hearing question on notice no. 16.

⁷⁸ Premier, response to pre-hearing question on notice no. 17.

⁷⁹ Public hearing transcript, Brisbane, 16 July 2021, pp 45-46.

⁸⁰ Public hearing transcript, Brisbane, 16 July 2021, p 29.

⁸¹ Public hearing transcript, Brisbane, 16 July 2021, p 22.

⁸² Public hearing transcript, Brisbane, 16 July 2021, p 22, 24.

⁸³ Public hearing transcript, Brisbane, 16 July 2021, pp 23, 29; Premier, response to pre-hearing question on notice no. 15.

⁸⁴ Public hearing transcript, Brisbane, 16 July 2021, p 20; Premier, response to pre-hearing question on notice no. 12.

⁸⁵ Public hearing transcript, Brisbane, 16 July 2021, pp 25-26.

⁸⁶ Public hearing transcript, Brisbane, 16 July 2021, p 48.

⁸⁷ Public hearing transcript, Brisbane, 16 July 2021, p 41; Premier, response to pre-hearing question on notice no. 1.

⁸⁸ Public hearing transcript, Brisbane, 16 July 2021, pp 26-27.

⁸⁹ Public hearing transcript, Brisbane, 16 July 2021, p 43.

⁹⁰ Public hearing transcript, Brisbane, 16 July 2021, p 19.

⁹¹ Public hearing transcript, Brisbane, 16 July 2021, p 19.

⁹² Public hearing transcript, Brisbane, 16 July 2021, p 31.

⁹³ Public hearing transcript, Brisbane, 16 July 2021, p 30.

⁹⁴ Public hearing transcript, Brisbane, 16 July 2021, p 35-36

⁹⁵ Public hearing transcript, Brisbane, 16 July 2021, p 26.

- investment in Queensland’s screen and film industry⁹⁶
- investment in the hydrogen economy⁹⁷
- the Queensland Government’s strategic engagement with stakeholders and business partners in the community and private sector⁹⁸
- the Auditor-General’s planned audit of Advance Queensland⁹⁹
- trade outcomes for Queensland during 2020-21¹⁰⁰ and the impact of the COVID-19 pandemic on the trade portfolio¹⁰¹
- trade grants for primary producers¹⁰²
- investment in infrastructure in regional Queensland,¹⁰³ and specifically Hervey Bay¹⁰⁴
- the appointment of the CEO of the Gladstone Ports Corporation¹⁰⁵
- support for the CopperString project¹⁰⁶
- funding provided to, and the work of, the expert panel examining the Bradfield scheme¹⁰⁷
- Northern Australia Infrastructure Facility funding for the Olive Downs Mine¹⁰⁸
- support for veterans¹⁰⁹
- the Path to Treaty Fund¹¹⁰
- the work of the Domestic and Family Violence Implementation Council¹¹¹
- the representation and the economic participation of women in Queensland¹¹²
- the role of the Special Commissioner Equity and Diversity¹¹³
- investment in bushfire and disaster preparedness.¹¹⁴

⁹⁶ Public hearing transcript, Brisbane, 16 July 2021, p 39-40; Premier, response to pre-hearing question on notice no. 5.

⁹⁷ Public hearing transcript, Brisbane, 16 July 2021, p 31.

⁹⁸ Public hearing transcript, Brisbane, 16 July 2021, p 39.

⁹⁹ Premier, response to pre-hearing question on notice no. 19.

¹⁰⁰ Public hearing transcript, Brisbane, 16 July 2021, pp 27-28; Premier, response to pre-hearing question on notice no. 9.

¹⁰¹ Premier, response to pre-hearing question on notice no. 9.

¹⁰² Premier, response to pre-hearing question on notice no. 10.

¹⁰³ Public hearing transcript, Brisbane, 16 July 2021, p 32; Premier, response to pre-hearing question on notice no. 8.

¹⁰⁴ Public hearing transcript, Brisbane, 16 July 2021, p 46.

¹⁰⁵ Public hearing transcript, Brisbane, 16 July 2021, p 44.

¹⁰⁶ Public hearing transcript, Brisbane, 16 July 2021, p 45.

¹⁰⁷ Public hearing transcript, Brisbane, 16 July 2021, p 46.

¹⁰⁸ Public hearing transcript, Brisbane, 16 July 2021, pp 46-47, 48-49.

¹⁰⁹ Public hearing transcript, Brisbane, 16 July 2021, p 33; Premier, response to pre-hearing question on notice no. 2.

¹¹⁰ Public hearing transcript, Brisbane, 16 July 2021, pp 31-32.

¹¹¹ Public hearing transcript, Brisbane, 16 July 2021, pp 27, 40-41.

¹¹² Public hearing transcript, Brisbane, 16 July 2021, p 48.

¹¹³ Public hearing transcript, Brisbane, 16 July 2021, p 48; Premier, responses to pre-hearing questions on notice nos. 4 and 18.

¹¹⁴ Public hearing transcript, Brisbane, 16 July 2021, pp 18-19.

4 Treasurer and Minister for Investment

The Treasurer, the Honourable Cameron Dick MP, has responsibility for:

- Queensland Treasury (QT)
- the Motor Accident Insurance Commission (MAIC)/Nominal Defendant.

In addition, the Treasurer is responsible for the administration of the *Government Owned Corporations Act 1993*, *National Injury Insurance Scheme (Queensland) Act 2016*, *Queensland Competition Authority Act 1997*, *Queensland Investment Corporation Act 1991*, *Queensland Treasury Corporation Act 1988*, *South East Queensland Water (Restructuring) Act 2007*. This legislation governs the operations of:

- the National Injury Insurance Agency, Queensland
- the Queensland Competition Authority
- QIC Limited, Queensland Treasury Corporation (QTC), and all government owned corporations (GOCs) for which the Treasurer is a shareholding Minister¹¹⁵
- two statutory entities with commercial operations—Queensland Rail, and the Queensland Bulk Water Supply Authority (Seqwater).

In keeping with the requirements of Schedule 7 of the Standing Orders, the chief executives of each of these entities were present at the hearing on 16 July 2021 to assist the committee with its consideration of the portfolio estimates.¹¹⁶

4.1 Queensland Treasury

QT's vision is for a strong economy for all Queenslanders, guided by its purpose of driving government priorities, expert advice and services.¹¹⁷

QT's objectives are to:

- grow the Queensland economy and create jobs
- deliver fiscal sustainability
- equip our workforce for the future
- drive public sector reform.¹¹⁸

QT's activities are coordinated through 4 main service areas: Economics and Policy, Fiscal, Commercial and Investment, and Revenue Management.¹¹⁹

The Economics and Policy service area informs, supports and enhances the Queensland Government's policy formulation and decision-making through expert economic and policy analysis, advice and

¹¹⁵ Queensland Treasury (QT) monitors the performance of all government-owned corporations (GOCs) on behalf of the Treasurer. These GOCs include energy generators CS Energy Ltd and Stanwell Corporation Ltd; renewable energy generator CleanCo Queensland; energy transmission entity the Queensland Electricity Transmission Corporation Limited (Powerlink Queensland); energy distributor Energy Queensland Limited; ports operators Far North Queensland Ports Corporation Limited (Ports North), Gladstone Ports Corporation Limited, North Queensland Bulk Ports Corporation Limited, and Port of Townsville Limited; water body SunWater Limited; and QIC Limited. See: QT, 'Government Owned Corporations', <https://www.treasury.qld.gov.au/queenslands-economy/government-owned-corporations/>. See also Standing Rules and Orders of the Legislative Assembly, Schedule 7.

¹¹⁶ Where a relevant chief executive was unable to attend, they were represented by another senior officer of the organisation, ensuring compliance with Schedule 7 responsibilities.

¹¹⁷ Queensland Budget 2021-22, SDS, QT, p 1.

¹¹⁸ Queensland Budget 2021-22, SDS, QT, p 1.

¹¹⁹ Queensland Budget 2021-22, SDS, QT, p 1.

forecasts, including providing economic, revenue and regulatory leadership.¹²⁰ The Fiscal service area is tasked with the preparation of the Queensland Budget with a focus on the long-term sustainability of Queensland’s fiscal position, and leads the whole-of-state approach to managing the balance sheet and operating statement.¹²¹

The Commercial and Investment service area structures commercial opportunities and activities to support business investment. Commercial and Investment manages existing and new assets, investments, financial and commercial risks. The SDS state that the service area also ‘supports economic recovery and growth in Queensland by providing robust financial and commercial advice to the Queensland Government on commercial and strategic investments and attracting and facilitating investment opportunities that provide enduring economic benefit to Queensland’.¹²² The Revenue Management service area collects revenue, recovers debt and pays grants.¹²³

4.1.1 Budget overview

QT’s budgeted departmental expenditure for 2021-22 is \$510.2 million, a decrease of \$114.4 million from the 2020-21 estimated actual (\$624.5 million).¹²⁴ The SDS state that this decrease is ‘mainly due to a one-off expense recognised as a result of the transfer of securities held by Queensland Treasury Holdings to the Debt Retirement Fund in 2020-21’.¹²⁵ Further, budgeted 2021-22 expenses have also been reduced by ‘the transfer of the Resources Community Infrastructure Fund to the Department of State Development, Infrastructure, Local Government and Planning, effective February 2021’.¹²⁶ The decrease is partially offset by ‘the realignment of costs associated with the Jobs and Regional Growth Fund and the Advance Queensland Industry Attraction Fund from 2020-21 to 2021-22’.¹²⁷

In addition to this departmental expenditure, QT is responsible for overseeing significant administered revenue and expenses. The department receives a large proportion of the state’s taxation, royalties and Australian Government revenue, which is used to fund government priorities. QT administers major grant programs and provides funding to the Queensland Competition Authority.¹²⁸

QT also administers the Government’s cash balances and financing requirements in collaboration with the Queensland Treasury Corporation.¹²⁹

In 2021-22, administered items expenditure by QT is expected to total \$45.6 billion, up from an estimated actual \$43.5 billion in 2020-21.¹³⁰

The following table taken from the Appropriation Bill 2021 (see next page) shows the proposed cash appropriations for QT for 2021-22, compared with the budgeted and actual cash appropriations for the department in 2020-21.

¹²⁰ Queensland Budget 2021-22, SDS, QT, p 4.

¹²¹ Queensland Budget 2021-22, SDS, QT, p 5.

¹²² Queensland Budget 2021-22, SDS, QT, p 6.

¹²³ Queensland Budget 2021-22, SDS, QT, p 7.

¹²⁴ Queensland Budget 2021-22, SDS, QT, p 9.

¹²⁵ Queensland Budget 2021-22, SDS, QT, p 8.

¹²⁶ Queensland Budget 2021-22, SDS, QT, p 8.

¹²⁷ Queensland Budget 2021-22, SDS, QT, p 8.

¹²⁸ Queensland Budget 2021-22, SDS, QT, p 8.

¹²⁹ Queensland Budget 2021-22, SDS, QT, p 8.

¹³⁰ Queensland Budget 2021-22, SDS, QT, p 8.

Appropriations	Budget 2020-21 \$'000	Est. Actual 2020-2021 \$'000	Vote 2021-22 \$'000
<i>Controlled Items</i>			
departmental services	371,772	342,217	477,879
equity adjustment	(9,254)	151,371	7,596
<i>Administered Items</i>	8,156,408	7,918,229	6,370,998
Vote	8,518,926	8,411,817	6,856,473

Source: Appropriation Bill 2021, Schedule 2, p 18.

As illustrated in the table, the departmental appropriation for QT for 2021-22 is significantly higher than in 2020-21, offsetting some decreases in other funding sources for QT and contributing to a planned operational surplus for the department over the year.¹³¹ The proposed appropriation for administered items, in contrast, is significantly lower than the budgeted and estimated actual appropriations for administered funding in 2020-21. However, appropriation revenue will account for only around 13.8% of all income for administered items in 2021-22, with increases in nearly all other revenue sources expecting to finance the budgeted rise in administered expenditure for QT for the year.¹³²

Budget highlights for QT for 2021-22 include the following funding allocations:

- a \$7.7 billion contribution to the Queensland Future Fund—Debt Retirement Fund to support current and future borrowing
- \$2 billion for the Queensland Renewable Energy and Hydrogen Jobs Fund for GOCs to increase investment in commercial renewable energy and hydrogen projects, along with supporting infrastructure, including in partnership with the private sector
- \$1 billion for the Housing Investment Fund, administered in partnership with the Department of Communities, Housing and Digital Economy, with its returns used to drive new supply to support current and future housing needs, and support the objectives of the Queensland Housing Strategy and the evolving needs of Queensland's housing portfolio
- \$500 million for the Carbon Reduction Investment Fund, with its returns used to support the existing Land Restoration Fund to leverage private finance and investment and support financially sustainable carbon markets
- \$300 million for the Path to Treaty Fund, with returns used to support Path to Treaty actions and actions informed by the government's consideration of the report of the Treaty Advancement Committee, expected to be provided to government later in 2021
- \$4.8 million over 4 years from 2021–22 and \$1 million per annum ongoing to increase targeted field enforcement activities to enhance the Office of State Revenue's compliance functions
- \$3.5 million additional funding in 2021–22 to establish and commence Stage 1 implementation of an integrated fine and penalty debt management system in Queensland
- \$1.9 million in 2021–22 for the continued operation of the Crime Statistics and Research Unit to support research and policy development and the assessment of whole-of-criminal-justice-system demands and financial impacts

¹³¹ See Queensland Budget 2021-22, SDS, QT, p 9.

¹³² See Queensland Budget 2021-22, SDS, QT, pp 12, 14

- \$27.6 million over 4 years and \$7.2 million per annum ongoing to continue the work of the Native Title Compensation Office.¹³³

4.1.2 Capital program

For 2021-22, QT has planned capital grants of \$128.2 million, consisting of:

- \$122.7 million through the Office of the State Revenue for the Queensland First Home Owners' Grant
- \$5.5 million through the Commercial and Investment service area to continue the implementation of the Southport Spit Master Plan. (The Southport Spit Master Plan has an overall committed funding allocation of \$60 million, with \$19.4 million in capital grants.)¹³⁴

4.2 Motor Accident Insurance Commission/Nominal Defendant

MAIC and the Nominal Defendant are statutory bodies established under the *Motor Accident Insurance Act 1994*. MAIC manages the Compulsory Third Party (CTP) scheme in Queensland and the Nominal Defendant compensates people who are injured by the negligent driving of unidentified motor vehicles and/or motor vehicles without CTP insurance. The 2 entities are funded by a statutory levy within the CTP insurance program.¹³⁵

The purpose of MAIC is to:

- regulate and improve the CTP insurance scheme
- monitor and make recommendations for the National Injury Insurance Scheme Queensland
- manage the Motor Accident Insurance and Nominal Defendant funds for the benefit of the Queensland community.¹³⁶

The objectives for MAIC/the Nominal Defendant for 2021-22 are to:

- deliver a financially sound CTP insurance scheme
- strengthen insurer supervision and compliance
- develop and promote best practice claims management
- embed insights-enabled decision making and deliver value to motorists, claimants and the CTP insurance market
- create a positive, engaged community of internal and external stakeholders.¹³⁷

4.2.1 Budget overview

MAIC's budgeted expenditure for 2021-22 is \$41.9 million, an increase of \$138,000 on the 2020-21 estimated actual. The SDS indicate that MAIC expects to record an operating deficit of \$21.8 million in 2021-22.¹³⁸ MAIC continues to hold a significant financial asset balance against the operating losses experienced.¹³⁹

¹³³ Queensland Budget 2021-22, SDS, QT, p 2.

¹³⁴ Queensland Budget 2021-22, SDS, QT, p 3.

¹³⁵ Motor Accident Insurance Commission (MAIC), 'Motor Accident Insurance Commission', <https://maic.qld.gov.au/about/maic/>; MAIC, 'Nominal Defendant', <https://maic.qld.gov.au/about/nominal-defendant/>.

¹³⁶ Queensland Budget 2021-22, SDS, QT, p 15.

¹³⁷ Queensland Budget 2021-22, SDS, QT, p 15.

¹³⁸ Queensland Budget 2021-22, SDS, QT, p 18.

¹³⁹ Queensland Budget 2021-22, SDS, QT, p 19.

The Nominal Defendant’s operating budget for 2021-22 is \$42.7 million, an increase of \$1.5 million on the 2020-21 estimated actual expenditure. The SDS indicate that the Nominal Defendant is anticipating an operating surplus of \$11.6 million in 2021-22.¹⁴⁰

Key deliverables for MAIC/the Nominal Defendant in 2021-22 include:

- delivering a financially sound CTP insurance scheme
- funding road trauma related programs that benefit Queensland motorists
- delivering an improved CTP claim lodgement process.¹⁴¹

4.3 Key issues raised during consideration of the budget estimates

Matters considered by the committee in relation to the portfolios of Treasury and Investment included:

- the impact of COVID-19 pandemic lockdowns on Queensland’s state Budget¹⁴²
- Queensland’s Budget operating position and targets for an operating surplus in Queensland and other Australian jurisdictions¹⁴³
- Queensland’s public sector debt position compared with other Australian jurisdictions¹⁴⁴
- the debt and asset position of GOCs¹⁴⁵
- updates provided by the Queensland Government to QTC about Queensland’s fiscal position¹⁴⁶
- Queensland’s credit rating and economic outlook¹⁴⁷
- the Queensland Government Savings and Debt Plan¹⁴⁸
- the decrease in Queensland Treasury’s budgeted expenditure for 2021-22¹⁴⁹
- the corporatisation of the Titles Registry¹⁵⁰, its valuation¹⁵¹ and its estimated rate of return,¹⁵² and the transfer of securities to the Debt Retirement Fund¹⁵³
- Queensland’s current management of taxation and other revenue compared with the approach of previous Queensland governments¹⁵⁴

¹⁴⁰ Queensland Budget 2021-22, SDS, QT, p 21.

¹⁴¹ Queensland Budget 2021-22, SDS, QT, p 15.

¹⁴² Public hearing transcript, Brisbane, 16 July 2021, pp 52-53.

¹⁴³ Public hearing transcript, Brisbane, 16 July 2021, p 80.

¹⁴⁴ Public hearing transcript, Brisbane, 16 July 2021, p 57.

¹⁴⁵ Public hearing transcript, Brisbane, 16 July 2021, p 58.

¹⁴⁶ Public hearing transcript, Brisbane, 16 July 2021, p 61.

¹⁴⁷ Public hearing transcript, Brisbane, 16 July 2021, pp 71-72.

¹⁴⁸ Treasurer and Minister for Investment (Treasurer), responses to pre-hearing questions on notice nos. 11, 12, 13.

¹⁴⁹ Treasurer, response to pre-hearing question on notice no. 18.

¹⁵⁰ Public hearing transcript, Brisbane, 16 July 2021, p 54.

¹⁵¹ Public hearing transcript, Brisbane, 16 July 2021, pp 55-56, 59, 60.

¹⁵² Public hearing transcript, Brisbane, 16 July 2021, p 68.

¹⁵³ Treasurer, response to pre-hearing question on notice no. 18.

¹⁵⁴ Public hearing transcript, Brisbane, 16 July 2021, p 63.

- Queensland’s tax competitiveness in the wake of COVID-19 compared with other Australian jurisdictions,¹⁵⁵ and the government’s setting for state taxes, fees and charges compared with those at the local government level¹⁵⁶
- the Queensland Government’s interest payments¹⁵⁷
- key risks to the Budget forecasts¹⁵⁸
- drivers and assumptions underpinning Budget forecasts for non-dwelling constructions and machinery and equipment¹⁵⁹
- payments to third parties to assist in preparation of the Queensland Budget 2021-22¹⁶⁰
- expenditure on the Budget advertising campaign¹⁶¹
- government advertising directives and expenditure¹⁶²
- budgeted advertising expenditure for the unite and recover program¹⁶³
- funding for a vaccination education and advertising campaign¹⁶⁴
- social media accounts across the Queensland Government¹⁶⁵
- Queensland’s economic growth throughout the COVID-19 pandemic and how it compares with other Australian jurisdictions¹⁶⁶
- the growth in Queensland’s household consumption throughout the COVID-19 pandemic, its forecast, and how it compares with other Australian jurisdictions¹⁶⁷
- investment in dwellings in Queensland since the beginning of the pandemic¹⁶⁸
- Queensland’s labour market recovery compared with other Australian states¹⁶⁹
- the Queensland Jobs Fund¹⁷⁰
- support for jobs in the Wide Bay and Logan regions¹⁷¹
- investment in business through the COVID-19 pandemic and investment growth in other Australian jurisdictions¹⁷²

¹⁵⁵ Public hearing transcript, Brisbane, 16 July 2021, p 88.

¹⁵⁶ Public hearing transcript, Brisbane, 16 July 2021, pp 63-63.

¹⁵⁷ Public hearing transcript, Brisbane, 16 July 2021, pp 87-88.

¹⁵⁸ Public hearing transcript, Brisbane, 16 July 2021, p 72.

¹⁵⁹ Treasurer, response to pre-hearing question on notice no 15.

¹⁶⁰ Treasurer, response to pre-hearing question on notice no. 20.

¹⁶¹ Public hearing transcript, Brisbane, 16 July 2021, pp 68, 92.

¹⁶² Public hearing transcript, Brisbane, 16 July 2021, pp 69-71.

¹⁶³ Public hearing transcript, Brisbane, 16 July 2021, p 74.

¹⁶⁴ Public hearing transcript, Brisbane, 16 July 2021, p 74.

¹⁶⁵ Public hearing transcript, Brisbane, 16 July 2021, p 74.

¹⁶⁶ Public hearing transcript, Brisbane, 16 July 2021, pp 76-77.

¹⁶⁷ Public hearing transcript, Brisbane, 16 July 2021, pp 72-73.

¹⁶⁸ Treasurer, response to pre-hearing question on notice no. 4.

¹⁶⁹ Public hearing transcript, Brisbane, 16 July 2021, p 56; Treasurer, response to pre-hearing question on notice no. 1.

¹⁷⁰ Public hearing transcript, Brisbane, 16 July 2021, pp 81, 92.

¹⁷¹ Treasurer, responses to pre-hearing question on notice nos. 2 and 3.

¹⁷² Public hearing transcript, Brisbane, 16 July 2021, pp 82-83.

- support for businesses affected by COVID-19 pandemic lockdowns¹⁷³
- support for businesses through the business investment fund¹⁷⁴
- Queensland’s regulatory requirements¹⁷⁵
- the establishment and staffing of the Office of Productivity and Red Tape Reduction¹⁷⁶
- the impact of the COVID-19 pandemic on Queensland’s population growth¹⁷⁷
- interstate migration¹⁷⁸
- increases in interstate licence fees¹⁷⁹
- funding for infrastructure¹⁸⁰
- funding for the Gold Coast Light Rail Stage 3¹⁸¹
- funding for a northern Gold Coast hospital¹⁸²
- investment in social housing¹⁸³
- support for social enterprises¹⁸⁴
- the recruitment and appointment process for the position of Under Treasurer¹⁸⁵
- the return on the Queensland Government’s investment in Virgin Australia¹⁸⁶
- funding of Queensland’s defined benefit superannuation scheme¹⁸⁷
- the merging of Sunsuper and QSuper¹⁸⁸
- the operation and staffing of the compliance team in the Office of State Revenue¹⁸⁹
- outstanding State Penalties Enforcement Registry debts owed by aged debtors¹⁹⁰
- QT employee expenses, including expenses associated with third party contractors¹⁹¹

¹⁷³ Public hearing transcript, Brisbane, 16 July 2021, pp 53-54, 70, 75, 78-80.

¹⁷⁴ Public hearing transcript, Brisbane, 16 July 2021, pp 62-63, 85.

¹⁷⁵ Public hearing transcript, Brisbane, 16 July 2021, pp 60-61, 92.

¹⁷⁶ Public hearing transcript, Brisbane, 16 July 2021, pp 60, 92.

¹⁷⁷ Public hearing transcript, Brisbane, 16 July 2021, pp 83-84.

¹⁷⁸ Treasurer, response to pre-hearing question on notice no. 5.

¹⁷⁹ Public hearing transcript, Brisbane, 16 July 2021, pp 63, 73.

¹⁸⁰ Public hearing transcript, Brisbane, 16 July 2021, p 83; Treasurer, response to pre-hearing question on notice no. 6.

¹⁸¹ Public hearing transcript, Brisbane, 16 July 2021, p 73.

¹⁸² Public hearing transcript, Brisbane, 16 July 2021, pp 84-85.

¹⁸³ Public hearing transcript, Brisbane, 16 July 2021, pp 64-65.

¹⁸⁴ Public hearing transcript, Brisbane, 16 July 2021, p 65.

¹⁸⁵ Public hearing transcript, Brisbane, 16 July 2021, pp 65-67.

¹⁸⁶ Public hearing transcript, Brisbane, 16 July 2021, p 86.

¹⁸⁷ Public hearing transcript, Brisbane, 16 July 2021, pp 62, 84, 91.

¹⁸⁸ Public hearing transcript, Brisbane, 16 July 2021, p 84.

¹⁸⁹ Public hearing transcript, Brisbane, 16 July 2021, pp 86-87, 90-91, 92.

¹⁹⁰ Treasurer, response to pre-hearing question on notice no. 16.

¹⁹¹ Treasurer, responses to pre-hearing questions on notice nos. 14 and 19.

- the cost of government accommodation in 1 William Street, Brisbane, compared with alternative accommodation¹⁹²
- QT’s service standard for Economic Strategy outputs¹⁹³
- electricity pricing in Queensland¹⁹⁴
- modelling of equity injections into the Stanwell Corporation and CS Energy¹⁹⁵
- workforce of the Stanwell Corporation¹⁹⁶
- the rebuilding of the Callide C14 turbine¹⁹⁷
- support for coal-fired energy projects¹⁹⁸
- the impact of the volume-based royalty model for petroleum royalties¹⁹⁹
- forecast royalties for the North West Minerals Province²⁰⁰
- support for renewable energy projects²⁰¹
- the operation of the Renewable Energy and Hydrogen Jobs Fund²⁰²
- the Carbon Reduction Investment Fund²⁰³
- forecasts for beef production and exports²⁰⁴
- the outlook for the Queensland sugar industry²⁰⁵
- the impact of the China trade dispute on the Queensland economy.²⁰⁶

¹⁹² Treasurer, response to pre-hearing question on notice no. 10.

¹⁹³ Treasurer, response to pre-hearing question on notice no. 17.

¹⁹⁴ Public hearing transcript, Brisbane, 16 July 2021, pp 58-59.

¹⁹⁵ Public hearing transcript, Brisbane, 16 July 2021, p 90.

¹⁹⁶ Public hearing transcript, Brisbane, 16 July 2021, p 78.

¹⁹⁷ Public hearing transcript, Brisbane, 16 July 2021, pp 77-78.

¹⁹⁸ Public hearing transcript, Brisbane, 16 July 2021, p 91.

¹⁹⁹ Public hearing transcript, Brisbane, 16 July 2021, p 90; Treasurer, response to pre-hearing question on notice no. 8.

²⁰⁰ Public hearing transcript, Brisbane, 16 July 2021, pp 86-87.

²⁰¹ Public hearing transcript, Brisbane, 16 July 2021, p 91.

²⁰² Public hearing transcript, Brisbane, 16 July 2021, pp 81-82, 84.

²⁰³ Public hearing transcript, Brisbane, 16 July 2021, p 60.

²⁰⁴ Treasurer, response to pre-hearing question on notice no. 7.

²⁰⁵ Treasurer, response to pre-hearing question on notice no. 9.

²⁰⁶ Public hearing transcript, Brisbane, 16 July 2021, p 89.

5 Minister for Tourism Industry Development and Innovation and Minister for Sport

The Minister for Tourism Industry Development and Innovation and Minister for Sport, the Hon Stirling Hinchliffe MP, is responsible for the Department of Tourism, Innovation and Sport (DTIS) and for statutory entities Tourism and Events Queensland (TEQ) and Stadiums Queensland. TEQ is the Queensland Government’s lead marketing, experience development and major events agency and Stadiums Queensland supports and maintains the operation of sporting and entertainment facilities.²⁰⁷ Additionally, while the Premier has ministerial responsibility for TIQ (see report chapter 3.2), the Minister has responsibility for the Act under which that entity is established (the *Trade and Investment Queensland Act 2013*) to the extent that it is relevant to international education and training.²⁰⁸

In keeping with the requirements of Schedule 7 of the Standing Orders,²⁰⁹ the chief executives of TEQ, Stadiums Queensland and TIQ were all present during the Minister’s examination at the hearing on 16 July 2021 to assist the committee with its consideration of the portfolio estimates.

5.1 Department of Tourism, Innovation and Sport

The vision of DTIS is to enrich the lives of Queenslanders by maximising Queensland’s visitor and innovation economies and supporting healthy and active lifestyles.²¹⁰ DTIS’s purpose is to support the transformation of Queensland’s economy by creating a more competitive and resilient visitor economy, enabling a thriving innovation economy, and improving health and wellbeing outcomes through sport and active recreation.²¹¹

DTIS’s objectives are to:

- drive economic recovery and growth by attracting and amplifying tourism and innovation investment to sustain and create Queensland jobs
- create a diverse, productive and sustainable economy for a fairer Queensland
- maximise the benefits of tourism, major events and sport and active recreation experiences to realise Queensland’s economic potential.²¹²

DTIS contains 3 service areas: Advancing Queensland through Innovation; Tourism Industry Development; and Sport and Recreation. Advancing Queensland through Innovation seeks to drive economic growth and job creation through innovation in Queensland’s traditional and emerging strengths. The service area aims to harness Queensland’s research expertise and entrepreneurship to encourage new industries and use new technology, new skills capital and ideas to support business and industry creation, global connections and growth.²¹³ The Tourism Industry Development service area promotes long-term growth of the tourism industry by facilitating a strategic, whole-of-government approach to planning and investment in the state’s tourism infrastructure, assets and products and through the coordination and leveraging of key major events to generate jobs.²¹⁴ Sport and Recreation aims to benefit Queenslanders and their communities by promoting healthier, more active lifestyles, through supporting and encouraging participation in sports and recreation. The

²⁰⁷ Administrative Arrangements Order (No. 1) 2021, p 21; Queensland Budget 2021-22, SDS, Department of Tourism, Innovation and Sport (DTIS), p 7.

²⁰⁸ Administrative Arrangements Order (No. 1) 2021, p 21.

²⁰⁹ Schedule 7 of the Standing Orders sets out a list of statutory entities to which direct questioning of chief executives at estimates applies.

²¹⁰ Queensland Budget 2021-22, SDS, DTIS, p 1.

²¹¹ Queensland Budget 2021-22, SDS, DTIS, p 1.

²¹² Queensland Budget 2021-22, SDS, DTIS, p 1.

²¹³ Queensland Budget 2021-22, SDS, DTIS, p 1.

²¹⁴ Queensland Budget 2021-22, SDS, DTIS, p 1.

service area also works to prepare Queensland’s elite athletes for world-class success and leverage the athletes’ success to inspire Queenslanders of all ages to be ambitious, healthy and active.²¹⁵

5.1.1 Budget overview

DTIS’s budgeted departmental expenditure for 2021-22 is \$392.3 million, a decrease of \$20.1 million from the department’s 2020-21 estimated actual expenses.²¹⁶ The SDS indicate that DTIS has budgeted for an operating deficit of \$200,000 in 2021-22.²¹⁷

It is proposed that DTIS receive appropriation revenue of \$377.1 million in 2021-22.²¹⁸ The remainder of DTIS’s budgeted \$392.1 million in income for 2021-22 (just short of the planned expenses, as noted above) would be funded by user charges and fees, grants and other contributions, and other revenue.²¹⁹

Much of the department’s planned expenditure is associated with a range of different grant programs administered by the department’s service areas, with funding for new initiatives including the Aviation Route Support Package, which ‘provides \$10 million over 2 years to rebuild Queensland’s international aviation connectivity’.²²⁰ In addition, the DTIS SDS highlights that the 2021–22 Budget provides \$29.3 million over 2 years as an initial allocation of funding for preparations for future Olympic Games, should Queensland be successful in securing the 2032 Olympic and Paralympic Games.²²¹

In addition to its direct departmental expenses, DTIS administers funds on behalf of the state, including providing funding for TEQ and for Stadiums Queensland.²²² In 2021-22, the department’s proposed administrative funding expenses are \$126.6 million, a decrease of \$22.2 million on the estimated actual administered expenses for 2020-21.²²³ DTIS’s proposed administered items appropriation would cover these expenses.²²⁴

The following table taken from the Appropriation Bill 2021 shows the proposed cash appropriations for the department for 2021-22, compared with the budgeted and actual cash appropriations for DTIS in 2020-21.

Appropriations	Budget 2020-21 \$’000	Est. Actual 2020-2021 \$’000	Vote 2021-22 \$’000
<i>Controlled Items</i>			
departmental services	438,853	373,352	377,073
equity adjustment	32,187	25,181	23,497
<i>Administered Items</i>	224,970	244,970	126,559
Vote	696,010	643,503	527,129

Source: Appropriation Bill 2021, Schedule 2, p 13.

²¹⁵ Queensland Budget 2021-22, SDS, DTIS, p 1.

²¹⁶ Queensland Budget 2021-22, SDS, DTIS, p 7.

²¹⁷ Queensland Budget 2021-22, SDS, DTIS, p 8.

²¹⁸ Appropriation Bill 2021, Schedule 1, p 13. See also Queensland Budget 2021-22, SDS, DTIS, p 8

²¹⁹ Queensland Budget 2021-22, SDS, DTIS, p 8.

²²⁰ Queensland Budget 2021-22, SDS, DTIS, p 2.

²²¹ Queensland Budget 2021-22, SDS, DTIS, p 2.

²²² Queensland Budget 2021-22, SDS, DTIS, p 7.

²²³ Queensland Budget 2021-22, SDS, DTIS, p 11.

²²⁴ Queensland Budget 2021-22, SDS, DTIS, p 11. See also Appropriation Bill 2021, Schedule 2, p 13.

5.1.2 Capital program

A total of \$27.4 million has been set aside for capital purchases for DTIS in 2021-22, including:

- \$14.6 million to enhance state-owned sport and active recreation facilities at the Gold Coast, Sunshine Coast and Townsville
- \$9.9 million for a 94-kilometre walking and mountain biking trail from Palm Cove to Port Douglas, with public and eco-accommodation facilities.²²⁵

The DTIS budget also includes a total of \$138.9 million in capital grants allocations, including:

- \$26.6 million for local community sporting infrastructure
- \$20 million towards the Stage 1 redevelopment of the Sunshine Coast Stadium at Bokarina
- \$15 million to build resilient businesses, regions and communities by creating sustainable new jobs and increasing visitor expenditure through investment in tourism infrastructure that supports COVID-19 recovery
- \$15 million towards the redevelopment of the Ballymore Stadium in Herston
- \$12.6 million to deliver modular infrastructure solutions in high-needs communities that improves accessibility and activity, including support for female participation.²²⁶

Additionally, a capital outlay of \$24 million is planned for Stadiums Queensland in 2021-22 for the entity's annual capital program (\$18.7 million) and the Queensland Sport and Athletics Centre industry hub redevelopment (\$5.2 million).²²⁷

5.2 Tourism and Events Queensland

TEQ is a statutory body established under the *Tourism and Events Queensland Act 2012*. As previously mentioned, TEQ is the Queensland Government's lead marketing, destination experience development and major events agency.²²⁸ The agency's objective is to grow the tourism and events industry in partnership with industry and government, driving economic and social benefits for the state.²²⁹

5.2.1 Budget overview

TEQ's budgeted operating expenditure for 2021-22 is \$120.8 million, a decrease of \$32.9 million on the 2020-21 estimated actual.²³⁰ Administered grant funding from DTIS will account for approximately \$116.2 million of this expenditure, with the remainder of the spending to be financed by a mixture of user charges and fees, interest and other revenue.²³¹

During the estimates hearing, the Minister advised although departmental grant funding for TEQ would be lower than in the past 3 years, it would be higher than the previous funding allocations of \$109 million in 2017-18, \$102 million in 2016-17 and \$101 million in 2015-16.²³² In addition, the Minister sought to highlight the Queensland Government's broader commitments of funding in support of the state's tourism industry, including:

... the Queensland government's \$74 million commitment to rebuilding Tourism Queensland and the extra support that is built into what we are providing—through our \$20 million events boost, our

²²⁵ Queensland Budget 2021-22, Capital Statement – Budget Paper No 3, p 106.

²²⁶ Queensland Budget 2021-22, Capital Statement – Budget Paper No 3, p 106; Queensland Budget 2021-22, SDS, DTIS, p 2.

²²⁷ Queensland Budget 2021-22, Capital Statement – Budget Paper No 3, p 106, 108.

²²⁸ Tourism and Events Queensland (TEQ), 'About TEQ', <https://teq.queensland.com/about-teq-new>.

²²⁹ Queensland Budget 2021-22, SDS, DTIS, p 16.

²³⁰ Queensland Budget 2021-22, SDS, DTIS, p 17.

²³¹ Queensland Budget 2021-22, SDS, DTIS, p 17.

²³² Public hearing transcript, Brisbane, 16 July 2021, p 96.

\$15 million regional tourism organisation fund and a \$15 million marketing fund for a marketing blitz to encourage more travellers to experience Queensland.²³³

5.3 Key issues raised during consideration of the budget estimates

Matters considered by the committee in relation to the portfolios of Tourism Industry Development, Innovation and Sport included:

- savings achieved by DTIS in 2020-21²³⁴
- planning in DTIS, including the development of new sector plans and strategies²³⁵
- forward planning by TEQ for the opening of the international border²³⁶
- funding for TEQ and the employment conditions for staff of TEQ²³⁷
- expenditure on consultants by TEQ²³⁸
- support for the tourism industry in Queensland, relative to other Australian jurisdictions²³⁹
- support for small and family businesses in the tourism sector during COVID-19 pandemic lockdowns²⁴⁰
- the Tourism Infrastructure Grants Program²⁴¹
- capital expenditure on ecotourism²⁴²
- ecotourism tenders and their status²⁴³
- the economic impacts of planned ecotourism projects that will not progress and engagement with stakeholders²⁴⁴
- expenditure on the Wangetti Trail in 2020-2021²⁴⁵
- progress on the Paluma to Wallaman Falls Trail and accommodation on the Thorsborne Trail²⁴⁶
- funding for regional tourism organisations²⁴⁷ and support for tourism industry operators in Hervey Bay²⁴⁸ and in the Whitsunday region²⁴⁹

²³³ Public hearing transcript, Brisbane, 16 July 2021, p 96.

²³⁴ Minister for Tourism Industry Development and Innovation and Minister for Sport (Minister), response to pre-hearing question on notice no. 20.

²³⁵ Public hearing transcript, Brisbane, 16 July 2021, p 105.

²³⁶ Minister, response to pre-hearing question on notice no. 15.

²³⁷ Public hearing transcript, Brisbane, 16 July 2021, pp 95-97; Minister, response to pre-hearing question on notice no. 13.

²³⁸ Minister, response to pre-hearing question on notice no. 14.

²³⁹ Public hearing transcript, Brisbane, 16 July 2021, p 110.

²⁴⁰ Public hearing transcript, Brisbane, 16 July 2021, pp 97-98.

²⁴¹ Minister, response to pre-hearing question on notice no. 9.

²⁴² Public hearing transcript, Brisbane, 16 July 2021, pp 104-105.

²⁴³ Minister, response to pre-hearing question on notice no. 16.

²⁴⁴ Public hearing transcript, Brisbane, 16 July 2021, p 105.

²⁴⁵ Public hearing transcript, Brisbane, 16 July 2021, p 99.

²⁴⁶ Public hearing transcript, Brisbane, 16 July 2021, p 99.

²⁴⁷ Minister, response to pre-hearing question on notice nos. 11 and 12.

²⁴⁸ Public hearing transcript, Brisbane, 16 July 2021, pp 111-112.

²⁴⁹ Minister, response to pre-hearing question on notice no. 10.

- the Year of Indigenous Tourism²⁵⁰
- the Work in Paradise program²⁵¹
- the International Education and Training Strategy and initiatives of Study Queensland²⁵²
- the Queensland Destination Events Program²⁵³
- the Queensland Government’s bid for the 2032 Olympic and Paralympic Games²⁵⁴
- funding allocated for the preparation for the Olympic Games in Queensland²⁵⁵
- the use of Raymond Park, Kangaroo Point, as a possible 2032 Games venue²⁵⁶
- Queensland’s representation in the Tokyo Olympic and Paralympic Games²⁵⁷
- funding for infrastructure and its impact on sport in Queensland²⁵⁸
- commercial in confidence agreements between sporting organisations and the Queensland Government²⁵⁹
- NRL clubs and competition in Queensland²⁶⁰
- health protocols at Queensland stadiums²⁶¹
- funding for sport and recreation facilities²⁶²
- the State of Origin game in Townsville²⁶³
- the Sunshine Coast Stadium and the Women’s State of Origin²⁶⁴
- grants for Queensland sporting clubs²⁶⁵
- the Active Gameday Projects Fund²⁶⁶
- the Good to Go campaign²⁶⁷

²⁵⁰ Minister, response to pre-hearing question on notice no. 1.

²⁵¹ Public hearing transcript, Brisbane, 16 July 2021, pp 101-102.

²⁵² Public hearing transcript, Brisbane, 16 July 2021, pp 107-108.

²⁵³ Minister, response to pre-hearing question on notice no. 4.

²⁵⁴ Public hearing transcript, Brisbane, 16 July 2021, p 109.

²⁵⁵ Public hearing transcript, Brisbane, 16 July 2021, p 100; Minister, response to pre-hearing question on notice no. 19.

²⁵⁶ Public hearing transcript, Brisbane, 16 July 2021, p 119.

²⁵⁷ Public hearing transcript, Brisbane, 16 July 2021, pp 112-113.

²⁵⁸ Public hearing transcript, Brisbane, 16 July 2021, pp 105-106.

²⁵⁹ Public hearing transcript, Brisbane, 16 July 2021, pp 106-107, 108.

²⁶⁰ Public hearing transcript, Brisbane, 16 July 2021, p 109, 116-117.

²⁶¹ Public hearing transcript, Brisbane, 16 July 2021, pp 108-109.

²⁶² Public hearing transcript, Brisbane, 16 July 2021, pp 100-101.

²⁶³ Public hearing transcript, Brisbane, 16 July 2021, pp 106, 107, 110-111.

²⁶⁴ Public hearing transcript, Brisbane, 16 July 2021, p 117.

²⁶⁵ Public hearing transcript, Brisbane, 16 July 2021, pp 113-115; Minister, responses to pre-hearing questions on notice nos. 17 and 18.

²⁶⁶ Public hearing transcript, Brisbane, 16 July 2021, pp 95, 101, 113.

²⁶⁷ Minister, response to pre-hearing question on notice no. 5.

- women’s participation in sport in Queensland²⁶⁸
- the FairPlay program²⁶⁹
- the Activate! Queensland Strategy²⁷⁰
- the review of Advance Queensland²⁷¹
- the role of the Queensland Chief Entrepreneur²⁷²
- the role of the Innovation Advisory Council²⁷³
- the Ignite Ideas Fund²⁷⁴
- the Toowoomba Agtech and Logistics Hub²⁷⁵
- support for the Gold Coast Health and Knowledge Precinct.²⁷⁶
- the aviation route support package.²⁷⁷

²⁶⁸ Minister, response to pre-hearing question on notice no. 6.

²⁶⁹ Minister, response to pre-hearing question on notice no. 7.

²⁷⁰ Minister, response to pre-hearing question on notice no. 3.

²⁷¹ Public hearing transcript, Brisbane, 16 July 2021, pp 115-116, 119-120.

²⁷² Public hearing transcript, Brisbane, 16 July 2021, pp 103, 116.

²⁷³ Public hearing transcript, Brisbane, 16 July 2021, pp 103-104.

²⁷⁴ Minister, response to pre-hearing question on notice no. 8.

²⁷⁵ Minister, response to pre-hearing question on notice no. 2.

²⁷⁶ Public hearing transcript, Brisbane, 16 July 2021, pp 120-121.

²⁷⁷ Public hearing transcript, Brisbane, 16 July 2021, p 102.

Statement of Reservation

NON-GOVERNMENT STATEMENT OF RESERVATION

Economics and Governance Committee – Budget 2021/22 Statement of Reservation

The LNP agree with passing the 2021/22 Budget.

However, honest Queenslanders expected more from the Labor Government's budget.

With the health system in crisis, they deserved solutions to fix ambulance ramping and the ever-growing surgery waiting lists.

With small and family businesses going to the wall under the pressure of COVID lockdowns, they expected the Labor Government to step up and provide COVID support payments.

With young criminals running rampant through Queensland, they expected action to keep their family and possessions safe.

With double income families struggling to buy or rent a home, they expected action be taken to release more land.

What they received was a budget which announced funds without funding and \$4 billion cuts to vital infrastructure spending.

In this estimates process, Queenslanders expected the Labor Government to be honest and accountable. It is our view that instead, Labor Committee Chairs used the Standing Orders to protect Labor Ministers.

Legislative Assembly and Parliamentary Process

The LNP is happy to see money allocated in this budget for upgrades to provide a safe and modern working environment for hard working Parliamentary staff. It is disappointing it took pressure during last year's estimates about the poor and unsafe working conditions to do it. Parliamentary staff expect more from the Labor Government to provide them a safe and modern working environment.

Despite providing a product which was not fit for purpose, the LNP is disappointed money could not be recouped from Microsoft for the below par rollout of the Microsoft Teams telephony system.

Premier and Cabinet

With the health system in crisis the LNP are concerned the Auditor General found Queensland Health does not have a plan for a sustainable health system. Of more concern is the fact the Health Minister has not set any expectations of the Hospital and Health Service Boards.

In a time of crisis Queenslanders expect the Minister to show leadership, they would expect the Premier to have the confidence in her Ministers to delegate decision making to them.

Queenslanders deserve more than a system which produces ambulance ramping at a rate of 40 percent.

The Integrity Commissioner revealed there were 46 discrepancies between the records of government departments and those on the lobbyist register. The LNP are concerned about the lack of honesty and accountability in the dealings of the Labor Government and lobbyists.

Following revelations at last year's estimates that lobbyists were actively working in the Premier's office during the 2021 Election, Queenslanders deserve to know if the Labor Government is working for them or working for lobbyists.

Treasury, Finance, and Investment

The LNP, along with the Queensland business community, have been calling out for a tailored Lockdown Business support package since early 2021.

Despite this Treasury had not been asked to perform any modelling on an assistance package or set aside money in the budget for such a package.

Small and family businesses deserve more.

This lack of planning meant when the Labor Government finally announced a support package it was haphazard and poorly thought out – with support only being provided to one in nine businesses across the state. Another consequence was the extreme delay of getting funds into bank accounts.

With better planning during the budget preparation, the quantum of the package and the payment mechanism would have been ready immediately.

Rather than providing assistance to business, it became evident the Treasurer will instead pursue small and family businesses for extra revenue through the employment of an extra 38 FTE's in the compliance division of the Office of State Revenue.

Queensland small and family businesses deserve more.

This budget failed to correct the Labor Government's poor record of transparency and service delivery. Of concern was the lack of transparency in relation to the valuation of the Titles Office.

No detail of the \$750 million in savings was provided. This lack of honesty and accountability means these so-called savings do not exist except as part of Labor Government media releases.

The LNP calls on the Treasurer to release the valuation documents for the Titles Office and full details of all the savings identified. Additionally, the Treasurer should also set aside further funding to provide support to all small and family businesses across Queensland.

Tourism

At the height of the COVID pandemic, with tourism operators crying out for support, they expected more than the third-term Labor Government cutting the Tourism and Events Queensland Budget by \$37 million dollars. Nearly a quarter of the budget in one hit.

Not content with that effort, the Labor Government also cut staff in Tourism Industry Development by 19 percent.

These cuts come off the back of the Premier's claims during the election that slashing support when it's most needed hurts confidence, damages tourism and that Labor's plan is fundamentally different.

The LNP rejects the assertions from the Government that cutting nearly a quarter of the budget will have no impact of the services delivered to the tourism industry. The LNP will continue to engage with the industry and hold the Labor Government to account on these assertions.

Another estimates session provides further evidence the third-term Labor Government are losing control of eco-tourism projects.

Former Minister Kate Jones committed to completing the business case for Paluma to Wallaman by late 2020, yet the hearing uncovered the Government still consulting with no date provided for the completion of the business case.

It was also revealed other eco-tourism projects have been significantly scaled back in their scope, had significant project delays and underspends, while other parts were cut completely.

The Labor Government is not only losing control of ecotourism projects.

Outback Queensland has again been forgotten by the Labor Government with only \$1,000 of a \$1 million budget being spent from the Outback Tourism Infrastructure Fund in the 2020-21 financial year.

The Labor Government has also failed to roll out its Holiday Dollars program with over 75 percent of vouchers issued going unused. Queensland's struggling tourism sector deserves more than a program designed to make headlines, not holidays.

These estimates hearings further highlighted the third-term Labor Government has a lack of vision and long-term planning strategy for the tourism industry post COVID. The Advancing Tourism Plan 2016-2020, the Advancing Tourism in North Queensland Plan 2016-2020, the Queensland Tourism Transport Strategy 2016-2020 and the Ecotourism Plan 2016-2020 are all out of date with the Government providing no guidance as to when refreshed plans will be developed.

At the same time the Tourism Industry Reference Panel report was slated for release mid-2021 but is yet to be released. The LNP will hold the Government to account on this report as industry fears it will not deliver on initial expectations.

The third-term Labor Government is losing control of the planning and delivery of projects to help Queensland's tourism industry out of the COVID. This is not surprising as their only idea to help tourism is to cut funding by \$37 million and people by 19 percent.

This is why the LNP is calling for the development of a 20-year plan for Queensland's tourism sector. A strategy to plan for the sector post COVID, into the lead up, and then beyond the 2032 Olympics.

Queensland's tourism operators, the majority of which are small and family businesses, expect more and the LNP will continue to hold the Government to account to ensure they receive it.

Sports

Despite the Labor Government's infatuation with elite sporting teams and events, the LNP recognise that community sporting organisations are the heart and soul of sport in Queensland. Becoming an elite athlete does not happen overnight. The journey must start somewhere, and that place is on community fields, pools and tracks across our state.

The LNP are concerned that community sporting organisations have been underfunded over the course of Labor's three terms in Government. Disappointingly, the 2021/22 budget confirms this view. Page 3 of the Service Delivery Statement shows that the Department's capital expenditure has been cut by some \$73 million when compared to last financial year.

The announcement made on the evening of the Estimates hearing for the Active Gameday Projects Fund was a last-minute attempt by the Government to show an interest in community sport.

Noting that grants of up to \$150,000 will be available under the \$9 million Active Gameday fund, it is conceivable that the fund will be exhausted with applications from only 90 sporting clubs. In real terms, of the 10,000 sporting clubs in Queensland, less than a percent (0.9%) may receive funding through the Active Gameday Projects fund.

Despite touting the fund as 'new' during the hearing, the announcement from Minister Hinchliffe was shown to be a hollow political stunt, rather than a genuine and meaningful investment for community sporting organisations. The money dedicated to the initiative already was announced in the budget, as advised by the Director-General.

Ironically, on the evening of the Estimates hearing, a game of AFL between the Brisbane Lions and Richmond Tigers was delayed due to both teams being stuck in traffic congestion. With Brisbane set to host the Olympic and Paralympic Games in 2032, critical infrastructure like roads and public transport need to meet the demands of our growing state. Without it, Queensland could face the international embarrassment of an Olympic event being delayed due to a traffic jam. The lack of investment over the last nine years by the third-term Labor Government needs to be immediately rectified if the 2032 Olympic games are to be staged successfully in Brisbane.

Conclusion

The LNP believes this budget provides little reassurance to honest Queenslanders that ambulance waiting times and hospital waiting lists will drop.

It provides little reassurance crime rates will fall, or planning is being done to bring on a supply of housing stock for people to own or rent.

It provides little reassurance on the delivery of infrastructure needed to get people home to their families faster.

Queenslanders deserve more from this third term Labor Government.



Ray Stevens MP

Deputy Chair of Economics and
Governance Committee

State Member for Mermaid Beach



Michael Crandon MP

Member for Coomera



Dan Purdie MP

Member for Ninderry