



Industry, Education, Training and Industrial Relations Committee

REPORT NO. 1 - ESTIMATES 2011

Introduction

The Legislative Assembly appointed the Industry, Education, Training and Industrial Relations Committee (the Committee) on 16 June 2011. In accordance with Standing Order 177(2), the Appropriation Bill 2011 was referred to the Committee for investigation and report.

Organisational units included within the portfolios of the following ministers were allocated to the Committee:

- Treasurer and Minister for State Development and Trade;
- Minister for Tourism, Manufacturing and Small Business;
- Minister for Employment, Skills and Mining; and
- Minister for Education and Industrial Relations.

The areas of responsibility referred to the Committee are administered, through the relevant Minister, by the following departments:

- Department of Employment, Economic Development and Innovation (DEEDI);
- Department of Education and Training (DET); and
- Department of Justice and Attorney-General (JAG).

On 15 July 2011, the Committee conducted a public hearing to gather evidence pertaining to the budget estimates for its areas of responsibility, as follows:

- Trade;
- State Development;
- Coordinator-General;
- Tourism;
- Manufacturing;
- Small Business;
- Retail;
- Employment;
- Skills and Training;
- Education;
- Workplace Health and Safety; and
- Industrial Relations.

An electronic copy of proceedings is located [here](#).

The Appropriation Bill 2011 does not provide details of the split of the appropriation between the Committee's areas of responsibility within departments, or between ministers. However, the relevant departments provided information which details the appropriation for separate areas of ministerial responsibility.

The appropriation summary for 2011-12 relevant to these areas is outlined in the following table.

Table: Appropriation summary for 2011-12

Agency	2010-11 Budget \$'000	2010-11 Est. Actual Budget \$'000	2011-12 Vote \$'000
DEEDI Departmental Services¹			
Treasurer and Minister for State Development and Trade Employment and Economic Development			
Employment and Economic Development	120,311	106,401	111,448
Infrastructure and Development	0	17,194	76,498
Minister for Employment, Skills and Mining			
Employment and Economic Development	89,516	82,505	87,725
Minister for Tourism, Manufacturing and Small Business			
Employment and Economic Development	29,878	31,318	34,040
Tourism Queensland ²	63,700	81,116	64,103
DET			
Minister for Education and Industrial Relations			
Skills & Training ³	1,128,215	1,024,802	1,132,674
Education ⁴	9,158,362	9,532,713	8,780,445
JAG			
Minister for Education and Industrial Relations			
Fair and Safe Work ⁵	121,636	121,678	123,872

¹ Figures provided by DEEDI – Note: Departmental Services appropriations in the table below have been broken down by Ministerial Portfolios and the departmental Service Areas included in the 2011-12 State Budget Papers. Equity Adjustment and Administered Items are managed at the whole of department level and can not be broken down to a lower reporting level.

² Queensland State Budget 2011-12, Service Delivery Statements, Department of Employment, Economic Development and Innovation, Book 2, at page 1.

³ Figures provided by DET.

⁴ Figures provided by DET.

⁵ Queensland State Budget 2011-12, Service Delivery Statements, Department of Justice and Attorney-General, Book 3, at page 182.

Prior to the public hearing, the Committee provided each Minister with twenty questions on notice. The Ministers provided responses to each of the Committee's questions on notice. The Ministers' answers, together with the minutes of the Committee's meetings, are included in a volume of additional information tabled with this report. An electronic copy of this material is located [here](#).

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

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

Also included in the folder of additional information is an amendment provided by the Treasurer and Minister for State Development to two answers to a question on notice relating to the Coordinator-General, and correspondence from the Director-General, DEEDI, regarding his response to a question during the hearing.

Treasurer and Minister for State Development and Trade

The Treasurer and Minister for State Development and Trade has ministerial responsibility for state development and trade and for the Coordinator-General. These areas are administered through DEEDI. The focus of these parts of DEEDI are on strengthening and diversifying Queensland's economy, investment attraction and business innovation, providing assistance to Queensland companies to access overseas markets, and supporting integrated infrastructure, land planning and development that anticipates and supports growth.⁶

Some of DEEDI's key funding initiatives in respect of state development and trade and the functions of the Coordinator-General in 2011-12 include:

- Committing \$100 million over three years through *Smart State-Investment for the Future* to support research talent in Queensland;
- Delivering a new \$1 million program designed to enhance the capability of tourism operators, building on the \$12 million Tourism Industry Support Package;
- Supporting economic development activities in the Surat and Galilee Basins and the Northern Economic Region through the \$18 million Greenfields 2020 program;
- Maximising the growth potential of the coal industry to 2030 by providing a coordinated, sustainable and environmentally responsible approach to infrastructure planning and delivery across government and industry;

⁶ Queensland State Budget 2011-12, Service Delivery Statements, Book 2, at page 16.

- Establishing a Queensland Business Commissioner to identify systemic regulatory issues that impact on business productivity, and provide recommendations to the Government; and
- Supporting industry growth sectors and encouraging new investments in Queensland including:
 - Investing up to \$3 million in the new plant Centre of Excellence on the Darling Downs to boost the national research, development and extension system which aims to grow Queensland's \$900 million grains industry;
 - Supporting Queensland's \$4.5 billion beef industry and improving Queensland's biosecurity;
 - Partnering with James Cook University in Townsville to construct a new Biosecurity Laboratory valued at approximately \$17 million as part of the *2020 Beef Initiative*;
 - Partnering with industry to reform sugar-related research and development with a focus on increasing the long term productivity growth of Queensland's \$940 million cane crop;
 - Encouraging inward investment by companies into Queensland through the *Queensland Investment Incentive Scheme*, with an additional focus on incentives for firms to locate in regional Queensland; and
 - Supporting new industries of the future like liquid natural gas (LNG) and solar energy.⁷

Issues raised at the public hearing

Issues the Committee raised at the hearing include:

- The impact of the proposed national carbon tax on Queensland's economy, and specifically the coal industry;
- DEEDI's structure and Ministerial responsibility;
- The basis for the economic growth predictions as stated in SDS Book 2, at page 23;
- The promotion of business and innovation in Queensland;
- Measures taken to promote economic development and innovation;
- Steps the Government has taken to encourage and support business development in Chinese, Indian, Italian, French, Korean and African communities;
- Steps taken to increase revenue and viability in creative industries such as architecture and fashion;
- Support for new pharmaceutical research and manufacturing at the Princess Alexandra Hospital;
- The Coordinator-General's decision making and coordination role within DEEDI; and

⁷ Queensland State Budget 2011-12, Service Delivery Statements, Book 2, at pages 4-5.

- The terms of appointment for senior public servants and lease arrangements for Trade Commissioners.

Minister for Tourism, Manufacturing and Small Business

The responsibilities of the Minister for Tourism, Manufacturing and Small Business (which include responsibility for the retail sector) are administered through parts of DEEDI and Tourism Queensland. A focus of the Minister's portfolio is increasing the long-term resilience and business capability of the tourism industry in response to the unprecedented natural disasters of summer 2011 by developing business improvement programs for tourism operators. In 2011–12 DEEDI will continue to support existing businesses to grow and maintain jobs by:

- Establishing a Queensland Business Commissioner to identify systemic regulatory issues that impact on business productivity and provide recommendations to the Government;
- Focusing on means to support new supply chains and emerging economic development opportunities that build on Queensland's competitive strengths;
- Assisting a range of businesses, especially manufacturers, to increase sales, investment and exports, and to improve productivity by delivering performance programs in partnership with QMI Solutions and the federal Government's *Enterprise Connect* to deliver regional recovery clinics and one-on-one support projects throughout Queensland to assist manufacturing firms recover as quickly as possible;
- Assisting tourism operators to recover and become more resilient by implementing the joint Queensland-Australian Government \$12 million *Tourism Industry Support Package*, incorporating \$10 million in international and domestic marketing campaigns, and a \$2 million package of business support initiatives.⁸

Issues raised at the public hearing

The Committee raised the following issues at the hearing:

- The Minister's responsibility for Tourism Queensland;
- Allocation of tourism grant funding;
- The information presented in the budget papers and the correlation to the actual amount spent on supplies;
- The implementation of the *Pledge* initiative, accreditation, and monitoring of service standards;
- Tourism marketing campaigns including the:
 - *Pay three, stay four* initiative (media and advertising in respect of this initiative);

⁸ Queensland State Budget 2011-12, Service Delivery Statements, Book 2, at pages 5, 7, 8, and 10.

- *Outback Education Tour Subsidy Scheme*;
- Current aviation strategies;
- The Minister's response to the Whitsundays and other tourism regions;
- The impact of the proposed national carbon tax on tourism; and
- Cooperative investment in marketing campaigns.

Minister for Employment, Skills and Mining

The responsibilities of the Minister for Employment, Skills and Mining which are of interest to the Committee are administered through DEEDI (employment) and DET (skills).

DEEDI is the lead department responsible for delivering:

- the Government's plan to create 100,000 new jobs by 2012;
- the Council of Australian Governments (COAG) commitment to halve the gap in employment outcomes between Indigenous and non-Indigenous Australians within a decade (by 2018); and
- The following *Towards Q2: Tomorrow's Queensland* ambitions and targets:
 - Strong: *Queensland is Australia's strongest economy, with infrastructure that anticipates growth*;
 - Strong: *Increase by fifty percent the proportion of Queensland businesses undertaking research and development or innovation*; and
 - Fair: *Halve the proportion of Queensland children living in households without a working parent*.⁹

Some of the key initiatives of these agencies in respect of employment, skills and training in 2011–12 include:

DEEDI:

- Providing 1,100 job opportunities for residents of communities affected by the recent natural disasters under the *2011 Queensland Natural Disasters Jobs and Skills Package*;
- Providing more than 24,000 Queenslanders, who are jobless or under-employed, with job-related assistance and skills training under the *Skilling Queenslanders for Work* initiative;
- Continuing the three-year \$57 million *Green Army* commitment to provide 3,000 jobs in Queensland;
- Developing appropriate skills in the renewable energy sector through the *Renewable Energy Skills Strategy Industry Development Plan*; and

⁹ Queensland State Budget 2011-12, Service Delivery Statements, Book 2, at page 2.

- Developing specific projects with the resources sector to up-skill jobseekers to address the requirements of large-scale projects.¹⁰

DET:

- Administering Commonwealth funding of \$133.7 million under the *National Partnership Agreement on Productivity Places Program* to provide a major boost to skilling;
- Working with Skills Queensland to drive skills investment and reform to strengthen partnerships with industry and align funding programs with skills and jobs priorities;
- Delivering statewide training and career information services, including recognition of prior learning and career pathways, through Skilling Solutions Queensland and the Apprenticeships Info line;
- \$34.9 million to continue the development of the SkillsTech Australia's major trade and technical skills campus at Acacia Ridge;
- \$17.1 million to continue the development of a major trade and technical skills campus at Mackay; and
- \$28.6 million to continue redevelopments of TAFE campuses in Cairns, Nambour, Bundamba, Pimlico and Mount Gravatt.¹¹

Issues raised at the public hearing

Issues the Committee raised at the hearing include:

- The impact of the proposed national carbon tax on small business, manufacturing, agriculture and jobs;
- Initiatives to mitigate the economic impact of climate change;
- Strategies to assist underemployed Queenslanders and Indigenous Queenslanders to participate in the resources industry;
- The impact of *Skilling Queenslanders for Work* and other employment initiatives on employment rates;
- Fly in, fly out workforces in Central Queensland;
- Reform of the TAFE system, including financial arrangements, mergers and employment issues;
- The viability of dual-sector institutions in Queensland;
- The public-private partnership agreement at the Southbank Institute of Technology;
- The budget for the SkillsTech campus at Acacia Ridge and the ongoing contribution of SkillsTech to the Queensland economy;
- The role Skills Queensland played in the disaster recovery effort and in economic growth more broadly;
- VET reforms.

¹⁰ Queensland State Budget 2011-12, Service Delivery Statements, Book 2, at page 8.

¹¹ Queensland State Budget 2011-12, Service Delivery Statements, Book 3, at page 61.

Minister for Education and Industrial Relations

Portfolio responsibilities of the Minister for Education and Industrial Relations are delivered through DET and a number of statutory authorities including the Queensland Studies Authority (QSA), and Institutes of Technology and Technical and Further Education (TAFE).¹² The Minister for Education and Industrial Relations' portfolio responsibilities for industrial relations, including workplace health and safety, are delivered through the Office of Fair and Safe Work within JAG.

Department of Education and Training

DET supports the delivery of quality education and training across the continuum of learning, through early childhood education and care, schooling, training and higher education. The department leads the *Towards Q2: Tomorrow's Queensland* Smart ambition – *delivering world class education and training* and is working towards delivering the following targets:

- *all children will have access to a quality early childhood education so they are ready for school;*
- *three out of four Queenslanders will hold trade, training or tertiary qualifications.*¹³

In 2011-12 the department will invest \$8.799 billion in recurrent funding and \$578.6 million in infrastructure.¹⁴

Some of the key funding initiatives for DET in 2010-11 in respect of education include:

- \$91 million to support the delivery of kindergarten programs for new and existing kindergarten services, as well as kindergarten programs in long day care services;
- \$9.6 million to progress the implementation of the *Flying Start* suite of initiatives, including commencing preparations in state schools from 2012 in readiness for introducing Year 7 as the first year of secondary from 2015 (plus \$7.5 million for building infrastructure);
- Supporting the non-government school sectors in the lead up to 2015;
- Up to 300 additional FTE teachers and teacher aides to meet enrolment growth and to support students with special needs in Queensland state schools;
- \$24.5 million for an additional 5,000 teacher aide hours per week to complete the Government's \$43 million three-year commitment to allocate an additional 15,000 teacher aide hours to support primary students from prep to year seven;

¹² Queensland State Budget 2011-12, Service Delivery Statements, Book 3, at page 57.

¹³ Queensland State Budget 2011-12, Service Delivery Statements, Book 3, at page 57.

¹⁴ Queensland State Budget 2011-12, Service Delivery Statements, Book 3, at page 58.

- Progressively implementing the Australian Curriculum in English, maths and science from 2012; including the development of curriculum plans and resources, and professional development for teachers across the State;
- Funding of \$3 million to complete the \$12 million commitment to finalise the implementation of the Queensland Curriculum Assessment and Reporting Framework;
- \$57.5 million as part of the Australian Government's contribution to state schools involved in the Low Socio-economic Status School Communities National Partnership to continue implementation of targeted strategies to improve student learning outcomes;
- \$6.3 million for literacy and numeracy projects over three years under the Australian Government's Closing the Gap initiative to improve literacy and numeracy outcomes for Aboriginal and Torres Strait Islander students in identified state schools;
- Continuing to support the Cape York Aboriginal Australian Academy, and a range of other strategies to improve educational outcomes for Indigenous students;
- \$8.1 million as part of the Australian Government's contribution to implement a range of targeted strategies aimed at improving student attainment and transitions;
- \$20 million under the *Computers for Teachers* program to continue the provision of classroom computers, access to digital learning environments and a comprehensive range of digital tools and resources along with associated professional development for every permanent state school and TAFE institute teacher working two or more days per week;
- \$1.8 million to expand the Stephanie Alexander Kitchen Gardens program to a further 25 Queensland primary schools, doubling the number of schools running the program in Queensland;
- \$26.2 million to complete the rollout of the \$72.3 million, three year, Literacy and Numeracy Action Plan; and
- \$18.6 million to complete the \$43.5 million *Science Spark* program.¹⁵

Department of Justice and the Attorney-General

The Office of Fair and Safe Work provides workplace health and safety services and workers' compensation policy advice. It supports a fair and equitable industrial relations framework for the private sector in Queensland

and works to improve public sector industrial and employee relations policies and practices.¹⁶

Some of the key initiatives of the Office of Fair and Safe Work in 2011-12 include:

- Collaborating with public sector agencies and unions to plan, prepare, negotiate and finalise certified agreements due for renewal;
- Implementing amendments to the *Electrical Safety Act 2002* and the *Electrical Safety Regulation 2002* to align with the nationally consistent framework for work-related workplace safety risks;
- Implementing a new Work Health and Safety Act to give effect to the national model Work Health and Safety Act (model WHS Act) developed and agreed under the *Inter-Governmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety*; and
- Delivering a number of intervention campaigns (including advisory and compliance components) across a range of industries focussing on particular risks that significantly contribute to serious injuries in the workplace, such as manual tasks, working around moving plant, and falls from height.¹⁷

Issues raised at the public hearing

Issues the Committee raised at the hearing regarding education include:

- Maintenance in schools;
- Expenditure on legal action, injuries or other illnesses as a result of health or safety issues in schools;
- South East Queensland's Schools Public Private Partnerships (PPP) projects under the supported debt model;
- *Building the Education Revolution* capital funding expenditure;
- Bullying and safe school environments;
- Student safety and protection and teacher registration;
- Implementation of the pre-registration test for primary school teachers;
- Moving year seven to secondary school, including the age of students, capital costs, and the impact in particular areas (Thursday Island);
- The *Flying Start* initiative, including capital funding;
- Support for teachers during the transition of year seven students into secondary school;
- Career change program for teachers;
- Investment in the continued rollout of kindergarten services across the State, including the capacity of

¹⁵ Queensland State Budget 2011-12, Service Delivery Statements, Book 3, at pages 59, 60 and 62.

¹⁶ Queensland State Budget 2011-12, Service Delivery Statements, Book 3, at page 173.

¹⁷ Queensland State Budget 2011-12, Service Delivery Statements, Book 3, at page 170.

- newly constructed kindergartens and expected enrolments;
- Access to early childhood education services, including Aboriginal and Torres Strait Islander families, and affordability;
 - Capital improvements under the *State Schools of Tomorrow* program;
 - The implementation of the National Curriculum, including:
 - the future role of the QSA;
 - resourcing for the QSA.
 - National Assessment Program – Literacy and Numeracy (NAPLAN) and the Organisation for Economic Co-operation and Development (OECD) Program for International Student Assessment (PISA) results for Queensland schools and students;
 - The National Partnership Agreement on Literacy and Numeracy;
 - Support for Special Schools and Special Education Units in schools;
 - The *Building Bright Schools* initiative and the Queensland Association of State School Principals' call for an audit of school facilities;
 - The impact of the proposed national carbon tax on the cost of electricity for schools;
 - The *National Performance Pay Program*;
 - Employment of additional teachers;
 - The *National Quality Framework for Early Childhood Education and Care*;
 - Review of teacher education and school induction;
 - The role of the Independent Education Standards Authority and raising performance in Queensland schools; and
 - The Stephanie Alexander Kitchen Gardens Program.

Issues the Committee raised at the hearing regarding workplace health and safety and industrial relations include:

- The Queensland Health payroll issue;
- WorkCover settlements;
- Implementation of the Australian Government's paid parental leave scheme;
- Work related injury and disease in Queensland; and
- Promoting healthy lifestyles and healthy workers.

Recommendation

The Committee recommends that the proposed expenditure, as detailed in the Appropriation Bill 2011, for the organisational units and portfolios allocated to it, be agreed to by the Legislative Assembly without amendment.

Signed



Mr Kerry Shine MP
Chair

August 2011

Committee Members

Mr Kerry Shine MP (Chair)
Member for Toowoomba North

Mr Jeff Seeney MP (Deputy Chair)
Member for Callide

Dr Bruce Flegg MP
Member for Moggill

Mr Steve Kilburn MP
Member for Chatsworth

Mrs Desley Scott MP
Member for Woodridge

Mrs Jann Stuckey MP
Member for Currumbin

Secretariat

Ms Bernice Watson (Research Director)
Mr Peter Rogers (Principal Research Officer)
Ms Carolyn Heffernan (Executive Assistant)

Statements of Reservation

Submitted by:

Mr Jeff Seeney MP
Leader of the Opposition, Shadow Minister for State Development,
Shadow Minister for Infrastructure and Planning, and
Shadow Minister for Reconstruction
Member for Callide

&

Mrs Jann Stuckey MP
Shadow Minister for Tourism, Manufacturing and Small Business
Member for Currumbin

&

Dr Bruce Flegg MP
Shadow Minister for Education, and
Shadow Minister for Aboriginal and Torres Strait Islander Partnerships
Member for Moggill

STATEMENT OF RESERVATION

INDUSTRY, EDUCATION, TRAINING AND INDUSTRIAL RELATIONS

General Comments on Estimates Process

The LNP Members of the committee welcome the recent changes in the Estimates Committee process as an improvement. However, we offer the following comments on the reformed Committee procedures in the spirit of ensuring Estimates Committees are able to truly examine the Government's appropriations and ensure the Executive is held to account.

Notwithstanding our ability to hold the government much better to account, a number of Ministers and some senior officers still tried to avoid answering questions on what should have been straight forward issues.

We bring attention to the ongoing issue that the Budget Papers are generic in nature and the outline for the forward years of expenditure is often lacking in detail sufficient to have confidence in government's planned expenditure, showing the Bligh Government is living for the moment rather than forward planning for Queensland's future.

Across portfolios there have been many announcements made by the Government since the Appropriation Bills were introduced that were not included in the Budget Papers. Such announcements underline the out of control spending and the lack of accountability that continues to add to a budgeted debt of \$85 billion in 2014-15.

In addition, it should be noted that concerns are held that the questioning by Labor Members failed to hold the Bligh Government accountable for waste, poor planning, and a lack of transparency.

STATE DEVELOPMENT AND COORDINATOR GENERAL

Mr Jeff Seeney MP, Leader of the Opposition, Shadow Minister for State Development, Infrastructure and Planning and Shadow Minister for Reconstruction, Member for Callide

I refer to the report for Industry, Education, Training and Industrial Relations Committee's hearings on Budget Estimates and submit a statement of reservations in relation to aspects of the State Development and Coordinator General.

Departmental Structure

At the outset I would like to put on record the lack of Ministerial responsibility arising from the convoluted and opaque structure of the current Government departments.

None demonstrate this issue more clearly than the Department of Employment, Economic Development and Innovation that has six responsible Ministers, namely:

- Treasurer and Minister for State Development and Trade
- Minister for Energy and Water Utilities
- Minister for Main Roads, Fisheries and Marine Infrastructure
- Minister for Agriculture, Food and Regional Economies
- Minister for Employment, Skills and Mining
- Minister for Tourism, Manufacturing and Small Business

Unfortunately both the Director General and the Treasurer's attempts to explain the department's structure during the estimates hearing only served to underline the convoluted nature of the departmental structure.

The resulting lack of Ministerial and bureaucratic accountability has had the undesirable consequence of severely diminishing public confidence in the performance and outcomes of this and other departments.

In addition, rearrangement of administrative responsibility following the disbandment of the Department of Infrastructure and Planning has not resulted in clearly defined Ministerial and bureaucratic responsibility for ensuring Queensland maximises its economic development opportunities.

Role of the Coordinator General

The LNP members of the Committee again express concerns that the role of the Coordinator General is increasingly becoming one of regulator instead of facilitator. No convincing evidence to the contrary was presented to the committee and the departmental Budget Papers and Service Delivery Statements also do not show otherwise.

Approval times for Significant Projects

In an answer to a Question on Notice the Treasurer indicated Significant Projects had, on average, been awaiting finalisation of their EIS for around two and a half years with a third having awaited approval or resolution for more than three years.

Carbon Tax

The Treasurer's statement that the Carbon Tax would "*make it more economically and environmentally efficient*" (page 5) to achieve the 5 percent growth goal set out in the budget papers is directly contradicted by the Premier's evidence to the Finance and Administration Committee that even the Federal Government's modelling shows that the Carbon Tax will reduce Queensland's economic performance over coming years (Finance and Administration Committee transcript page 23).

In addition the LNP expresses strong reservations about the Treasurer's testimony that indicates no comprehensive analysis or data has been compiled by DEEDI into the impact of the Carbon Tax on this State's economic development.

TRADE

The LNP Members of this Committee provide this statement on behalf of Tim Nicholls MP, Deputy Leader of the Opposition, Shadow Treasurer, Shadow Minister for Finance and Trade and Shadow Minister for Racing, Member for Clayfield

This issue was raised with the Director-General of the Department of Employment, Economic Development and Innovation, Mr Ian Fletcher, of the matter of the lease of the office of the Queensland Trade Commissioner to the Americas in Los Angeles. This office has a 10 year lease in place (signed in December 2010) and currently sits empty at great cost to the Queensland tax payer after the position has been relocated to Chile in June 2011. Mr Fletcher was specifically asked whether the decision to take out the expensive long term lease in LA was made before or after the Department of Employment, Economic Development and Innovation started deliberations on the relocation of its trade headquarters from LA to South America.

At the hearing, Mr Fletcher informed the Committee as follows: *"The reason I answer it carefully is that the period actually wraps over the point where I personally arrived in the job. So from the files I have seen it was not under consideration. The files clearly show a vigorous debate within government about that question later on, but not at the time the lease extension was being considered."*

After a number of damaging department emails became public, Mr Fletcher advised the committee in a letter that his answer was *"complete at the time I gave it. But information has come to light subsequently which might lead me to offer a different answer were the question put to me today."*

The Speaker has been written to in relation to Mr Fletcher's response asking the Speaker to refer the matter to the Ethics Committee. In addition, it is concerning that no answer has been forthcoming with regard to the cost of the lease to Queensland.

TOURISM, RETAIL, MANUFACTURING AND SMALL BUSINESS

*Jann Stuckey MP, Shadow Minister for Tourism, Manufacturing and Small Business,
Member for Currumbin*

Herewith my Statement of Reservation in relation to the draft report for the Industry, Education, Training and Industrial Relations Committee. I wish to express my appreciation to Research Director Bernice Watson and her team for their support throughout this process.

Observations specific to the Tourism, Manufacturing and Small Business portfolio

Time available for consideration of the portfolio

One hour shared between the Opposition and the Government, even with the Opposition faring slightly better with the time allocation for questioning, was nowhere near adequate to examine all three components of this portfolio in the manner they deserved.

Tourism, manufacturing and small business are responsible for employing hundreds of thousands of Queenslanders and generate billions of dollars for the State's Economy, yet consideration of the portfolio was only given 60 minutes which was further reduced by the Minister delivering an opening statement. Given the significant challenges these industries are still facing the brief period of time allocated in the 2011 Estimates hearings could easily be viewed by many affected businesses as insulting and highly unsatisfactory.

The budget papers surrounding spending are not clear

The budget is presented in an obscure manner designed to make it difficult to get accurate information and the budget papers surrounding spending details are deficient. Budget items should be included in notes contained in budget papers but are absent.

Ongoing budget overspends

Budgets and actual spends for supplies and services between 2008-09 and 2010-11 show a pattern of overspending that totals \$41 million over a three-year period. Budget allocations are rarely met, and from the minister's unconvincing and unsupported responses it appears there is little or no attempt to maintain some form of fiscal discipline with Tourism Queensland's budget.

The accompanying footnotes did not identify in set terms or amounts the reasons for the overspends. This action in itself is misleading and reveals a tired toxic Labor Government trying to hide its sins.

Lack of current aviation strategy

The *Queensland Commercial and Tourism Aviation Plan 2008-10* has now expired, and no steps have been taken to ensure an up-to-date policy is released as soon as possible. The minister failed to allay concerns about a lack of a clear aviation policy amongst a struggling tourism industry reliant upon aviation to support it.

EMPLOYMENT, SKILLS, TRAINING AND INDUSTRIAL RELATIONS

The LNP Members of this Committee provide this statement on behalf of Ted Malone MP, Shadow Minister for Employment and Skills and Shadow Minister for Industrial Relations, Member for Mirani

I refer to the hearings of the Industry, Education, Training and Industrial Relations Committee regarding the Appropriations Bills and submit a statement of reservations and some general comments on the process of the general Estimates Committees hearing.

RESERVATIONS

The areas of concern are;

- Structure of the Budget Papers, and in particular Service Delivery Statements do not provide sufficient detailed information to ensure proper scrutiny of activities and expenditure undertaken by Government.
- No mechanism exists to require full, direct and honest answers to Questions on Notice.
- No mechanism exists to require Ministers to fully, directly and honestly answer questions posed during Hearings.

SPECIFIC COMMENTS ON THE EMPLOYMENT PORTFOLIO

- Refusal to properly answer questions on notice

Information provided in answering the questions on notice gave few details relating to the answers sought on the subject matter.

- Refusal to answer questions directly

The Minister was unable to answer the exact number of long term unemployed people and was unable to explain if modelling had been carried out to fully understand the impact of the Carbon Tax on Queensland employers and employees.

SPECIFIC COMMENTS ON THE TRAINING AND SKILLS PORTFOLIO

- Central Queensland University and Central Queensland Institute of TAFE

The Minister was unable to advise when a decision would be made in relation to the possible merger of these two organisations.

- Southbank Institute of TAFE

The Minister did not commit the State Government to meeting the PPP payment that the SBIT would appear unable to honour. The Minister simply stated that the board was considering strategies to meet the payment.

- Queensland Post Secondary Education and Training Review (QPET)

The Minister was unable to explain what exactly would happen with the QPET Review now that a National report written by the same author has been released. It would seem that the report is redundant although the Minister would not say how the recommendations would be implemented, funding allocated or what action the Government would take to proceed.

SPECIFIC COMMENTS ON THE INDUSTRIAL RELATIONS PORTFOLIO

- Industrial Relations issue relating to the Department of Health

When Section 666 of the Industrial Relations Act was raised, the Minister was unable to explain why a Queensland Business who was not paying employees correctly would be dealt with harshly yet the Department of Health who have not paid employees correctly for 455 days are able to simply state that they are 'fixing the problem'. It is unacceptable that the Minister was unable to state if he had been actively advocating for health workers from an Industrial Relations perspective.

- Workcover

The Minister also conveniently ran out of time in answering the question in relation to how many Workcover cases have been settled out of court. There could only be two reasons for this, either the answer was embarrassing or he did not know the figure.

SUMMARY/CONCLUDING REMARKS

These matters do raise deep concerns over the culture and attitude displayed towards the Committee and the Estimates process by these Ministers and the Bligh Labor Government. I would like to conclude my report by expressing my thanks to the estimates committee as well as Hansard, and attendants who ensure the smooth running of the day.

EDUCATION

Dr Bruce Flegg MP, Shadow Minister for Education and Shadow Minister for Aboriginal and Torres Strait Islander Partnerships, Member for Moggill

- Education Budget

I note that Education is a high proportion of the Queensland Budget and it deserves more time than was allowed. I also note that having the Education hearing late on a Friday afternoon and extending into Friday evening obviously allowed little opportunity or scrutiny of the proceedings. I would hate to think this was the intention of the government but it does seem unusual to have a portfolio that is nearly a quarter of the State Budget being allocated to this time slot.

- Maintenance and Safety in Schools

The issue of maintenance and safety in schools once again was central to the consideration of the Education Budget Estimates. There have been a number of reports from professional bodies as well as media that indicate the poor state of maintenance of many schools, the significant backlog of maintenance, the inadequacy of maintenance budgets and at time the poor value that is achieved where local suppliers are not able to be used. I presented to the Committee the example of Chapel Hill State School. Parents had expressed considerable concern in relation to the safety of the school and had shown me many dozens of pictures of trip hazards, sharp objects; unfenced embankments, unfenced creeks and water courses, unsafe trees dropping branches into play areas as well as a generally poor standard of maintenance. Chapel Hill State School is an excellent local school with good teaching and good results and sadly it typifies the reports that Opposition MPs often receive in relation to the maintenance of schools.

There is however no excuse for not making schools safe. In particular to have a creek with a major water flow culvert in the middle of the school playground with no effort whatsoever made to fence it clearly cannot be acceptable to any Queenslanders and certainly would never be accepted around a home swimming pool or the like.

I understand that the government has approached the school in relation to the concerns I have raised.

I note also the Minister's attempt to shoot the messenger by alleging that I had waited to bring the safety information to the committee. This is a sad reflection on the Minister. Between my discussion with parents and preparation of the issue only around one school week transpired. I contrast this strongly to the time the Minister takes to reply to my concerns when they are expressed directly to him by letter. In fact I have outstanding matters awaiting reply from as long ago as March. So I think in terms of achieving the best and fastest safety outcome to protect the lives of children in the school bringing it to the Minister's attention at Estimates and highlighting the broader

problem of safety and maintenance in schools was the most effective option open to me and parents.

- Pork Barrelling

I note also that the Minister during the course of the Estimates Committee offered to visit the chairman's marginal Toowoomba seat in relation to education issues but when invited to come and inspect the safety issues at Chapel Hill State School I certainly did not receive such a favourable response.

- School Safety

The Director-General was able to provide me some information in relation to payouts on school injuries occurring within schools. I appreciate the forthright answers given by the Director-General (in some cases in contrast to the less forthright answers of the Minister). I think as the first episode of Estimates where we were able to ask senior people such as Directors- General that this demonstrated that it was a positive improvement to the way we scrutinise Budget Estimates.

- Lifetime Bans

I notice in keeping with government practice in recent years the Minister had held back a series of announcements to coincide with the Estimates hearing. In particular an announcement of lifetime bans on teachers for a certain range of serious offences. Whilst this is likely a worthwhile move it was interesting that when questioned as to whether any such offenders had returned to teaching the Minister had no knowledge. This again suggests that the announcement was timed to absorb the very limited media attention that was available for an Education Estimates late on a Friday rather than being a fully researched proposition.

- Teacher Redundancies

In keeping with some of the bizarre decision making that has been seen from the government, I raised the issue as to why we would be paying teachers particularly primary school teachers to be made redundant now when at the end of 2014 we will have the very significant issue of dealing with the loss of Year 7 from primary school and the associated dramatic reduction of the primary workforce. We will in fact be making teachers redundant, filling those positions and then 24 months later looking for further redundancies.

- Move of Year 7

I noted and appreciated the information that the audit of the move of Year 7 is still not complete. Clearly the government's announced resourcing are 'back of the envelope' figures. What was clear from the Estimates is that this move is significantly under-resourced in both the government and the non-government sector. To add a 50,000

student cohort to high schools in the government and non-government sector at the beginning of 2015 is an enormous undertaking. The LNP has given in principle support to this move because of the introduction of the Australian National Curriculum but do not support a badly, under-resourced move that will end up affecting the education experience of Queensland students. It is noted that \$81 million in grants to non-government schools is dramatically less of than estimate of what the capital cost to non-government schools of expanding their student numbers to this extent is going to be and it is clear that from other answers the money allocated in the State sector will be equally inadequate. There is a great need for teacher retraining, for professional development, for not just additional classrooms but additional specialised facilities such as science labs, music rooms, art rooms, sports facilities and the like. The government also do not seem to have fully comprehended the additional cost of educating a child in a high school as opposed to a primary school.

- Early Childhood Education

The detail given of the funding guarantees to C&K who are rolling out the kindergartens on State school sites was new information. The area of funding of funding kindergarten services continues to confuse most participants in the industry and I note the Director-General's comment that it was important that government funding kept kindergarten services viable. This comes hot on the heels of the Minister's predecessor's attempt to slash funding to community kindergartens by his introduction of a voucher system. It appears to me the Directors-General comments probably signal that the government has abandoned the voucher system for community kindergartens although its substitute based on the formula of pre 2010 funding still looks badly confused.

- Australian National Curriculum

The QSA with a budget of some \$45 million plays a pivotal role in attempting to ensure Queensland curriculum and assessment are as good as possible. The Acting Director Mr Paul Herschell's answers were much appreciated and I extend my thanks to him.

It is apparent that there are still significant unresolved issues surrounding the implementation of the Australian National Curriculum.

In relation to payroll services and the Shared Services Agency it was refreshing to be able to ask the Director-General who gave a full and frank account of the changes that had been announced in the Parliament by the Minister for Public Works. She was able to correct the record from the Minister who had denied that there was a transfer of responsibilities to occur from Public Works to DET. As we have seen with the Health payroll debacle ensuring that these services to our valuable frontline professionals are run efficiently fortnight in and fortnight out is critical. Much of that information was new information and thanks to the Director-General for providing it.

The other questions related to issues surrounding the Building the Education Revolution program and also the seven schools being built under PPP arrangements. School communities had expressed great dismay that necessary facilities such as a school hall in a large school of 800 students were not completed as part of stage one and that because they were schools that were under construction or planning they had been ineligible for Federal funding. When a facility such as this is a necessary one, particularly where the school is a large school and will obviously suffer some disadvantage by not being able to use a school hall for assembly, sport and an array of other functions it does seem a costly and disruptive way particularly given the nature and expense of the funding of these schools that such important elements of a large school were not considered important enough to include in stage one.

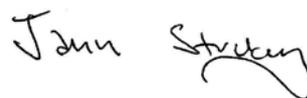
The LNP remains committed to seeing education standards lifted to be not just the best in Australia but to be competitive with any education system in the world. There is absolutely no reason why Queensland students should not compete on the world stage in science, maths and every other discipline at the highest level. We acknowledge the outstanding work done by Queensland teachers and by outstanding results in some areas. But information contained in the Budget and elsewhere clearly indicates we have a great deal of work to do in some areas of education and certainly in lifting areas such as literacy, numeracy and science. We look forward to working constructively in both the public arena and where feasible with the Government towards this objective.

SUMMARY/CONCLUDING REMARKS

I would like to extend my thanks to the staff Ms Bernice Watson, Mr Peter Rogers and Ms Carolyn Heffernan as well as Hansard and attendants, and my fellow committee members who made the day run very smoothly. My thanks also to Chairman Mr Kerry Shine who chaired the Committee, in my view, in a very professional manner and enabled it to function well and performed good work reviewing the Budget within the limited time available for Education.



JEFF SEENEY MP
Leader of the Opposition
Shadow Minister for State Development,
Infrastructure and Planning
Shadow Minister for Reconstruction
Member for Callide



JANN STUCKEY MP
Shadow Minister for Tourism
Manufacturing and Small Business
Member for Currumbin

A handwritten signature in blue ink that reads "Bruce Flegg". The signature is written in a cursive, flowing style.

BRUCE FLEGG MP

**Shadow Minister for Education and
Aboriginal & Torres Strait Islander Partnerships
Member for Moggill**