Parliamentary Committees

2012-13 Budget Estimates

Additional Volume

Finance and Administration Committee

October 2012

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Copy of Answers to Questions on Notice- Premier

FINANCE & ADMINISTRATION COMMITTEE

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 1

QUESTION:

With reference to the Service Delivery Statements 1–4, can the Premier detail how this Budget provides a new framework for law and order that will assist Queensland by funding initiatives including youth boot camps?

ANSWER:

The Queensland Government is committed to breaking the cycle of offending. This is why we have committed $2 million over two years for courts to provide young offenders and their families with a sentencing option to participate in the Youth Boot Camp Diversion Program. The youth boot camp commitment is one of the Government's absolute priorities. It will provide a genuine circuit breaker for young repeat offenders, who would otherwise be facing incarceration.

The model will commence with a three-month boot camp trial, which will deliver structured training and support for young offenders, followed by close mentoring and supervision. It will also adopt a whole of family approach to working with young offenders, to ensure that the gains achieved through the program are not lost when young people return to their families and communities.

The boot camp program is well underway to commence in early 2013, and will divert 80 young people who are otherwise heading for detention or involvement in the criminal justice system.

The boot camp trial will provide young offenders with the necessary discipline, guidance and grounding to break the cycle of offending, and give these young people the best chance of success.

The 2012–13 Budget of $1.979 billion also provides funding to revitalise core frontline policing services and tackle crime under the Government's *Safer Streets Crime Action Plan* under which we will provide more frontline police on Queensland streets and deliver safer communities. This includes delivering more frontline police to our streets, including:

- $34.7 million to deliver 300 extra police
- $1.1 million to establish a Major and Organised Crime Squad on the Gold Coast, incorporating an Illegal Firearms Team, and
- additional crime fighting resources in Cairns, Townsville and on the Gold Coast to focus on juvenile crime and alcohol management.

These initiatives are funded as part of a total funding commitment of $358.3 million over four years to provide 1100 new frontline police, in addition to 200 existing police officers being redeployed to the frontline over the next four years.

Demonstrating our commitment to delivering safer communities, we have also allocated $1 million ($4 million over four years) to revitalise frontline community crime prevention services through Neighbourhood Watch and Crime Stoppers.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 2

QUESTION:

With reference to Budget Paper 1, page 10 and 12, can the Premier state how the many schools across the State which are in need of basic maintenance, such as new paint and building repairs, will benefit from this Budget?

ANSWER:

All Queensland students deserve a quality education experience and providing our students with access to better school facilities and a safer environment in which to learn is integral to revitalising front-line education services in our State.

The *Advancing Our Schools* Maintenance Fund will see the Queensland Government invest an additional $200 million over two years to address a large proportion of the disgraceful $292 million maintenance backlog in our state schools, left behind by the former government. A total of 1239 state schools across Queensland will benefit from this funding initiative.

In 2012–13, schools with a maintenance liability less than $160 000 will be fully funded to address their existing liability. Schools with an existing maintenance liability greater than $160 000 will receive allocations capped at $160 000. Further funding will be available in 2013–14. Schools will be able to use these funds to engage QBuild or contractors of their choice, to finally help address the most critical maintenance concerns for their students.

As the initiative is intended to address the maintenance backlog, new schools, recently refurbished schools, or schools subject to other renewal or relocation initiatives, may not be allocated funding under this initiative. Likewise, schools constructed and maintained under Public Private Partnership models will not take part in this initiative, as there are alternative arrangements in place for the maintenance of these schools.

The Government is also investing an additional $115 million over four years in new capital works and school building refurbishments, prioritised towards supporting the transition of Year 7 to secondary school. The *Building Our Future Schools* commitment will see $86.25 million or 75 per cent of this funding allocated to non-government schools, with the remaining $28.75 million allocated to state schools.

This Government is committed to its vision for an education system that is world class. Building better infrastructure for our schools and maintaining that infrastructure is the foundation of that commitment.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 3

QUESTION:

Budget Paper 1, page 12, lists initiatives in disability services, including the Elderly Parent Carer Innovation Trial. Can the Premier explain how this will benefit ageing Queenslanders who are caring for children with a Disability?

ANSWER:

Every parent wants to know that their child's future is safe and secure. This is especially true for older parents caring for their adult children with a disability.

The Elderly Parent Carer Innovation Trial is an exciting new initiative that will see the Government invest $15 million over three years in projects to create sustainable housing solutions for adults with a disability who are currently cared for by parents who are themselves becoming frail.

The trial will commence in the first half of 2013 and provide one-off grants for projects that meet the housing support needs for people with a disability, such as new community living spaces, mixed disability and aged-care facilities, and home modifications. The emphasis will be on flexible and innovative solutions that consider the individual circumstances of older parent carers to support their adult son or daughter with a disability, who might otherwise end up in emergency disability accommodation, stay long-term in hospital beds or residential aged care.

In this way, the trial will offer parents greater choice and control over their child's future care arrangements. It will also give these parents peace of mind, by providing a degree of certainty and security about what will happen to their children when they are no longer able to look after them.

Along with the new Parent Connect Service and additional flexible respite for young adults with a disability, the Elderly Parent Carer Innovation Trial is another example of this Government's commitment to helping people with a disability, their families and carers.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 4

QUESTION:

With reference to Budget Paper 1, page 14, can the Premier provide an outline of how the Government is building a robust and resilient economy through Skilled Migration initiatives?

ANSWER:

This Government recognises that a skilled workforce is a critical part of building a robust and resilient economy that is competitive both domestically and internationally. We are committed to supporting local jobs and jobseekers to gain the skills they need to take advantage of the opportunities in our State's growing and diverse economy.

We also recognise that we are faced with a shortage of skilled workers, which is why we are keen to increase the number of skilled migrant workers coming to Queensland.

However, in their current form, the criteria for State sponsored skilled migration visas and business migration visas are burdensome and an impediment to increased skilled migration. The requirements restrict businesses from hiring employees with critical skills, which hinders the flow of capital and investment. This Government believes that Queensland's business investment criteria must be competitive for the State to not only survive, but to thrive in tough economic times.

This is why Trade and Investment Queensland, in consultation with the Department of Education, Training and Employment, is undertaking a comprehensive analysis and review of the Queensland Government's criteria for these visas. The Government wants to see what can be done to increase the number of skilled migrants coming to Queensland to support businesses requiring workers with critical skills; and with regional Queensland playing a vital role in getting the State back on track, the review is also looking at how we can encourage business migration into key regional areas.

Of course, as migration is a federal responsibility, Queensland is working closely with the Federal Government to increase our business visa allocation places. Our priority is to engage in national skilled migration initiatives that deliver the greatest economic and social outcomes achievable for the State and which benefit all Queenslanders.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 5

QUESTION:

With reference to the Budget Paper 1, page 11, can the Premier outline the benefits of this Budget for regional communities and for Queenslanders living in regional areas?

ANSWER:

After years of neglect under previous Labor Governments, regional Queensland can look forward to a bright future under this Government – and the Budget is the first step.

It will be no surprise to regional Queenslanders that fixing the Bruce Highway is at the top of our list of priorities. The Bruce Highway forms the spine of Queensland's road network and is absolutely critical for moving people and freight in this State. But we know the Bruce Highway is in a state of crisis, with unacceptably high crash and fatality rates. That's why in addition to $415.6 million in this Budget for capital improvement works, the Government has committed $200 million over the next four years as part of a $1 billion, 10 year plan to provide longer-term solutions for the Bruce Highway. This is conditional on the Federal Government accepting its responsibilities and providing matching funding.

The Government is giving back to the regional communities that support resource projects through its Royalties for Regions initiative. Over the next four years, we will invest $495 million for new and improved community infrastructure, roads and floodplain mitigation with $60 million earmarked in the 2012–13 State Budget for eligible local councils.

Local councils are currently going through an Expression of Interest process to secure funding under the program, with the successful projects to be announced in early 2013. The Government is dedicated to ensuring local councils and towns thrive by supporting projects that improve local amenities and services.

The 2012–13 State Budget also allocates $97.7 million over four years to boost the Patient Travel Subsidy Scheme – the first significant increase in over a decade. The scheme provides financial support for public and private patients to access specialist health services that are more than 50km away from their closest public hospital. This extra funding means that patients who have to travel long distances to see medical specialists will now have more assistance than ever before.

The Budget also provides $1.3 billion to construct, expand and redevelop hospitals across the State, in particular on the Gold Coast, Sunshine Coast, Cairns, Mackay, Ipswich, Townsville, Rockhampton and Mount Isa. This investment includes $51.6 million to be spent on upgrading health facilities in rural and remote communities.

Overall, over 75% of the Government's capital expenditure outlined in this year's Budget will occur outside of Brisbane, providing a significant boost to infrastructure, employment and economic opportunities in regional communities.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 6

QUESTION:

The cost of living is a burden on many families and individuals across the State. With reference to SDS1–3, can the Premier state how Queenslanders will benefit from initiatives that will decrease the cost of living for Queensland households?

ANSWER

This Government understands that Queenslanders have had enough of the spiralling costs of living and during the election we committed to providing relief to save Queenslanders up to $330 a year.

We have already acted in many areas to deliver on this commitment and Queenslanders are already receiving the benefits.

We have committed:

- $63 million in 2012–13 to freeze the notified residential electricity tariff (Tariff 11). This means the only increase from 2011–12 prices on the notified Tariff 11 that Queenslanders will see will be due to the Federal Government's carbon tax. The pricing freeze and pricing reform will save Queensland households up to $120 in 2012–13
- $132.3 million over three years to freeze car registration fees for more than 2.5 million family vehicles
- $917 million over three years to reinstate the principal place of residence concessional rate for stamp duty that was removed by the previous Government. This concession will provide savings of up to $7175 when buying a family home
- $92 million in 2012–13 to deliver a rebate of $80 per connection for households supplied by the South East Queensland (SEQ) bulk water grid
- $158.2 million over four years to halve public transport fare increases due in 2013 and 2014, and
- $39 million over four years to reward regular commuters by reintroducing free travel on the Translink network after nine journeys in a Monday to Sunday week.

Together these initiatives deliver real relief to families, potentially saving each family hundreds of dollars every year. While calculating exact savings to individual families is a difficult undertaking, the Government estimates that families in the SEQ area may potentially save as much as $339 in 2012–13.

We know it is tough going for a lot of Queenslanders at the moment, but this Government will not stop doing everything we can to ease cost of living pressures.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 7

QUESTION:

Agriculture is one of the four pillars of the Queensland economy. Can the Premier advise the Committee of how this Budget will assist the agricultural industry of this State?

ANSWER:

One of the first measures undertaken by this Government was to establish a dedicated standalone department for agriculture. This was achieved in the first 100 days of government with the creation of the Department of Agriculture, Fisheries and Forestry (DAFF). This measure gives agriculture the recognition that it deserves and brings an end to a period of neglect and confusion.

The Government has set an ambitious target to double food production by 2024. To help meet this target, the Budget has provided a total of $10.5 million in 2012–13 and $30.1 million over the next four years.

Additional funding of $20.1 million over four years has been provided to fund agricultural initiatives.

This includes $7.6 million to focus agriculture and horticulture research and development to increase the productivity of Queensland's key export sectors. This comprises $4.6 million of additional funding to the Bureau of Sugar Experiment Stations to increase productivity in Queensland's sugarcane industry; and $3 million to build on the Government's Agriculture Strategy to commence rebuilding the research and development capacity of the new standalone department.

Six million dollars has been allocated to employ 15 additional frontline officers to improve biosecurity surveillance and detection and prepare producers and the community to deal with climatic and biosecurity events.

In addition, $3.5 million will be invested over three years for workforce planning and training to improve the availability of labour and leading-edge skills for Queensland's agriculture and horticulture industries. Of this, $3 million will be used to improve training in conjunction with industry, universities, training providers and schools, and $0.5 million to develop a Horticulture Workforce Plan which includes reviewing the 2008 Horticulture Workforce Plan with industry and developing a new plan for the next three years.

To help the fight against Hendra Virus, $1 million will be provided over four years, which allows private vets to claim $250 for personal protective equipment for the vet, horse holder and anyone else assisting with the testing of a horse.

DAFF will also receive an additional $10 million to fund the Government's commitments to the Commercial Fishing Industry. This includes $9 million for a Structural Adjustment Package to safeguard our Marine Resources through a voluntary buyback program of commercial net fishing licences, and $1million towards a range of sustainability measures including enhanced monitoring of fisheries on a regional basis.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 8

QUESTION:

With reference to Budget Paper 1, page 15, can the Premier explain how the resources sector will benefit from the Government's red tape and regulation reduction initiatives?

ANSWER:

The Government's red tape reduction initiatives will provide significant benefit to the resources sector and the people of Queensland through improved investment attractiveness.

The centrepiece of the government's initiatives benefitting the whole resources sector is the *Streamlining Approvals Project* and delivery of a modern, best practice, online tenure administration system called MyMinesOnline.

The *Streamlining Approvals Project* will provide greater integrated government assessment; will reduce assessment times for mining and petroleum applications; and improve certainty of pace and transparency for the resources sector.

The *Environmental Protection (Greentape Reduction) and Other Legislation Amendment Act 2012* will also commence in March 2013. By taking out duplicated provisions, the Act reduces the *Environmental Protection Act 1994* by 90 pages. A standard application will save on average $20 000 in costs, 150 pages in paper work and 68 days in processing time.

The Act streamlines mining and petroleum approvals by clarifying the application process and removing the need for administrative transfers while ensuring communities are consulted earlier in the process. The removal of plans of operations requirements for small miners will also remove a 15 page administrative requirement from around 2400 operators.

This year, the government has already delivered on reducing red tape for the resources sector by passing the *Mines Legislation (Streamlining) Amendment Act 2012*.

The Act clarifies legislation so that resource activities (such as exploration) and development activities (such as transport and infrastructure development) can coexist; streamlines the rules applying to the management and transport of water and brine produced by the CSG and LNG industries, and expands CSG pipeline licence and registration provisions.

The Act reduces assessment times by transferring power to approve mining leases and the *Petroleum Act 1923* petroleum leases from the Governor-in-Council to the Minister. The process and assessment burdens for administration of resources tenure transfers of ownership have been reduced, and consistency across resources legislation will allow both government and industry to work more efficiently under a less diverse legislative framework.

A package of important reforms is also being progressed to reduce financial and regulatory administrative burdens on existing small scale miners. I envisage commencement of these reforms in early 2013.

A Resources Cabinet Committee has also been established and is now examining the impacts of government regulation on the mining industry in a bid to lower the industry's cost structures. Through hearings and meetings the resource sector – companies, individuals and industry representatives – will be invited to detail their views on problems and put forward solutions to the Committee.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 9

QUESTION:

With reference to Budget Paper 1, page 13, can the Premier advise the committee of how changes to the First Home Owners Grant will assist the construction sector and the Queensland economy?

ANSWER:

The Queensland Government supports the continued growth of a strong, sustainable and socially responsible construction sector in Queensland, as one of the four pillars that will support the future growth of the Queensland economy.

I want to see more Queenslanders own their own home and also provide a much needed confidence boost to the construction sector. To help achieve this, the Queensland Government will provide a $15 000 First Home Owner Construction Grant for people buying their first home either off the plan or newly constructed.

This is now the most generous ongoing first home owner grant in Australia. In addition, we have provided $917 million over three years to reinstate the principal place of residence concessional rate for stamp duty that was removed by the previous Government. This concession will provide savings of up to $7175 when buying a family home.

Unlocking activity in Queensland's property and construction sector is critical to Queensland's economic recovery and to delivering the generational benefits of the resources boom, including affordable homes for Queensland families. Reinvigorating the Queensland property market is also critical to driving the achievement of my Government's commitment to reduce Queensland's unemployment rate to four per cent in six years.

In addition, my Government has delivered:

1. the establishment of a Cabinet Committee, chaired by the Honourable Jeff Seeney MP, Deputy Premier and Minister for State Development, Infrastructure and Planning, that will focus on property and construction; and
2. the appointment of Mr Ian Walker MP, Assistant Minister for Planning Reform, as the Government's 'go to' person for the property and construction industry.

The $15 000 First Home Owner Construction Grant will replace the previous Government's First Home Owner Grant which provided $7000 to first home owners. This was a bad scheme, as many economists considered that it merely pushed up average housing prices. The Master Builders Association also lobbied on behalf of the sector for changes to the former grant, and we responded.

However, when we announced this in the Budget, we wanted to be sure that first home buyers who were about to purchase an existing dwelling would not be disadvantaged. We announced then that these buyers would have until 11 October 2012 to finalise their contract to be eligible for the old scheme.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Government No. 10

QUESTION:

With reference to Budget Paper 1, page 11, can the Premier outline what is being done to reinvigorate the Tourism sector, and provide a boost to this vital industry?

ANSWER:

The Government has adopted a whole-of-Government approach to rebuilding Queensland's tourism industry. We have set up a Tourism Cabinet Committee, a standalone Department of Tourism, Major Events, Small Business and the Commonwealth Games, and a Tourism Investment Attraction Unit within that department.

We also held the inaugural DestinationQ Forum in Cairns on 25–26 June 2012 which brought government and 320 industry delegates together to look at ways at revitalising Queensland tourism. The forum was a great success with the signing of a landmark Partnership Agreement which represents a new era in collaboration between the Queensland Government and the Queensland tourism industry.

A 12 Month Key Action Plan was developed as part of the Partnership Agreement which targets red tape, the facilitation of investment in tourism, the attraction and retention of skilled workers, tourism marketing strategies and enhanced tourism access to National Parks. Work on the Key Action Plan is well underway and a DestinationQ Post-Forum Working Group of top-level industry and government representatives is carrying the Key Action Plan forward over the next 12 months.

In addition, the Government has provided additional funding of $20 million in the 2012–13 State Budget to implement a Tourism Investment Strategy that will support destination marketing and delivery of the DestinationQ 12 Month Key Action Plan. We have also committed $8 million over four years to the Attracting Aviation Investment Fund and have doubled the amount of funding provided to regional tourism organisations from $3.1 million to $7 million per year.

The Attracting Aviation Investment Fund is already producing results for Queensland tourism with new services secured from China Eastern Airlines and China Southern Airways. China Eastern will soon begin a three times a week direct service between Cairns and Shanghai resulting in an additional 40 000 visitors to the region per year.

China Southern will also increase its flights between Brisbane and Guangzhou from four times a week to a daily service from December 2012 which should mean a further 40 000 visitors to Queensland per year as well. The China Southern investment will also have benefits for Far North Queensland with a Cairns leg being added to the three additional weekly Brisbane–Guangzhou flights.

Our ultimate goal is to double overnight visitor expenditure to $30 billion per annum by 2020 and these funding allocations and initiatives will play a key role in achieving this target.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 1

QUESTION:

I refer to page 3 of the SDS for the Department of Premier and Cabinet. Can the Premier advise as part of the oversight by his Department of the CBD Government Administrative Precinct Project what the estimated costs are to demolish the Executive Building and Public Works Building separated out from any lease revenue received as part of the project and the timetable for disposal of existing Government Office Buildings in the CBD?

ANSWER:

The Government Precinct Redevelopment work is well underway, with the 1 William Street project now entering the Request for Proposal phase and on-track to commence works by the end of the year.

The Government's intention is that the redevelopment of the Precinct will be financed and delivered by the private sector, and that this will include the adaptive re-use or demolition of buildings, including the Executive Building and Public Works Building.

At this stage, there is no firm information about the estimated cost of demolition – I expect this will become clearer following upcoming approaches to the market place and receipt of proposals from the private sector.

However, we do know that these sites hold significant value, being located on one of the highest points in the CBD – there has already been significant interest from the private sector, including high value proposals such as an integrated resort development.

I am confident we can deliver the Precinct in a way that provides significant long term benefits for Queensland tax payers and the State's economy.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 2

QUESTION:

I refer to page 52 of the SDS for the Department of Premier and Cabinet. Will the Premier advise whether the employment contracts of Directors-General under the current Government reference in any way a reduction in workforce size for their Department and / or the meeting of the 2012-13 Budget savings targets and if so will the Premier release these sections of relevant contracts?

ANSWER:

The answer is no. The employment contracts of Directors-General do not reference reductions in workforce size for their department.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 3

QUESTION:

In reference to page 53 of the SDS will the Premier provide the classification, title and departmental/agency location of any persons appointed to a role in the state public sector at SES, SO or Director-General level after 26 March 2012 who were employed by the Brisbane City Council at the time of their transfer to the State Government (in table format reported separately by department, remuneration level and agency)?

ANSWER:

After 26 March 2012, the following officers were employed by the Brisbane City Council at the time of their appointment at the Chief Executive Officer level in the state public sector:

Department	Director-General	Remuneration level
Coordinator General	Mr Barry Broe	CEO Band 1
Department of Environment & Heritage Protection	Mr Andrew Chesterman	CEO Band 2

There are no SES officers who were employed direct by the Brisbane City Council at the time of their transfer to the State Government. However, there are two SES equivalent officers employed under section 122 contracts with the Department of the Premier and Cabinet. These officers are Mr Craig Evans, Deputy Director-General, and Ms Amanda Pafumi, Executive Director.

Appointments to SO level positions in the public sector are at the discretion of the Director-General of each department. In relation to the appointment of SO officers in the Department of the Premier and Cabinet, I can confirm that after 26 March 2012, my Department did not appoint any SO level officers who were employed by the Brisbane City Council at the time of their transfer to the State Government.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 4

QUESTION:

In reference to page 53 of the SDS will the Premier provide the classification, title and location by department or agency of all staff appointed to positions from AO2 to SES 4 in the state public sector with temporary positions listed separately, since 26 March 2012 (in table format reported separately by department or agency)?

ANSWER:

The following table details staff that have been appointed to positions from AO2 to SES4 in the Department of the Premier and Cabinet from 26 March 2012 to 30 September 2012. Temporary and permanent positions are listed separately.

Class	Title	Permanent Positions		Temporary Positions	Location
		Permanent Apppointment	Temporary Appointment	Temporary Appointments	
AO2	N/A				
AO3	Support Officer Protocol Services Officer Media Reporting Officer		1 1	 1	Brisbane
AO4	Senior Media Reporting Officer			1	Brisbane
PO4	Assistant Parliamentary Counsel Grade 2		1		Brisbane
AO5	Project Coordinator		1		Brisbane
AO6	Senior Consultant		1^'		Brisbane
AO7	Manager, Audit Operations		1^'		Brisbane
AO8	Manager - Media reporting Services Renewal Program Information Officer			1 1	Brisbane
SO	Fixed Wing Pilot* Senior Assistant Parliamentary Counsel Director, Economic Policy	1 1	 1^		Brisbane
SES1	N/A				
SES2	Executive Director *			1	
SES4	Executive Director*			1	Brisbane
Total		**2**	**7**	**6**	

Footnotes
*Staff engaged under a section 122 contract
^Employees that have since separated (3)
'Roles that have been abolished (2)
This data excludes 6 staff seconded to DPC from other government departments

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 5

QUESTION:

I refer to page 3 of the SDS for the Department of Premier and Cabinet where it references management of 'whole-of-government communication'. In relation to the establishment of a media monitoring unit within the Department of Premier and Cabinet, can the Premier advise:

- How many staff are employed in this unit and on what classifications and were any staff transferred from the Premier's Office
- What was the selection criteria for employing these staff
- What was the cost of establishing this media monitoring unit including staff and equipment listed separately as well as ongoing costs
- What are the functions of this media monitoring unit

ANSWER:

The Queensland Government procures press and broadcast media monitoring services via a whole-of-government Standing Offer Arrangement (SOA). This SOA was managed by the Department of the Premier and Cabinet (DPC) from July 1998 to December 2011, and in January 2012 was taken over by the Queensland Government Chief Procurement Office, Department of Housing and Public Works (DHPW). The arrangement is available to departments, agencies, offices and authorities, Government owned Corporations and approved non-government bodies.

Under this SOA, each department has its own Customer Service Order (CSO) and access to their own electronic portal with the appointed supplier (Sentia Media). Due to the nature of government business, there is often duplication in media items sent to each department, resulting in duplication in material and costs.

In July 2012, I approved a one year trial for a centralised media monitoring service within DPC. Under the trial project, the centralised media reporting services team will aim to:

- minimise duplication of media requests and subsequent costs made by departments
- decrease the use and subsequent costs for outsourced media monitoring due to its in-house services
- rationalise the number of portals that attract monthly retainer fees from 29 down to 1
- provide an opportunity to take greater advantage of prompt payment discounts.

As at 27 September 2012, three staff employed in the Premier's Office have been temporarily engaged at their current pay levels for a period of up to 12 months until 30 June 2013 in Media Reporting Services, Communication Services, Department of the Premier and Cabinet (DPC). Temporary positions have been created at the following classification levels:

- 1 x AO8 Manager, Media Reporting Services

- 1 x AO4 Senior Media Reporting Services Officer
- 1 x AO3 Media Reporting Services Officer

These staff were engaged in accordance with the provisions outlined in Directive 20/10 "Temporary Employment".

At the end of the trial period, a review will be undertaken to determine cost savings achieved and future extension.

The estimated cost for this unit within DPC is $1.808 million per annum, comprising:

- in-house costs (including seven temporary FTEs) of $0.72 million, and
- an estimated spend of $1.084 million for external media monitoring services.

The team is using existing equipment, but to date has incurred approximately $4200 in relocation expenses, to be met within the existing budget.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 6

QUESTION:

I refer to page 3 of the SDS for the Department of Premier and Cabinet where it references the role of the Department in both implementing the recommendations of the Queensland Floods Commission of Inquiry and to provide 'emergency search and rescue [and] counter-disaster operations'. Can the Premier explain how the Government can meet recommendation 5.36 of the Floods Commission of Inquiry to have a "'single point of tasking'; that is, a central organisation exercising command and control of all helicopters in the Emergency Helicopter Network, according to availability, task, priority and location" with the Government's proposal to outsource Emergency Management helicopters?

ANSWER:

The Government is undertaking a review of government air services to determine whether any improvements can be made to the way these services are currently delivered. While no final decisions have been made about changing the current arrangements, maintaining the Government's current capacity to respond to emergencies and natural disasters will be of paramount importance if there are any changes to how these services are delivered in the future. This includes aviation services provided by the Government Air Wing in support of emergency search and rescue and counter-disaster operations.

Any changes to the service delivery model for government air services will comply with the single point tasking arrangements that Government has implemented, to ensure aviation services during a disaster or emergency are not compromised.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 7

QUESTION:

I refer to page 58 of the SDS detailing staffing levels for the Public Service Commission and the Department of Premier and Cabinet have fallen. With the Government providing $15.4 million as at page 70 of Budget Paper 4 to the Department of Premier and Cabinet for a 'Public Sector Renewal Board' will the Premier advise which staff will be allocated to the work of the renewal board, including setting staffing levels for Departments, and the amount of this funding proposed to be provided to external consultants and who these consultants are listed separately?

ANSWER:

The Office of Public Sector Renewal has been established within the Department of the Premier and Cabinet (DPC) to coordinate the overall delivery and quality of the Public Sector Renewal Program and, ultimately, the portfolio of change projects that will commence across all agencies.

Resourcing for the Office is primarily through the reprioritisation of services provided by the former Delivery Unit in DPC.

The role of the office includes providing secretariat services to the Public Sector Renewal Board which meets monthly. A total of two FTEs are allocated to these duties which includes reviewing Board papers, advising the Board on policy matters and conveying the Board's recommendations to Cabinet.

The Public Sector Renewal Board does not set senior staffing levels for departments.

Up to $10 million has been allocated for consultancies, if required, over the four years to 2015–16. Additional funding is provided in the first year to support the establishment of agency review team activities which may include consultancies.

To date no consultants have been engaged through the Public Sector Renewal Program, however three projects - strategic procurement, corporate services, and government air services - have been put to the market.

The Queensland Government procurement spend is some $14 billion annually, and it is critical that we leverage this spend to deliver value for money for Queenslanders.

The strategic procurement project will benchmark against the best in the private sector to provide options for Government to deliver more cost effective strategic sourcing.

The corporate services project will build on the review of Queensland Shared Services conducted by PriceWaterHouse Coopers in 2011 to identify innovations that can be imported from the private sector that can help streamline and standardise corporate services.

In August the Government announced a review of air service operations and invited private companies to register their interest in delivering services to Government.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 8

QUESTION:

I refer to pages 30 and 35 of the SDS for the Department of Premier and Cabinet where it details an increase in the value of property, plant and equipment of $645 000 in 2011-12 "primarily due to the completion of Ministerial Office system upgrades". Can the Premier confirm the exact amount spent on upgrades to Ministerial Offices since March 26 including Assistant Minister's Offices and Offices of Directors-General reported separately and including a breakdown of expenditure by purpose?

ANSWER

The explanation for the increase in value of property, plant and equipment of $645 000 provided at page 35 of the SDS refers to the completion of the project to upgrade the Ministerial and Opposition IT network infrastructure which commenced in April 2011 under the previous government.

The following table summarises the works undertaken by the Department of Housing and Public Works, in consultation with Ministerial Services Branch following the March 2012 State Election in each Ministerial Office and total expenditure (as at 30 June 2012). As Assistant Ministers are located within Ministerial offices, information in relation to individual offices was not isolated.

Upgrades to Ministerial Offices totalled $18 193. Significant maintenance work has also been undertaken in Ministerial Offices.

State Election Ministerial Accommodation Expenditure Project Description	**$ (Excluding GST)**
Signage Changes - Various Locations Upgrade - Signage change for Ministerial offices as a result of the March 2012 State Election	**$11,053**
Office of the Premier - Level 15, 100 George Street, Executive Building, Brisbane Upgrade – install three additional workstations	**$4,338**
Deputy Premier, Minister for State Development, Infrastructure and Planning and Assistant Minister for Planning Reform - Level 12, 100 George Street, Executive Building, Brisbane Upgrade	**Nil**
Treasurer and Minister for Trade and Assistant Minister for Finance, Administration and Regulatory Reform – Level 9, 100 George Street, Executive Building, Brisbane Upgrade – TV relocation	**$2,018**
Minister for Science, Information Technology, Innovation and the Arts - Level 5, 100 George Street, Executive Building, Brisbane Upgrade	**Nil**
Minister for Housing and Public Works - Level 7, 80 George Street, Brisbane Upgrade – install film to office	**$399**

State Election Ministerial Accommodation Expenditure Project Description	$ (Excluding GST)
Minister for Tourism, Major Events, Small Business and the Commonwealth Games and Assistant Minister for Tourism - Level 26, 111 George Street, Brisbane Upgrade	**Nil**
Minister for Communities, Child Safety and Disability Services and Assistant Minister for Child Safety - Level 13, 111 George Street, Brisbane Upgrade	**Nil**
Minister for National Parks, Recreation, Sport and Racing and Assistant Minister for Sport and Racing - Level 7, 111 George Street, Brisbane Upgrade	**Nil**
Minister for Education, Training and Employment and Assistant Minister for Technical and Further Education - Level 22, 30 Mary Street, Education House, Brisbane Upgrade	**Nil**
Minister for Health and Assistant Minister for Health - Level 19, 147-163 Charlotte Street, State Health Building, Brisbane Upgrade	**Nil**
Minister for Aboriginal and Torres Strait Islander and Multicultural Affairs and Minister Assisting the Premier and Assistant Minister for Aboriginal and Torres Strait Islander Affairs and Assistant Minister for Multicultural Affairs - Level 6B, 75 William Street, Neville Bonner Building, Brisbane Upgrade – install modesty panel, cabling and whiteboard	**$385**
Minister for Police and Community Safety - Level 24, 50 Ann Street, State Law Building, Brisbane Upgrade	**Nil**
Attorney-General and Minister for Justice - Level 18, 50 Ann Street, State Law Building, Brisbane Upgrade	**Nil**
Minister for Agriculture, Fisheries and Forestry - Level 8, 80 Ann Street, Primary Industry Building, Brisbane Upgrade	**Nil**
Minister for Local Government - Level 18, 41 George Street, Mineral House, Brisbane Upgrade	**Nil**
Minister for Energy and Water Supply - Level 13, 41 George Street, Mineral House, Brisbane Upgrade	**Nil**
Minister for Transport and Main Roads and Assistant Minister for Public Transport - Level 15, 81 George Street, Capital Hill, Brisbane Upgrade	**Nil**
Minister for Natural Resources and Mines and Assistant Minister for Natural Resources and Mines - Level 17, 61 Mary Street, Brisbane Upgrade	**Nil**
Minister for Environment and Heritage Protection - Level 13, 400 George Street, Brisbane Upgrade	**Nil**
Total 2011-12	**$18,193**

The following table summarises the works undertaken following the March 2012 State Election in each Directors-General Office and identifies total expenditure (as at 30 June 2012). This work was undertaken by the Department of Housing and Public Works in consultation with the respective Departments.

State Election Ministerial Accommodation Expenditure Project Description	**$ (Excluding GST)**
Director-General, Department of Aboriginal and Torres Strait Islander and Multicultural Affairs - Level 6, 75 William Street, Neville Bonner Building, Brisbane Patch and paint, repairs to furniture and provision of office suites.	**$4,138**
Director-General, Department of Science, Information Technology, Innovation and the Arts - Level 5, 100 George Street, Executive Building, Brisbane Patch and paint, relocation of packing boxes, provision of furniture, and relocation of fridge.	**$6,963**
Director-General, Department of State Development Infrastructure and Planning - Level 12, 100 George Street, Executive Building, Brisbane Demolition/alteration of existing partition, installation of new sound rated partitions, new doorways, replacement of damaged carpet tiles, relocation and installation of workstations, installation of new workstation screens, rewire of power and data, adjustment of lighting, air balance and emergency & fire services for compliance.	**$24,054**
Coordinator-General, Department of State Development Infrastructure and Planning - Level 12, 100 George Street, Executive Building, Brisbane Provision, relocation and installation of office and workspace for Coordinator-General and 9 staff involving demolition/alteration of existing partition, installation of new sound rated partitions, new doorways, replacement of damaged carpet tiles, relocation and installation of workstations, installation of new workstation screens and office furniture, rewire of power and data, adjustment of lighting, air balance and emergency & fire services for compliance.	**$38,566**
Director-General, Department of National Parks, Recreation, Sport and Racing - Level 7, 111 George Street , Brisbane Patch and paint, provision of workstations, reorientation of workstation, alternation to workstation, provision, relocation and removal of furniture, relocate fridges, installation of clocks, install TVs.	**$12,811**
Director-General, Department of Local Government - Level 18, 41 George Street, Mineral House, Brisbane Patch and Paint, remove whiteboard, remove existing furniture, provision of data and power, provision of workstation suite, provision furniture, install of workstation screen, removal and repairs to glazing film.	**$11,657**
Director-General, Department of Energy and Water Supply - Level 13, 41 George Street, Mineral House, Brisbane Patch and paint, fix bowed window sill and install existing blind.	**$3,490**
Total 2011-12	**$101,679**

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 9

QUESTION:

I refer to page 3 of the Service Delivery Statement for the Department of Premier and Cabinet and note that the Department will maintain and update the Scientific Consensus Statement on the Reef Water Quality Plan. Will the Premier detail if the leadership and coordination work underpinning the Reef Water Quality Plan is to be done by the Reef Water Quality Protection Plan Secretariat within the Premier's Department and if not, which department will now lead this work?

ANSWER:

I can confirm that the leadership and coordination work underpinning the Reef Water Quality Protection Plan will continue to be undertaken by the Reef Water Quality Protection Plan Secretariat within the Department of the Premier and Cabinet.

The Secretariat will work closely with the Departments of Environment and Heritage Protection, Agriculture, Forestry and Fisheries, Natural Resources and Mines and State Development Infrastructure and Planning to ensure a consolidated, whole-of-government approach, to the issue of improving reef water quality.

The future protection of the Great Barrier Reef remains a high priority for the Queensland Government and my Department's continued leading role on water quality matters is a reflection of this.

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 10

QUESTION:

I refer to page 9 of the SDS for the Department of Premier and Cabinet. Will the Premier advise the number of staff employed in the Ministerial Services Branch as at March 26 and the number of staff now employed?

ANSWER

As at 26 March 2012, 27 staff were employed in Ministerial Services of the Department of the Premier and Cabinet. This included one employee engaged on a temporary basis from 8 April 2011 to 30 April 2012 to undertake the specific project of the upgrade to the Ministerial and Opposition IT network infrastructure.

There are currently 26 staff employed in Ministerial Services.

Copy of Answers to Questions on Notice- Treasurer

FINANCE & ADMINISTRATION COMMITTEE

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 1

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

Can the Treasurer advise what was the state of the Queensland Government's finances at the time the Newman Government took office?

ANSWER:

During its first week in office, the Government appointed an Independent Commission of Audit to uncover the true state of Queensland's financial position.

The Independent Commission of Audit found:

- Queensland's fiscal position has deteriorated significantly over the last six years and was vulnerable to external shocks.

- That this deterioration was the result of a lack of fiscal discipline with expenditure growth significantly outstripping revenue growth since 2005-06.

- This spending resulted in the State living beyond its means, requiring it to borrow heavily to support the budget.

- This led to a significant increase in Government debt such that it would reach $100 billion by 2018-19 without corrective action.

- It found the magnitude of the fiscal repair task was substantially larger than previously recognised because the former Government built in unrealistically optimistic budget assumptions that masked the magnitude of the underlying structural problems.

The poor state of Queensland's finances was further confirmed in Queensland Treasury's Incoming Government brief which stated:

'Queensland's fiscal position and outlook is unsustainable and restoration must be an urgent priority for this term of government.'

This was reinforced by Queensland Treasury Corporation advice which said:

'The State's debt has reached unprecedented levels. Together with its published forward estimates showing an even greater volume of debt required, Queensland is now in unchartered waters with respect to the volume of debt on issue and the resultant interest bill'.

Further, quotes from ratings agencies outline the extent of Queensland's fiscal problems. On 10 February 2012, Moody's ratings agency said:

'…budgetary redress measures are not likely to be sufficient to result in a material shift in the deficit outcomes, which indicates weakness in the state's policy framework.'

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 2

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

What was the projected debt level for the Non-financial public sector when the Newman Government took office and what assumptions underpinned these projections?

ANSWER:

The Independent Commission of Audit found that

> *'…the level of Total Government gross debt almost tripled over the period 2005-06 to 2009-10. Gross debt is currently $64 billion in 2011-12, and is expected to reach $92 billion in 2015-16. On current projections, gross debt will reach $100 billion by 2018-19.*
>
> *Most of this increase has occurred in the General Government sector, where gross debt has increased more than tenfold in the last five years.'*[1]

The Independent Commission identified a number of risks to the Budget that required the provision of funding over the forward estimates. It also identified three areas of concern in the forward estimates related to transfer duty, employee expenses and capital expenditure which were addressed in the Government's Interim Response and the 2012-13 Budget.

The 2011-12 Mid Year Fiscal and Economic Review, the final Budget update of the previous Government, estimated Non-financial Public Sector borrowings of:

2011-12	$62.4 billion
2012-13	$74.2 billion
2013-14	$81.4 billion
2014-15	$85.4 billion

[1] Page 17 Queensland Commission of Audit: Interim Report June 2012.

This compares to the 2012-13 Budget estimates of Non-financial Public Sector borrowings of:

2011-12	$62.7 billion
2012-13	$73.7 billion
2013-14	$79.9 billion
2014-15	$81.7 billion

The Independent Commission forecast that Non-financial Public Sector borrowings would be $86.326 billion in 2014-15. The Government's reduced level of borrowing due to its fiscal consolidation saves over $1.3 billion of interest expense over the forward estimates.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 3

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

Did the Treasurer seek any independent advice on the state of the Queensland Government's finances, who provided this advice and what were the key findings of any advice received?

ANSWER:

On 29 March 2012, the Government established a Commission of Audit to provide independent advice on the State's financial position.

The Honourable Peter Costello AC was appointed as Chair of the Commission with Dr Doug McTaggart and Professor Sandra Harding being appointed as Commissioners. All three Commissioners are well-credentialed to provide an independent view of the State's finances.

The Commission's Terms of Reference are to review and report on the following:

1. The State's financial position
2. Improving the State's financial position
3. Service delivery
4. Government commercial enterprises
5. The economy.

The Commission handed down the first interim report on 15 June 2012. This interim report covered the first two Terms of Reference.

A summary of the Commission's findings as published in its Interim Report is provided below.

- Queensland moved from a position of considerable financial strength to a position of relative weakness over the last six years.

- Queensland's performance has been worse than the other states over that period.

- Based on Queensland Treasury and Trade's (Treasury) updated May 2012 forward estimates, a fiscal deficit was expected throughout the forward estimates period to 2015-16.

- Treasury was using overly optimistic forward estimates in a bid to meet the previous Labor Government's political objectives.

- Major corrective action was needed to reach the Treasury baseline projections. Otherwise the fiscal deficit would be worse than projected.

The Commission recommended a two stage process for fiscal repair:

  - First Stage – stabilise growth in debt and return the budget to a General Government fiscal surplus by 2014-15.
  - The Government should aim for a $3B improvement in the bottom line over the three years to 2014-15.
  - Second Stage – reduce the accumulated Total Government debt to restore the debt to revenue ratio to 60% by 2017-18.

- This would involve reducing debt by $25B-$30B by carefully utilising the balance sheet and selling assets. This would restore Queensland's AAA credit rating and provide a buffer to withstand external adverse events.

- The deterioration in Queensland's financial position was caused by unsustainable levels of spending by the previous Labor Government.

- The state was "living beyond its means" well before the 2008 Global Financial Crisis and the 2011 floods.

- The gap between revenue and expenditure widened, causing a blowout in debt.

- Gross debt was expected to be $64B in 2011-12, rising to $92B in 2015-16 with the potential to escalate to $100B by 2018-19 unless immediate corrective action was taken.

- Queensland's debt to revenue ratio has risen sharply from below 20% in 2005-06 to more than 100% in 2011-12.

- Based on the May update, it was forecast to peak at 132% in 2013-14, well outside the trigger band of around 100-110% for a AAA credit rating.

- The increasing debt has resulted in increasing interest costs, severely limiting Queensland's budgetary flexibility. Interest costs were expected to be $3.5B in 2011-12, rising to $5.3B by 2015-16.

- Growing employee expenses have contributed to the expenditure increase.

- Capital expenditure has also rapidly expanded to unsustainable levels. Capital expenditure in other states has been relatively steady at around 1% of Gross State Product (GSP) for much of the last two decades, peaking at just over 1.5% of GSP in 2009-10. Queensland's capital expenditure surged to over 3.5% of GSP in 2009-10.

- In 2005-06, just 34% of capital expenditure was funded from borrowings. By 2010-11, 96% of all capital investment was funded from borrowings.

- The Commission has identified a number of significant funding pressures and contingent liabilities which have not been factored into the forward estimates. Examples include:

  - Department budget over-runs
  - IT system and wireless network upgrades
  - Maintenance work backlogs
  - Carbon Tax
  - 2018 Commonwealth Games

- These could result in additional costs as follows:

  - Operating costs of up to $4.2B over the forward estimates period and another $1.4B with uncertain timing; and
  - Capital costs of over $2.2B.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 4

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

What information did the Government take into account when it compiled its fiscal principles and how did these differ from the former Government's principles?

ANSWER:

The Government's fiscal principles, which represent a return to the core set of principles that underpinned Queensland's historic fiscal strength, have been established with reference to the findings and recommendations of the Independent Commission of Audit.

The Independent Commission has emphasised that fiscal repair will require realigning Government recurrent and capital spending so that it can be fully funded from the State's recurrent revenue. The achievement of an operating surplus in itself is not sufficient for Government to attain fiscal sustainability or maintain or improve its credit rating given the impact of capital investment on the debt position.

A key point of difference from the former Government's principles is that the former Government was aiming to achieve an operating surplus by 2015-16, whereas the Newman Government is committed to achieving a fiscal surplus by 2014-15.

Further, the Newman Government has committed to stabilise then significantly reduce debt, whereas the former Government had no commitment to debt reduction.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 5

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

Can the Treasurer advise how the 2012/13 Budget compares to the Government's fiscal principles?

ANSWER:

Principle 1 – Stabilise then significantly reduce debt

The 2012-13 Budget shows that debt, as a proportion of revenue, will peak in 2012-13 before declining across the forward estimates.

In absolute terms, projected debt levels have been stabilised at below the $85 billion figure identified in the Government's interim response to the Independent Commission of Audit's interim report.

The 2012-13 Budget forecasts Non-financial Public Sector borrowings of $81.7 billion in 2014-15. This compares to the previous Government's 2011-12 Mid Year Fiscal and Economic Review projection of Non-financial Public Sector borrowings in the same year of $85.4 billion – a $3.6 billion reduction.

Principle 2 – Achieve and maintain a General Government sector fiscal balance by 2014-15

The 2012-13 Budget projections show that the Government is on track to achieve a fiscal balance from 2014-15 onwards.

The 2014-15 General Government fiscal balance is estimated to be a surplus of $652 million. This compares to the previous Government's 2011-12 Mid Year Fiscal and Economic Review forecast of a deficit of $1.2 billion – an improvement of $1.9 billion in 2014-15.

Principle 3 – Maintain a competitive tax environment for business

Queensland's taxation per capita in 2012-13 is estimated at $2,347, which is $495 per capita less than the average of the other states of $2,842.

Initiatives such as the Government's commitment to increase the exemption threshold to $1.1 million from 1 July 2012 with five further increases to an eventual threshold of $1.6 million in 2017-18 have improved Government's tax competitiveness for business.

Principle 4 – Target full funding of long term liabilities such as superannuation in accordance with actuarial advice

As at the last actuarial review (released June 2011), accruing superannuation liabilities were fully funded when the Queensland Motorways Limited transaction is taken into account. The State Actuary reviews the scheme every three years.

The retention of this fiscal principle maintains the Government's commitment to continuing to set aside the funds necessary to ensure that there are sufficient assets to fund Government's long term liabilities, including superannuation. This is in stark contrast to advisors to the Queensland Council of Unions who advocate the use of these assets to repay debt or fund service delivery.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 6

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

How does the fiscal consolidation outlined in the 2012/13 Budget compare to the former Government's plan to address Queensland increasing debt levels?

ANSWER:

Due to its significant fiscal consolidation, the Newman Government is now forecasting borrowings of $6.6 billion less in 2015-16 than would have occurred under the former Labor government, as documented in the Independent Commission of Audit Interim Report (comparable figure).

The 2014-15 Non-financial Public sector borrowings are now expected to be $81.749 billion compared with $86.326 billion in the Independent Commission of Audit Interim Report (comparable figure).

As a result of the reduced borrowing requirement, the Government expects to save over $1.3 billion of avoided interest expense over the forward estimates.

Queensland's debt to revenue ratio has improved markedly from that inherited by the previous Labor government. It continues to fall over the forward estimates reflecting a stabilisation of debt as a result of Government's fiscal repair efforts and growth in revenue.

The former Government had no plan to reduce debt, with its own budget documents forecasting debt to increase over the forward estimates. Labor was stuck on a path of debt and deficit.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 7

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

How does Queensland's debt levels and our cost of borrowing compare to other Australian states?

ANSWER:

Queensland currently has the highest debt levels of any state, with borrowings of $73.7 billion in 2012-13 being $10.4 billion higher than in New South Wales, which has the second highest debt levels. As a result of the Government's fiscal repair measures, this differential reduces across the forward estimates, declining to $1.3 billion in 2015-16.

As at 28 September 2012, Queensland's average market cost of borrowings was 24 to 33 basis points (0.24% to 0.33%) higher than faced by Victoria, New South Wales and Western Australia. Queensland's cost of borrowings had also recently been higher than in South Australia and Tasmania, although Queensland's borrowing costs were lower than in these jurisdictions at 28 September 2012, partly associated with a positive market reaction to the 2012-13 Budget.

The Government's fiscal repair effort has meant that 2015-16 forecasts of borrowing as a percentage of GSP return to 2011-12 levels whereas New South Wales, Victoria and South Australia see their borrowings continue to grow as a proportion of GSP.

Ratio of Non-financial Public Sector Borrowings to GSP

	2011-12	2012-13	2013-14	2014-15	2015-16
NSW	0.12	0.13	0.14	0.15	0.15
Vic	0.10	0.13	0.13	0.13	0.12
QLD	0.22	0.24	0.25	0.24	0.22
WA	0.12	0.12	0.13	0.12	0.12
SA	0.10	0.10	0.11	0.10	0.12

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 8

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

What feedback has been received from the international rating agencies about Queensland's fiscal position and outlook?

ANSWER:

Standard and Poor's Ratings Agency (S&P) issued a bulletin in relation to the 2012-13 Budget shortly after the Budget was released. The bulletin noted "*the new Queensland Government, in its first budget, has acted to address issues around the long-term sustainability of finances raised by the Commission of Audit*".

S&P consider that a near-term movement in ratings is unlikely, although "*an upward movement in the rating may be possible over the mid-to-long term, following a sustained improvement in Queensland's budgetary performance and debt burden*".

Moody's issued a press release in relation to the 2012-13 Budget on Budget day. The release notes that the…"*new administration is implementing a budgetary redress plan that is projected to narrow the deficit and bring the state into a small [fiscal] surplus position by 2014-15*". The release further notes that "*Moody's will evaluate the budget assumptions, the degree of government resolve to bring the budget back to balance, including its ability to reduce the rate of current expenditure growth, budget cushions to offset potential revenue volatility, and the impact of financial improvements on the state's debt burden*".

On 13 September 2012, Fitch issued a release downgrading Queensland's credit rating by one notch from AA+ (negative outlook) to AA with a stable outlook. This was followed by a full rating report published on 3 October 2012. Much of Fitch's analysis is based on the outcomes in the past four years, a period characterised by significant increases in borrowings, as a result of expenditures not being sufficiently restrained in line with weaker revenue outcomes and very high levels of capital expenditure. As stated by Fitch: *'A combination of a weak operating budget performance and sizeable capital expenditure (capex) led to a tripling of Queensland's general government debt over four years.'* and *''Tough economic conditions and weak cost management resulted in a negative operating balance in the financial year ending 30 June 2012.'*

However, with respect to the current Government's fiscal measures, Fitch has noted that "*the stable outlook on Queensland's rating reflects Fitch's expectations that Queensland's announced expenditure measures in the 2012-13 Budget will contribute to a restoration of the state's fiscal position in the near term.*" and '*Fitch views the government's new measures positively as they support the restoration of Queensland's fiscal position but the structurally cyclical revenues are a potential drag on the speed of fiscal recovery.*'

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 9

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

Did the 2012-13 Budget deliver on the Newman Government's cost of living election promises?

ANSWER:

A key priority for the Newman Government is easing the cost of living pressures on Queenslanders. Under this Government Queenslanders will find savings when they turn on their lights; turn on their taps; register their family car or buy a new home. In fact, the Newman Government's saving measures will save families up to $260 this year alone.

The 2012-13 Budget delivers on these commitments by providing:

- $63 million in 2012-13 to freeze the standard electricity tariff (Tariff 11) – excluding the cost of carbon;

- $132.3 million over three years to freeze car registration fees for more than 2.5 million family vehicles;

- $917 million over three years to reinstate the principal place of residence concessional rate for stamp duty, providing savings of up to $7,175 when buying a home;

- $92 million in 2012-13 to deliver a rebate of $80 per connection for households supplied by the South East Queensland bulk water grid;

- $158.2 million over four years to halve public transport fare increases due in 2013 and 2014; and

- $39 million over four years to reward regular commuters by reintroducing free travel on the Translink network after nine journeys in a Monday to Sunday week.

These initiatives deliver real relief, by putting more money back in the pockets of Queensland families.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Government QON No. 10

Asked on 26 September 2012

A GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

How do the financial projections contained in the 2012/13 Budget compare to those contained in the Government's interim response to the Commission of Audit?

ANSWER:

The Government's interim response to the Independent Commission of Audit projected General Government fiscal deficits across the forward estimates period of:

2012-13:	$9.775 billion deficit
2013-14	$5.484 billion deficit
2014-15	$1.563 billion deficit
2015-16	$1.352 billion deficit

As a result of the fiscal repair measures implemented in the 2012-13 Budget, the Government is now on track to achieve a fiscal surplus from 2014-15 onwards with projections of the fiscal balance as follows:

2012-13:	$10.768 billion deficit
2013-14	$3.752 billion deficit
2014-15	$0.652 billion <u>surplus</u>
2015-16	$0.747 billion <u>surplus</u>

The total value of fiscal repair measures taken in the 2012-13 Budget is $5.477 billion between 2012-13 and 2014-15, rising to $7.766 billion when 2015-16 is included.

The fiscal repair measures have also resulted in a reduction in borrowing requirements, such that total borrowings in 2015-16 are projected to be $6.6 billion lower than estimated in the Independent Commission of Audit interim report (noting that these figures were not updated in the Government's interim response to the Independent Commission of Audit).

The improvement in the Government's fiscal balance has resulted in interest cost savings of over $1.3 billion over the forward estimates.

This represents:

- 1,300 beds in hospitals or
- 250km of dual carriageway Bruce Highway or
- 16,250 additional teachers or
- 26 brand new topshelf, primary schools

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 1

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to Budget Paper 3 pages 5 and 9. Can the Treasurer provide a breakdown of capital grants and capital purchases by Queensland Statistical Divisions based off the ABS Australian Standard Geographical Classification 2010 and as per page 10 of Budget Paper 3 in the 2011-12 Budget?

ANSWER:

The Australian Bureau of Statistics (ABS) has moved away from the Australian Standard Geographical Classification (the final edition was released on 5 October 2011) to the new Australian Statistical Geography Standard.

In moving to the new standard, the ABS '*encourages the use of the new standard by other organisations to improve the comparability and usefulness of the statistics*' and stated: '*As a whole, the ASGS represents a more comprehensive, flexible and consistent way of defining Australia's statistical geography than the ASGC*'[1] For these reasons Queensland has also adopted the Australian Statistical Geography Standard.

The new standard sees the move away from Statistical Divisions (as previously used and referred to in the question) and the adoption of Statistical Areas. Consequently, information contained in Budget Paper 3 has not been collected by Statistical Division.

[1] ABS 1270.0.55.001 – Australian Statistical Geography Standard (ASGS) Volume 1 – Main Structure and Greater Capital City Statistical Areas, July 2011

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 2

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to page 42 of Budget Paper 2. Can the Minister confirm that reference to 'fiscal consolidation' in relation to the lower employment growth forecast for 2012-13 refers in part to measures taken in the 2012-13 Queensland State Budget?

ANSWER:

Broader macroeconomic forces, such as uncertainty over the global economic outlook, a still cautious business sector and the competitive pressures of the high A$ are expected to be the main drivers of the employment growth forecast in 2012-13.

The longer term outlook is consistent with projections of an increase in employment of more than 220,000 persons between 2011-12 to 2016-17 in the Industry Employment Projections – 2012 Report released by the Commonwealth Department of Education, Employment and Workplace Relations.

These projections show that Queensland will lead the nation in job generation over the next 5 years, growing more jobs than any other state.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 3

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to page 33 footnote 69 of the SDS for Queensland Treasury and Trade. Can the Minister list separately the reasons why there are 'increased whole-of-Government funding requirements' in 2012-13 leading to higher borrowings?

ANSWER:

As outlined on pages 24 and 25 of Budget Paper 2, the 2012-13 fiscal balance and hence borrowings, are significantly impacted by the timing of Australian Government funding, particularly with regard to the mismatch between natural disaster revenue and expenditure.

Disaster works peaks in 2012-13 with almost $4.5 billion in disaster expenditure while revenue from the Commonwealth related to disaster payments is at its lowest in 2012-13 at $23 million (refer table 2.3 of Budget Paper 2). We understand that this re-profiling of Commonwealth funding was required to deliver Commonwealth Treasurer Wayne Swan a paper surplus in 2012-13, at the expense of his bottom line for 2011-12, which blew out by over $24 billion to a fiscal deficit of $44.5 billion.

This, coupled with other movements in Australian Government revenue out of 2012-13 that results in a timing mismatch between revenue and expenditure and the one off redundancy payment are the largest contributors to the borrowing requirement in 2012-13 (refer pages 16, 18, 22 and 23 of Budget Paper 2).

The 2012-13 Budget outlined borrowings in the Non-financial Public Sector of:

2011-12	$62.7 billion
2012-13	$73.7 billion
2013-14	$79.9 billion
2014-15	$81.7 billion

Importantly, this is a significant improvement over the Non-financial Public Sector borrowings outlined in the 2011-12 Mid Year Fiscal and Economic Review, (the final Budget update of the previous Government) of:

2011-12	$62.4 billion
2012-13	$74.2 billion
2013-14	$81.4 billion
2014-15	$85.4 billion

The Independent Commission forecast that Non-financial Public Sector borrowings would be $86.326 billion in 2014-15. The Government's reduced level of borrowing due to the fiscal consolidation saves over $1.3 billion of avoided interest expense over the forward estimates.

This is more funding to deliver frontline services for the people of Queensland.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 4

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to page 34 of Budget Paper 2. Can the Minister confirm whether reference to 'fiscal repair' as a factor for slowing economic growth in 2013-14 refers in any way to measures taken in the 2012-13 Budget?

ANSWER:

It is noted the previous government's forecast economic growth of 5.25% in the 2011-12 Budget did not eventuate. The rate of economic growth in 2013-14 largely reflects a slowing in business investment growth as LNG construction peaks that year.

As further noted on page 34 of Budget Paper 2, lower spending on disaster recovery, which peaks in 2012-13, also contributes to the easing of economic growth in 2013-14.

The Government's action to grow the four pillars of the Queensland economy are in response to the previous government's neglect which had seen declines in tourism, property and construction, and agriculture, with only resource industry activity growing.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 5

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to page 140 of Budget Paper 2 where it details 'employee expenses' with average annual growth of 3.9% per annum from 2012-13 to 2015-16 removing the $800 million cost of redundancies in the 2012-13 financial year. I also refer to page 34 of Budget Paper 2 where it details inflation plus population growth of 4.5% from 2012-13 to 2013-14 and 4.75% from 2014-15 to 2015-16? If the Government considers the reductions in the public service in the 2012-13 Budget to be to a 'right sized' public service can the Treasurer advise why average annual employee expense growth factors in a drop in wages and or the number of Government workers to population?

ANSWER:

Reflecting the Government's fiscal repair efforts, employee expenses are expected to grow on average 2.5% per annum between 2011-12 and 2015-16. This is in stark contrast to the average employee expenses growth of 9.6% per annum since 2005-06 under the former Government, which led to unsustainable growth in employee expenses.

This Government will grow the number of positions in key service delivery roles, such as teachers, nurses and police, so that service delivery meets the needs of Queenslanders. It is evident that the explosion in public service employees and wages under the former Government did not result in a commensurate improvement in frontline services.

The previous government belatedly recognises this when it introduced its flawed voluntary separation program that reviewed over 40,000 positions as potential candidates for separation from the public sector, including, public servants delivering front line services.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 6

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to page 135 of Budget Paper 4 under Treasury and Trade where it details an efficiency dividend on Energex Limited, Ergon Energy Corporation and Powerlink of $256.28 million over four years. Can the Minister list how these efficiencies will be met separated out by each Government Owned Corporations including the number of any GOC employee positions removed to meet this target (broken down by permanent, temporary, casual and contract) and by location and/or departmental region?

ANSWER:

This Government's fiscal strategy is firmly focused on restoration of a sustainable fiscal position. The GOC Efficiency Measures referred to, are comprised of a forecast improvement in dividend and tax equivalent flows to the Queensland General Government sector from GOC cost savings, in particular from the electricity network businesses.

The Government is refocusing Government-owned corporations (GOC) to drive greater value for money, improved accountability, enhanced delivery of essential services and close scrutiny of future capital and debt requirements. The GOC-sector has been challenged to drive efficiencies across all activities and cut unnecessary expenditure, while ensuring the continued availability of a safe and reliable electricity network across Queensland.

The leadership and composition of GOC boards has been re-invigorated to deliver strong commercial responses to these challenges. GOCs are Corporations Act companies with independent boards and management with accountability for making commercial and investment decisions. As such, the detail of how these Efficiency Measures will be met is a matter for the respective GOC boards.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 7

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to page 5 of Budget Paper 4 where it details the savings measures made by the Department of Community Safety. Does the Treasurer stand by these Budget figures following the decision to reverse particular cuts to the Queensland Fire and Rescue Service in relation to Rural Fire Services?

ANSWER:

I stand by the fiscal repair savings measures for the Department of Community Safety.

The fiscal repair savings measures shown on page 5 of Budget Paper 4 do not specify the measures to be implemented by agencies. In fact on page 4 it explicitly states that it is a matter for Ministers and Directors-General to determine the specific areas of their departments in which these savings will be made, applying the following principles in their decision making:

- Service delivery to the public should remain unaffected
- Permanent positions should only be considered after temporary and contract staff
- Organisations and structures should be redesigned to streamline process and reduce layers of management and red tape
- Functions and activities should be reviewed to ensure workload management pressures are addressed
- Staff affected by changes must be properly consulted and supported during the change process.

Accordingly any measures specific to rural fire services are a matter for determination by the Minister for Police and Community Safety (the Minister).

The Minister, in his discussions with stakeholders, including the Rural Fire Brigades Association of Queensland has agreed that efficiencies for rural fire operations would be achieved and that a revised staffing level will be limited to executive and administration areas.

The decisions made by the Minister are consistent with achieving the required fiscal repair savings.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 8

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to page 5 of the SDS where it details a reduction in the Budget for 'GOC performance and governance' of $3.32 million. Can the Treasurer advise for each employee position removed from the Office of Government Owned Corporations which Government Owned Corporation each officer had responsibility for overseeing?

ANSWER:

The Office of Government Owned Corporations (OGOC) was initially established in 2000 when the Queensland public sector had ownership of some 21 government owned corporations (GOC). Since that time the number of GOC has reduced to 12 through a mix of asset sales and rationalisation.

The GOC sector has not only reduced in number. A number of the businesses remaining in public ownership are subject to some form of economic regulation which reduces the risk profile associated with ownership relative to the diverse and competitive industries in which previous government owned businesses operated, including lotteries, freight forwarding and electricity retailing.

In response to the diverse range of businesses it was managing OGOC was established with functions in performance monitoring, policy development, commercial transaction work, strategic reviews and compliance monitoring for a range of public sector policies imposed on GOC. With the reduction in the number of GOC, OGOC had already reduced the cost of the performance monitoring function through natural attrition and a reduction in consultancy and other expenditure in the 2011-12 year, resulting in a saving in excess of $1M relative to the original budget estimate.

The Newman LNP Government has established clear expectations for the GOC sector that align with the principles underpinning corporatisation, namely improving the efficiency and effectiveness of GOC and their accountability. In light of this, it was timely to refocus the core function of OGOC on the performance monitoring function.

This has been achieved through:

- re-establishing the work area as an integral part of the Queensland Treasury and Trade department rather than as a separate Office with the additional administrative functions that entails. To this end the area is now known as Commercial Monitoring.

- implementing a program to remove a number of public sector policies that created additional compliance burden on both GOC and the former OGOC for little added value (for example Carbon Offsets policy);
- removing duplication between OGOC and other areas of Queensland Treasury and Trade in developing economic policy and undertaking commercial transactions associated with GOC.

This new approach to managing oversight of the GOC sector has enabled efficiencies to be realised in the delivery of the performance monitoring function. By reducing duplication of functions and improving role clarity across Queensland Treasury and Trade we have achieved a reduction in FTEs of 8. None of the eliminated positions were directly responsible for undertaking performance monitoring functions. These roles were focused either on administrative, management or policy development functions.

Since the 2012-13 financial year commenced the performance monitoring function has been strengthened and improved with new monthly reporting arrangements implemented in addition to the usual quarterly reports to shareholding Ministers provided historically. A reduced and more focused policy development role will continue to be undertaken by the monitoring analysts as required from time to time.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 9

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to Budget Paper 4 Tables 4-6 which details new election commitment expenditure and revenue reductions that appear to total $4.1 billion across the forward estimates, with new expenditure including capital and revenue reductions including election commitments totalling $6.5 billion across the forward estimates. Can the Treasurer confirm that $4.1 billion is the total for new expenditure including capital and revenue reductions for the LNP's election promises and that $6.5 billion constitutes the total new spending and revenue reductions made by the LNP Government in the 2012-13 Budget and if these figures are not correct can the Treasurer advise what these figures are excluding any savings measures or revenue increases made in Tables 4-6?

ANSWER:

Queensland Treasury and Trade have been unable to reconcile the ambiguous figures provided in the question

Table 2.2 on page 17 of Budget Paper 2 clearly shows the total net cost of election commitments on the fiscal balance over the period 2012-13 to 2014-15 is $63 million.

The total fiscal balance impact of all measures implemented by the Newman Government over the same period is a saving of $5.5 billion across the forward estimates, increasing to $7.8 billion when 2015-16 is included, which is consistent with the figures provided in tables 4-6 of Budget Paper 4.

Unlike Labor, the LNP took a fully costed and independently audited set of election commitments to the election.

Finance and Administration Committee
2012-13 Estimates Hearing

Question on Notice – Non-Government QON No. 10

Asked on 26 September 2012

A NON-GOVERNMENT MEMBER ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

I refer to pages 14 and 16 of the Queensland Treasury and Trade SDS. Can the Minister list which businesses are not considered 'significant' out of the cuts to 'Significant one on one business consultations undertaken' of 2,425 and why other targets on these pages have been lowered while they are still under review?

ANSWER:

The previous Government implemented this SDS measure and the distinction of 'significant'. This Government views all Queensland businesses as significant. They are critical to the Government's economic development goals. They are the backbone of the Queensland economy and they are the job creators of today and tomorrow.

It is, however, important to note that the SDS measure referred to captures significant business consultations and <u>not</u> significant businesses. It is a measure of the various forms of consultations/assistance provided by Trade and Investment Queensland (TIQ) staff to Queensland businesses. There is an increase in this target from 1,692 in 2011-12 to 2,000 in 2012-13, an increase of nearly 20 percent, which demonstrates this Government is committed to 'significantly' assisting <u>all</u> Queensland businesses to achieve trade and investment success.

The fiscal position this Government was left with has required all government departments to implement efficiencies and savings initiatives. TIQ, like other agencies, will reprioritise its efforts towards activities that achieve value for money. Furthermore, current performance measures will be reviewed during this financial year to ensure they reflect TIQ's priorities and are weighted towards outcomes.

This Government understands the importance of an effective performance reporting system, as it is critical for:

- restoring much needed public confidence in government
- ensuring the public are getting value for their money
- enabling Queenslanders to be better informed
- ensuring the accountability of government, and
- from an agency management aspect, enhancing the planning and budgeting capacity of government agencies.

Questions and Responses Taken on Notice at Hearing - Premier

FINANCE & ADMINISTRATION COMMITTEE

Premier of Queensland

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100 George Street Brisbane
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Queensland 4002 Australia
Telephone +61 7 3224 4500
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Website www.thepremier.qld.gov.au

For reply please quote: *OPSR/CC – TF/12/27605 – DOC/12/196326*

11 OCT 2012

Mr Michael Crandon MP
Chair
Finance and Administration Committee
Member for Coomera
Parliament House
BRISBANE QLD 4000

Dear ~~Mr Crandon~~ Michael,

Following the Finance and Administration Committee's estimates hearing for my portfolio on 9 October 2012, I wish to provide further information in relation to a number of matters.

Firstly, I refer to the Government's response to Estimates Hearing 2012 – Finance and Administration Committee Question on Notice Non-Government No. 7 that was tabled on 9 October 2012.

In the interest of open and accountable government I wish to provide the committee with an updated response, which is attached.

The original response stated in paragraph six:

> "To date no consultants have been engaged through the Public Sector Renewal Program, however three projects - strategic procurement, corporate services, and government air services - have been put to the market."

Since that response was prepared the Department of the Premier and Cabinet has engaged a contractor to undertake market research to scope the views of Queenslanders on the future of the State.

The purchase requisition for these services was signed by the Deputy Director-General Policy on 5 October 2012 and the contract accepted at 4.55pm on 8 October 2012.

I am pleased to be able to provide this additional information to the committee.

I would also like to provide further advice to the Committee on Queensland's debt position. At the Estimates hearing I undertook to provide the Committee with the figure for Queensland's debt in early 2010. On 31 March 2010 Queensland's debt was just under $50 billion.

Queensland Government

As I commented at the proceedings, debt has grown considerably since that time. In 2011-12, when this Government came to power, we inherited a debt of $62.4 billion. The 2011-12 Mid Year Fiscal and Economic Review projected an increase to $74.2 billion in 2012-13, $81.4 billion in 2013-14 and $85.4 billion in 2014-15. I am pleased to provide the Committee with the attached update to the response to this question taken on notice, which was tabled during the Estimates hearing.

During the hearing, my Director-General, Mr Jon Grayson, was requested to provide a copy of an invoice paid for by the Department of the Premier and Cabinet in relation to a television address. I took this matter on notice at the conclusion of proceedings, and I am pleased to attach this additional information for the committee.

Yours sincerely

CAMPBELL NEWMAN

***Encl.**

Estimates Hearing 2012 – Finance and Administration Committee
Question on Notice
Non-Government No. 7

QUESTION:

I refer to page 58 of the SDS detailing staffing levels for the Public Service Commission and the Department of Premier and Cabinet have fallen. With the Government providing $15.4 million as at page 70 of Budget Paper 4 to the Department of the Premier and Cabinet for a 'Public Sector Renewal Board' will the Premier advise which staff will be allocated to the work of the renewal board, including setting staffing levels for Departments, and the amount of this funding proposed to be provided to external consultants and who these consultants are listed separately?

ANSWER:

The Office of Public Sector Renewal has been established within the Department of the Premier and Cabinet (DPC) to coordinate the overall delivery and quality of the Public Sector Renewal Program and, ultimately, the portfolio of change projects that will commence across all agencies.

Resourcing for the Office is primarily through the reprioritisation of services provided by the former Delivery Unit in DPC.

The role of the office includes providing secretariat services to the Public Sector Renewal Board which meets monthly. A total of two FTE are allocated to these duties which includes reviewing Board papers, advising the Board on policy matters and conveying the Board's recommendations to Cabinet.

The Public Sector Renewal Board does not set senior staffing levels for departments.

Up to $10 million has been allocated for consultancies, if required, over the four years to 2015–16. Additional funding is provided in the first year to support the establishment of agency review team activities which may include consultancies.

To date no consultants have been engaged through the Public Sector Renewal Program, and three projects - strategic procurement, corporate services, and government air services - have been put to the market.

A contractor has been engaged is to undertake market research to scope the views of Queenslanders on the future of the State.

The Queensland Government procurement spend is some $14 billion annually, and it is critical that we leverage this spend to deliver value for money for Queenslanders.

The strategic procurement project will benchmark against the best in the private sector to provide options for Government to deliver more cost effective strategic sourcing.

The corporate services project will build on the review of Queensland Shared Services conducted by PriceWaterHouse Coopers in 2011 to identify innovations that can be imported from the private sector that can help streamline and standardise corporate services.

In August the Government announced a review of air service operations and invited private companies to register their interest in delivering services to Government.

Estimates Hearing 2012 – Finance and Administration Committee
Response to Question Taken on Notice During Hearing

QUESTION:

How has the State's total gross debt increased from 2009-10 to now?

ANSWER:

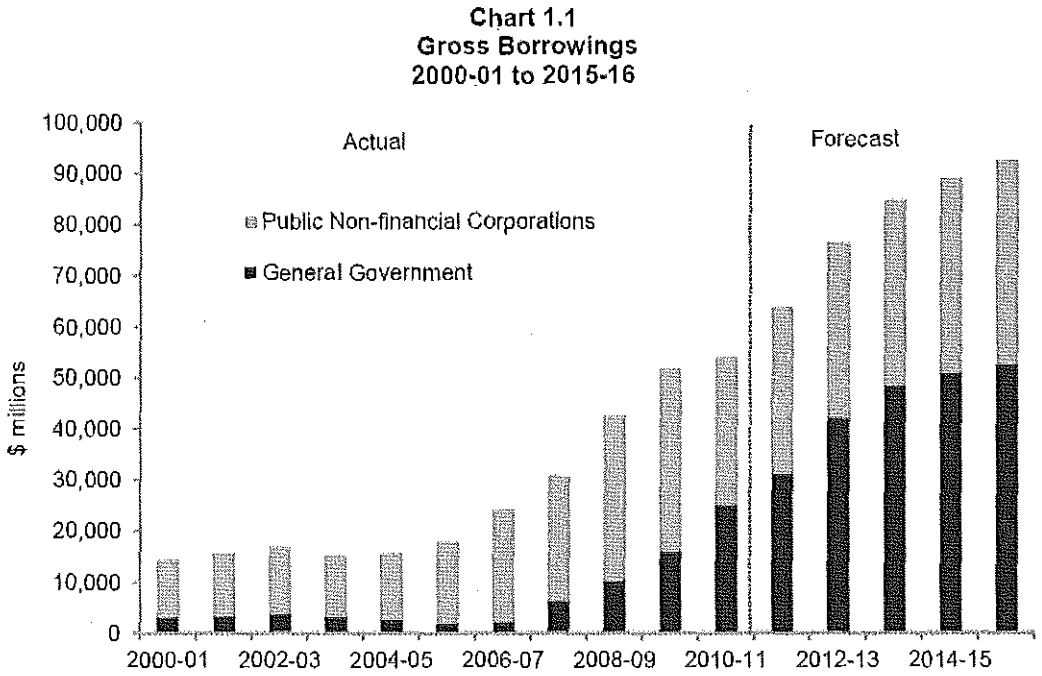
The Gross State Debt as at 31 March 2010 was just under $50 billion. This increased to $51.7 billion by the end of the 2009-10 financial year.

In 2011-12, when this Government came to power, we inherited a debt of $62.4 billion. This was projected to increase to $74.2 billion in 2012-13, $81.4 billion in 2013-14 and $85.4 billion in 2014-15.

These figures are based on the former Labor Government's own budget figures – the Mid-Year Fiscal and Economic Review for 2011-12.

Since that time, the interim Commission of Audit report, released 15 June 2012, estimated Gross State Debt would increase to $100 billion in 2018-19 if no action was taken.

Further, the Chart below (from 2012-13 Budget Paper 2) illustrates the growth in debt since 2000-01 including the projections to 2015-16 incorporated in the Independent Commission of Audit Interim Report:



SOURCE: State Budget 2012-13: Budget Paper No. 2, page 5.

Estimates Hearing 2012 – Finance and Administration Committee
Response to Question Taken on Notice During Hearing

QUESTION:

In relation to the Premier's television address to Queensland, which Channel 9 produced, can the Premier please confirm the cost of the advertising, including production costs, and who paid for the production costs and can the invoice be produced?

ANSWER:

Costs associated with producing and airing this television advertisement can be broken into three components:
1. production (filming, lighting, autocue and operators)
2. classification, captioning and station delivery, and
3. media placement.

On this occasion there was no cost associated with item three as the cost for placing the advertisement on various television networks was met by using credit held by the Queensland Government.

The cost associated with producing the advertisement including filming, lighting, autocue and operators was met by Channel 9.

Channel 9 invoiced the Department of the Premier and Cabinet for costs incurred to receive classification by Free TV Australia, closed captioning and delivery of the advertisement to other television networks and Free TV Australia. All Australian television advertisements must go through this classification process before they can be broadcast on commercial free-to-air television.

The following documents are attached:
1. the invoice for $1226.00 excluding GST paid to Channel 9 by the Department of the Premier and Cabinet
2. a Commercial Production Job Sheet from Channel 9 outlining the costs associated with captioning and delivery of the advertisement to other networks ($960), and
3. an email acknowledgement of the costs associated with Free TV application ($266).

Queensland Television Limited
PO Box 27
Willoughby NSW 2068

PAID

Account Enquiries:
Telephone: 612 9965 2129
Fax: 612 9965 2894
E-mail Address: NNAReceivables@nine.com.au

Tax Invoice

Queensland Television Limited
A.B.N. 77009674373

Invoice Number: **N000026600**
Date of Issue: **02 July 2012**
Customer Number: **77459**

QUEENSLAND PREMIERS DEPARTMENT
LEVEL 15, EXECUTIVE BUILDING
100 GEORGE STREET
BRISBANE QLD 4000

Payment Due Date: **01 August 2012**
Total Amount Due (Incl. GST): **1,348.60 AUD**

* * * TERMS STRICTLY 30 DAYS * * *

DETAILS OF INVOICE

Particulars	Reference	Quantity	Unit Cost	Total Amount
QLD Premiers Address TVC delivery		1.00	1,226.00	1,226.00

OK to pay
05.07.12

APPROVAL TO PAY BY CREDIT CARD
Approved For Payment
Signed _____ Date 05.07.12
Account Code: 537002 Cost Centre 4101032

4101032 / 537002

GST		122.60
Total Amount	AUD	1,348.60

AS DISCUSSED WITH IAN STREET
5/7.

Remittance Slip

Number: **N000026600**
of Issue: **02 July 2012**
Number: **77459**

ie Date: **01 August 2012**
. GST): **1,348.60 AUD**

COMMERCIAL PRODUCTION JOB SHEET

Business Unit QTQ : 10150 Account Number: 621200 Dept Number: 488600 Product: 940000

DATE OF BOOKING	**22.6.2012**		
JOB NAME	**QLD Premier's Message**	**CLIENT**	QTQ9 Marketing/Programming
CONTACT	**Karen Eustace / Kylie Blucher**	**PHONE**	Ext 9936
ADDRESS	**C/- QTQ Marketing/Programming**		

Adstream delivery expenses for delivery of Premier's Message 1x60 second TVC			
- Key no: BDPC0034/60/A including 10 x station delivery, captioning , alterations etc.		$ 960.00	
TOTAL		**$ 960.00**	
GST		N/A	

FINAL AMOUNT $ $960.00 $

DS/C.P./JOBSHEET.DOC

Lee Anderson

From: FreeTv Support <support@freetv.com.au>
Sent: Thursday, 21 June 2012 5:11 PM
To: Eustace, Karen
Subject: FreeTv Application Confirmation - BDPC003460A

Application Summary

REQUIRED BY DATE	21/06/2012	ON-AIR DATE	22/06/2012
ONLINE REF. #	948453	PURCHASE ORDER	002102Premiers
COMPANY/AGENCY	QUEENSLAND TELEVISION MKTG	CONTACT NAME	KAREN EUSTACE
NAME OF ADVERTISER	Department of Premier & Cabinet	ALT CONTACT NAME	Karen Eustace
TVC DELIVERY METHOD	MPEG	EMAIL ADDRESS	keustace@nine.com.au
		DATE SUBMITTED	21/06/2012

KEY NUMBER/S	LENGTH	PRODUCT/SERVICE	TYPE	TVC TO AIR (REGION)	COST ESTIMATE
BDPC003460A	60	Premiers address	New	National/Metro	$133.00

SUBTOTAL	$133.00
LATE FEE	$133.00
TOTAL	$266.00

Documents Uploaded

Premiers address 60 TVC.docx

Payment Details

Application charged to account.

Estimates Hearing 2012 – Finance and Administration Committee
Response to Question Taken on Notice During Hearing

QUESTION:
What were the 2010-11 and 2011-12 operating costs for the Government Air Wing.

ANSWER:

- The net cost of operating the Government Air Wing in 2010-11 was $7.385M. This comprises expenses of $7.729M and revenues (reimbursements) of $0.344M.
- 2010-11 costs include revaluation expense of $2.788M, which if removed, reduces operating costs to $4.941M. The Government Air Wing is revalued as required by Australian Accounting Standards and as a result changes in the value are, in part, due to movements in the Australian dollar.

2010-11 Actual	$'000
Employee costs	1,095
Aircraft Costs	1,139
Other Operating Expenditure	902
Depreciation	873
Borrowing Costs	932
OPERATING COST	**4,941**
Revaluation Expense	2,788
TOTAL EXPENSE	**7,729**
Less Reimbursements	(344)
TOTAL COST	**7,385**

- The net cost of operating the Government Air Wing in 2011-12 was $4.596M. This comprises expenses of $4.922M and revenues (reimbursements) of $0.327M.
- 2011-12 costs include revaluation expense of $0.627M, which if removed, reduces operating costs to $4.295M.

2011-12 Actual	$'000
Employee costs	1,096
Aircraft Costs	1,289
Other Operating Expenditure	737
Depreciation	308
Borrowing Costs	866
OPERATING COST	**4,295**
Revaluation Expense	627
TOTAL EXPENSE	**4,922**
Less Reimbursements	(327)
TOTAL COST	**4,596**

Note – numbers may not add due to rounding.

BACKGROUND

Other Operating Expenditure incorporates Supplies and Services (excluding Aircraft Cost category), Other Expenditure, Impairment Loss and non-aircraft depreciation.

Official travel in Government Air Wing aircraft

Figure 1. Official travel in Government Air Wing aircraft by Ministers and the Governor from July 2011 to 23 March 2012.

Minister	Hawker Jet VH-SGY hours	King Air VH-SGQ hours	Total hours	% of total
Hon A Bligh	69.0	32.5	101.5	40.0%
Hon D Boyle	0.0	0.0	0.0	0.0%
Hon V Darling	6.7	6.8	13.5	5.3%
Hon C Dick	6.7	0.0	6.7	2.6%
Hon S Flinn	0.0	3.4	3.4	1.3%
Hon A Fraser	25.1	3.7	28.8	11.3%
Hon S Hinchliffe	0.0	0.0	0.0	0.0%
Hon J Jarratt	0.0	3.6	3.6	1.4%
Hon K Jones	0.0	0.0	0.0	0.0%
Hon P Lawlor	0.0	0.0	0.0	0.0%
Hon P Lucas	1.0	8.8	9.8	4.0%
Hon T Mulherin	7.2	4.7	11.9	4.7%
Hon R Nolan	0.0	2.2	2.2	0.9%
Hon A Palaszczuk	6.5	7.3	13.8	5.4%
Hon C Pitt	0.0	2.3	2.3	0.9%
Hon P Reeves	0.0	0.0	0.0	0.0%
Hon N Roberts	0.0	0.0	0.0	0.0%
Hon S Robertson	6.1	1.5	7.6	3.0%
Hon R Schwarten	0.0	0.0	0.0	0.0%
Hon K Struthers	0.0	9.7	9.7	3.8%
Hon G Wallace	8.9	1.4	10.3	4.1%
Hon G Wilson	0.0	0.0	0.0	0.0%
Total Ministerial	137.2	87.9	225.1	88.7%
Governor	0	28.7	28.7	11.3%
Total	137.2	116.6	253.8	100.0%

*** Numbers may not add exactly due to rounding.

Figure 2: Official travel in Government Air Wing aircraft by Ministers and the Governor from 1 April 2012 to 30 June 2012.

Minister	Hawker Jet VH-SGY hours	King Air VH-SGQ hours	Total hours	% of total
Hon C Newman	6.0	3.4	9.4	12.3%
Hon R Bates	0.0	0.0	0.0	0.0%
Hon J Bleijie	0.0	0.0	0.0	0.0%
Hon A Cripps	11.9	0.0	11.9	15.6%
Hon D Crisafulli	0.0	0.0	0.0	0.0%
Hon T Davis	0.0	0.0	0.0	0.0%
Hon J Dempsey	0.0	0.0	0.0	0.0%
Hon S Dickson	0.0	0.0	0.0	0.0%
Hon G Elmes	0.0	0.0	0.0	0.0%
Hon S Emerson	0.0	0.0	0.0	0.0%
Hon B Flegg	0.0	0.0	0.0	0.0%
Hon J-P Langbroek	0.0	0.0	0.0	0.0%
Hon M McArdle	0.0	0.0	0.0	0.0%
Hon J McVeigh	5.5	6.2	11.7	15.3%
Hon T Nicholls	4.9	0.0	4.9	6.4%
Hon A Powell	0.0	0.0	0.0	0.0%
Hon J Seeney	2.8	9.9	12.7	16.6%
Hon L Springborg	5.7	0.0	5.7	7.5%
Hon J Stuckey	2.9	2.8	5.7	7.5%
Total Ministerial	39.7	22.3	62.0	81.3%
Governor	7.0	7.3	14.3	18.7%
Total	46.7	29.6	76.3	100.0%

*** Numbers may not add exactly due to rounding.

Figure 3: Flying hours undertaken by the Government Air Wing Aircraft from 1 July 2011 to 30 June 2012.

Activity	Hawker Jet VH-SGY hours	King Air VH -SGQ hours	Total hours	% of total
Counter Disaster	0.8	5.3	6.1	1.19%
Governor	7.0	36.0	43.0	8.38%
Reconstruction Authority	5.9	10.6	16.5	3.22%
Maintenance	4.9	8.7	13.6	2.65%
Ministerial	176.9	110.2	287.1	55.96%
Organ Transplant	76.7	15.0	91.7	17.88%
Other	0.0	2.7	2.7	0.53%
Police	4.1	2.5	6.6	1.29%
Search and rescue	26.0	0.0	26.0	5.07%
Training	6.8	12.9	19.7	3.84%
Total	309.1	203.9	513.0	100.0%

*** Numbers may not add exactly due to rounding.

Official travel in Government Air Wing aircraft

Figure 1: Flying hours undertaken by the Government Air Wing aircraft from 1 July 2010 to 30 June 2011.

Activity	Hawker Jet SGY Hours	King Air SGQ Hours	Total Hours
Counter Disaster*	12.3	30.2	42.5
Governor	14.9	30.2	45.1
Reconstruction Authority	11.4	3.6	15.0
Maintenance	0.8	1.2	2.0
Ministerial	235.2	139.5	374.7
Organ transplant	66.7	12.8	79.5
Other**	21.3	2.3	23.6
Police	29.6	12.6	42.2
Search and rescue	0.0	0.0	0.0
Training	8.7	1.4	10.1
Total***	400.9	233.8	634.7

* During 2010–11 the Premier and other Ministers travelled on Government Air Wing aircraft as part of Counter Disaster activity for the Queensland floods and Tropical Cyclone Yasi. Hours flown for this activity are included in the Counter Disaster hours above.

** Other includes aircraft relocation due to unforeseen circumstances.

*** Numbers may not add exactly due to rounding.

Figure 2: Official travel in Government Air Wing aircraft by Ministers and the Governor from 1 July 2010 to 30 June 2011.

Minister	Hawker Jet SGY Hours	King Air SGQ Hours	Total Hours
Hon A Bligh	96.5	25.9	122.4
Hon D Boyle	2.1	4.4	6.5
Hon V Darling	0.0	0.0	0.0
Hon C Dick	6.4	0.0	6.4
Hon S Finn	0.0	0.0	0.0
Hon A Fraser	6.3	9.3	15.6
Hon S Hinchliffe	7.5	7.4	14.9
Hon J Jarratt	4.4	0.0	4.4
Hon K Jones	15.9	0.0	15.9
Hon P Lawlor	0.0	5.0	5.0
Hon P Lucas	23.8	7.8	31.6
Hon T Mulherin	0.0	26.1	26.1
Hon R Nolan	0.0	3.1	3.1
Hon A Palaszczuk	3.5	16.7	20.2
Hon C Pitt	0.0	8.8	8.8
Hon P Reeves	8.8	6.6	15.4
Hon N Roberts	5.6	6.9	12.5
Hon S Robertson	25.0	1.7	26.7
Hon R Schwarten	1.8	6.9	8.7
Hon K Struthers	6.3	2.9	9.2
Hon C Wallace	17.6	0.0	17.6
Hon G Wilson	3.7	0.0	3.7
Total Ministerial	235.2	139.5	374.7
Governor	14.9	30.2	45.1
Total	250.1	169.7	419.8

Estimates Hearing 2012 – Finance and Administration Committee
Response to Question Taken on Notice During Hearing

QUESTION:

Please detail the new capital projects the LNP government has initiated.

ANSWER:

- Key initiatives the LNP government has committed to follow:
- Transport and Road infrastructure, highlighted in the Queensland Transport and Roads Infrastructure Program 2012-13 to 2015-16, including:
  - $200M as part of a $1b commitment for additional works on Bruce Highway
  - $124M for state-council funded flyovers at Telegraph Road, Bracken Ridge and Robinson Road, Geebung
  - $65M to improve the Wardell Street and Samford Road intersection
  - $10M to install flashing safety lights at school zones
- Under our Royalties to Regions initiative, $495M has been committed, $285M of which will be invested over the next four years under our new Roads to Resources Program – with $100M per annum continuing thereafter. A total of $99M has already been committed to a number of priority projects including:
  - Toowoomba CBD Ring Road ($45M)
  - West Creek railway bridge, Toowoomba ($5M)
  - Toowoomba Second Range Crossing Business Case ($5M)
  - Brisbane Valley & D'Aguilar Highway safety upgrades ($10M)
  - Flood mitigation works at Blakey's Crossing, Townsville ($24M)
  - Intersection upgrade at Woolcock/Mathers Street, Townsville ($10M)

  $40M is available in 2012–13 to participating local governments for priority road works in their regions.
- A total of $120M has been allocated to a Marine Infrastructure Fund for marine infrastructure in areas of greatest need (such as boat ramps, pontoons and fishing platforms). This includes $40M to improve shipping access at Trinity Inlet to help get Cairns tourism back on track.

Documents Tabled at Hearing - Premier

FINANCE & ADMINISTRATION COMMITTEE

Tabled by Member for Inala
at the Estimates hearing
9/10/12.

COPY

Council of Mayors
South East Queensland

14 April 2010

The Hon Anna Bligh MP
Premier and Minister for the Arts
PO Box 15185
CITY EAST QLD 4002

Dear ~~Premier~~ Anna

The Council of Mayors (SEQ) is pleased to provide you with its State Budget Submission for 2010-11. While I appreciate this is somewhat late in the budget process, the Submission includes an up-to-date Economic and Fiscal Analysis we have commissioned from Access Economics and also responds to many of the issues raised at the recent Queensland Growth Management Summit.

The Council of Mayors (SEQ) has long argued that there is a need for increased infrastructure spending by the Federal and State Governments in SEQ to redress the congestion effects caused by historic under-investment coupled with rapid population growth. We wish to commend your Government on your efforts in recent years to start to address that backlog with the development of the SEQ Infrastructure Program and Plan (SEQIPP) and the large new investments you have made in recent years. However, we are concerned about the likely impact of the projected reductions in capital spending in the Budget forward estimates on the delivery of SEQIPP in the future.

A key finding of the Access Economics report, backed up by other research by Layton & Morton and the Commonwealth Grants Commission, is that the high level of infrastructure spending will need to be maintained for some years to come. The Access Economics' report (attached) concludes that the State's economy is likely to move into a substantial upswing from 2012 onwards. The result will be that over the period of the forward estimates (2009 to 2013), revenue estimates are likely to be a cumulative $11 billion higher than forecast in last year's Budget.

Access Economics argues: "*Given that capital expenditure is set to be notably reduced, and yet the costs for the Queensland community of inadequate infrastructure provision remain high, there is a strong case that such revenue gains (or at least a portion of them) should be allowed to flow through to additional spending, rather than speeding the path to a AAA credit rating*".

/2

The Council of Mayors (SEQ) 2010-11 State Budget Submission proposes that 70% of the Queensland Government's projected revenue gains from stronger economic growth be allocated to accelerating the delivery of SEQIPP, effectively doubling the budgeted allocation and allowing $15 billion of projects to be funded over the next three years.

The Council of Mayors (SEQ) presents its 2010-11 State Budget Submission to the Queensland Government as an economically prudent proposal to use the proceeds of growth to invest in managing the consequences of that growth – and to improve the capacity of the State's economy to grow productively in the future. We also continue our lobbying efforts with the Federal Government to ensure our region gets its fair share of Federal infrastructure funding commitments in the years ahead.

The Council of Mayors (SEQ) would welcome the opportunity to meet with you and your Ministers to further discuss infrastructure priorities moving forward and the best means of ensuring the needs of the region are funded.

Yours sincerely

Campbell Newman
CHAIRMAN

cc:
Hon Paul Lucas, MP, Deputy Premier & Minister for Health
Hon Andrew Fraser MP, Treasurer & Minister for Employment and Economic Development
Hon Stirling Hinchliffe MP, Minister for Infrastructure & Planning
Hon Craig Wallace MP, Minister for Main Roads
Hon Rachel Nolan MP, Minister for Transport

Enc.

Tabled by Member for Inala at PAC Hearing 9/10/12.

Lee Anderson

From: Lee Anderson
Sent: Monday, 18 June 2012 10:24 AM
To: 'Blucher, Kylie'
Subject: RE: premier's address

Thanks.

That should have read Thursday, not Tuesday. Hope that doesn't add to the challenge. Sorry bout that. Will talk with Sharon.

Appreciate your help.

From: Blucher, Kylie [mailto:kblucher@nine.com.au]
Sent: Monday, 18 June 2012 10:22 AM
To: Lee Anderson
Cc: Eustace, Karen
Subject: Re: premier's address

Ok we are set.

Can you speak to Sharon Gordon about specifics on logistics etc. We are using full time crew except for audio, which Nine will absorb the cost for.

Sharon's mobile number is Contrary to Public Interest

We will arrange distribution through dubsat. Spot will need rebe factored, which we can arrange.

K

Sent from my iPad

On 18/06/2012, at 9:04 AM, "Lee Anderson" <Lee.Anderson@ministerial.qld.gov.au> wrote:

Gday

Congrats on the numbers.

If you can help out with this, I'd be really grateful:

I need to record a 1 minute spot- the Premier straight to camera.

Looking for lighting, audio, camera and autocue.

Record at parliament house, possibly Tuesday at 1330.

I thought it might be one for Jenny Weber. She could also handle sending it out to where it needs to go.

Let me know.

Media Monitors
STAY CONNECTED

Media Monitors Client Service Centre 1300 880 082

Australian, Australia
17 Sep 2012, by Rosanne Barrett

Media, page 25 - 189.20 cm²
National - circulation 129,363 (MTWTF)

ID 162668813

Newman man calls in favours at Nine

ROSANNE BARRETT
POLITICS

WHEN Queensland Premier Campbell Newman needed to record a rare public address, his media unit director was able to reach out to some old colleagues.

Lee Anderson, the former Queensland Nine Network news director, requested and received his former workmates' assistance recording the Premier's television spot.

What's more, he did not have to pay for it.

Emails released under Right to Information disclosures reveal an ongoing close relationship between Mr Anderson and his colleagues over the unusual minute-long address, which was broadcast in June on all free-to-air networks.

A spokesman for Mr Newman confirmed Nine "absorbed" the recording cost for the audio.

At 9.04am on June 18, Mr Anderson emailed Nine managing director Kylie Blucher asking for their help recording the Premier's address, which was broadcast in prime time on June 24.

"Gday. Congrats on the numbers," Mr Anderson said.

"I need to record a one-minute spot — the Premier straight to camera. Looking for lighting, audio, camera and autocue.

"I thought it might be one for Jenny Weber. She could also handle sending it out to where it needs to go. Let me know."

Just over an hour later, Ms Blucher replied: "On to it, just finding crew, will let you know ASAP."

Mr Newman, seated between two flags, told Queenslanders the government needed to tighten its belt and "find ways to cut our spending".

"That will mean some tough decisions, but it must be done," he said in the presidential-style address.

"I'm determined to return prosperity, opportunity and reward to the lives of all Queenslanders. Together we will make this happen."

Mr Anderson was the Nine news director, including overseeing the coverage of the Queensland election on March 24, until the following day when he appeared at the Executive Building as the new media director.

The address also sparked a flurry of internal emails over approval from advertising standards adviser CAD.

Department of the Premier and Cabinet executive director Lara McKay emailed Mr Anderson two days before the shoot to ask about a "call to action" for the pitch. "It always helps to justify the spend ie if in public interest ... should be providing somewhere for the public to go to either have their say or learn more about whatever the issue or key message is," Ms McKay said.

Mr Anderson replied it was "good advice".

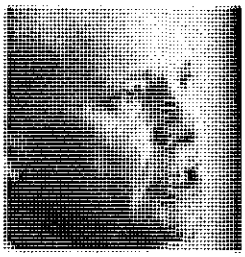
The talking point for the Premier's address said the commercial was produced to draw public attention to the Commission of Audit financial report, which was completed at the request of the government by former Howard government treasurer Peter Costello, outgoing Queensland Investment Corporation chief Doug McTaggart and James Cook University vice-chancellor Sandra Harding.

While the value of the airtime was about $45,000, the spot was reallocated from previous government advertising.

The final cost of the commercial was $1226 plus GST.

'On to it, just finding crew, will let you know ASAP'

KYLIE BLUCHER
NINE MANAGING DIRECTOR



Campbell Newman

Tabled by Member for Inala at Estimates Hearing 9/10/12

Tabled by Member for Mackay at FAC Hearing 9/10/12.

19,000

PSC

Public Service Commission

Voluntary Separation Program Status as at 23 July 2012 (ALL AGENCIES)

Agency	Non-frontline (Health Quality) Perm	Temp	Other	Total	Launch Date	EOI Rec'd	EOIs Received	EOI Closing Date	Total Estimated Offers to be made	Offers Made to date	Offers Accepted	Offer Closing Date	Employees exited	Expected Program Finish Date
Queensland Treasury	604	76	37	717	1/8/11	721	158	16/8/11	92	92	78	12/9/11; 21/10/11	78	30/12/11
Dept of Public Works (Stage 1 – Project Services)	4289	1140	132	5541	2/8/11	2321	439	16/8/11	455 [1]	455	379	28/7/11	379	6/7/12
Dept of Public Works (Stage 2)					Prior to 28/6/11			6/7/11				14/9/11		
Dept of Public Works (Stage 3)					15/7/11			29/7/11				14/9/11		
Dept of Public Works (Stage 4)					20/7/11			5/8/11				23/09/11		
Dept of Community Safety	1791	407	76	2274	3/8/11	2228	498*	20/8/11	69	119	110	18/08/11	110	30/6/12
Dept of Transport and Main Roads	4893	653	200	5651	10/8/11	7588**	1481*	26/8/11	1004**	1004	818	29/02- 5/03/2012	818	18/5/12
Dept of Premier and Cabinet	365	118	53	556	16/8/11	385	59	23/8/11	45	45	32	1/9/11- 17/2/12	32	17/2/12
Dept of Environment and Resource Management	1569	329	37	1935	17/8/11	4084	769	4/7/11	269	269	239	26/9/11 – 9/3/12	239	30/3/12
Dept of Education and Training (Stage 1)	4172	1661	164	5997	20/8/11	1033	334*	4/7/11	109	109	98	29/8/11	98	25/11/11
Dept of Education and Training (Stage 2: TAFE and Training portfolio)					12/08/11	4249*	1298*	26/08/11	373	373	325	18/11/11; 25/11/11	325	31/1/12
Dept of Education and Training (Stage 3)					16/1/12	74	69	30/1/12	68	68	59	27/2/12	59	30/4/12
Old Police Service	2807	530	27	3364	20/8/11	521	138	4/7/11; 8/8/11	57	57	48	27/10/11	224	31/01/12
					28/10/11	4046**	593	14/11/11	200	208	176	16/3/12		16/03/12
Dept of Justice and Attorney-General (Stage 1)	1827	312	68	2207	24/8/11	1100	333	22/7/11	78	78	65	16/9 – 30/9/11	65	30/6/12

Agency	Non-frontline headcount				Launch Date	E.O.I. Process	E.O.I. Received	E.O.I. Closing Date	Total Estimated Offers to be made	Offers Made to Date	Offers Accepted	Offers Closed Date	Employees separated	Expected Program Finish Date
	Perm	Temp	Casual	Total										
Dept of Justice and Attorney-General (Stage 2)					2/9/11	2587	202	30/9/11	110	110	94	Dec 2011; Jan- June 2012	94	16/3/12
Dept of Communities	1374	336	34	1744	1/7/11	1288	427 [107 self-generated]	15/7/11	300	183	167	4/11/11	167	13/1/12
					8/9/11	1268	385	30/1/12		160	153	9/3/12	153	23/3/12
Dept of Employment, Economic Development and Innovation	1102	177	35	1314	6/7/11	3000*	767	Open Ended	350	529	420	28/5/12	419	31/8/12
					28/7/11									
					4/10/11									
Dept of Local Government and Planning	300	92	9	401	12/7/11	152	58*	29/7/11	43	27	22	2/10/11	22	2/12/11
					21/9/11	101	35	7/10/11		16	12	23/3/12	12	30/3/12
Qld Health	7459	2416	418	10293	25/8/11	285	161	9/09/11	118	147	114	11/11/11	114	30/6/12
					30/9/11	3691	1241	10/2/12	900	1098	733	19/3/12	733	
Arts Qld	81	37	8	126	7/6/11	147	29	22/6/11	7	8	8	30/6/12	8	30/6/12
Public Service Commission	66	6	8	80	2/8/11	18	7	17/8/11	7	7	7	26/8/11	7	16/12/11
					5/9/11	48	9	16/9/11	7	7	7	25/10/11	7	
TransLink	187	58	52	297	15/6/11	350	35*	29/6/11	34	34	30	12/8; 18/8; 29/9/11	30	3/2/12
					3/10/11		34	14/10/11	20	20	11	6/12/11; 06/01/12; 13/01/12; 20/01/12	11	10/02/12
Commission for Children Young People and Child Guardian	105	18	-	123	2/11/11	257	21	2/11/11	7	7	6	3/1/12	6	27/1/12
Queensland Studies Authority	N/A				January 2012	193	41	25/1/12	1	1	1	10/2/12	1	29/2/12
Queensland Audit Office	167	7	12	186	10/6/11	42	11	24/6/11	5	5	5	29/7/11	5	12/6/11
TOTAL	33073	8373	1370	42816	-	4176[illegible]	9622 ^	-	4758	6256	4212	-	4206	-

*Source: MOHRI data, June quarter 2011.

^ Non-frontline employees are defined as employees who undertake corporate services functions (including finance, procurement, human resources, document and records, property and facilities, information services, marketing and communications, audit services, legal services, executive support services, strategic management and performance), and employees who provide essential support to employees delivering services directly to the public (who do not undertake corporate services functions).

* Includes ineligible/frontline employees

~ This figure includes employees in the Queensland Boating and Fisheries Patrol who transitioned from DEEDI to DTMR as at 1 September. These employees have been invited to participate in the VSP at DTMR.

Public Service Commission
W www.psc.qld.gov.au
T 07 3224 6646
F 07 3224 6635
Level 13
53 Albert Street
City East Queensland 4002
PO Box 15190

Queensland Government

The total EOI pool includes approximately 13,800 frontline employees. Any comparison of the total EOI pool across the sector against the total non-frontline head count needs to discount the EOI pool by this amount.

* All permanent staff invited to participate

	Paper No.: 5412T1053	
	Date: 13/9/12	
	Member: Hon NICHOLLS	
✓ Tabled		Tabled, by leave
Incorporated, by leave		Remainder incorporated, by leave
Clerk at the Table:		

Public Service Commission
W www.psc.qld.gov.au
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F 07 3224 6635
Level 13
53 Albert Street
City East Queensland 4002
PO Box 15190

Queensland Government

Flying Hours Data - VH-SOQ Quarter One 11/12

SGQ Jan 12

MR Start 1606.7

Serial	Entry date	Trip: Date	Departure	Arrival	Crew	DIST - NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Retrieval	Counter Disaster	Police	Training	Other	Ministers	Pax	Governor	Pax	Other: OR, CD, Pol, TRG, Type Pax	Pax	Fuel details: Fuel B/F	Fuel Added - Litres	Fuel Added - LBS	Docket No	Ramp Fuel	Taxi Fuel	Departure Fuel	Fuel Burn	FOB-Landing	FOB-Gauge	Diff	Diff - %	Fuel Burn/Hr	TO Weight	Flight Times and cost: ATD	Flight Time	Mr Time	Trip Cost	Crew Time	Approach	Trip Duty Time	Remarks
1	16-Feb-12	15-Jan-12	Brisbane	Proserpine	JM/GT	494	Jarrat		1								1					1200	1312	2263		3463	100	3363	1450	1933	2050	-117		659	14000	13:00	2.2	1608.9	$4,420.02		DME A		PU Minister at PN
2	16-Feb-12	15-Jan-12	Proserpine	Cairns	JM/GT	300	Jarrat		1								1	1				2050	0	0		2050	100	1950	800	1150	1200	-50		671	12800	15:30	1.4	1610.3	$2,812.74	4.0	LLZ	9.0	
3	16-Feb-12	16-Jan-12	Cairns	Townsville	GT/JM	157	Bligh		1								1	3				1200	625	1068	11601	2288	100	2188	570	1618	1700	-83		713	13400	10:51	0.8	1611.1	$1,607.28		GNSS		
4	16-Feb-12	16-Jan-12	Townsville	Mackay	GT/JM	182	Bligh		1								1	3				1700	950	1653	28	3353	100	3253	590	2663	2850	-187		656	14450	14:50	0.9	1612.0	$1,808.10	2.1	GNSS	10.0	
5	16-Feb-12	17-Jan-12	Mackay	Rockhampton	GT/JM	154	Bligh		1								1	3				2850	0	0		2850	100	2750	540	2210	2300	-90		675	13950	10:16	0.8	1612.8	$1,607.28		VOR/ DME		
6	16-Feb-12	17-Jan-12	Rockhampton	Brisbane	GT/JM	282	Bligh		1								1	3				2300	0	0		2300	100	2200	790	1410	1450	-40		790	13400	15:07	1.0	1613.8	$2,009.10	2.2	ILS	9.0	
7	16-Feb-12	24-Jan-12	Brisbane	Dundaberg	GT/FS	159	Pitt		1								1	4				1450	724	1280	101041	2710	100	2610	800	2010	2200	-190		857	14000	7:48	0.7	1614.5	$1,406.37		DMEA		
8	16-Feb-12	24-Jan-12	Bundaberg	Gladstone	GT/FS	86	Pitt		1								1	4				2200	481	838.9	28	3037	100	2937	400	2537	2500	37		800	14300	12:00	0.5	1615.0	$1,004.55		DMEA		
9	16-Feb-12	24-Jan-12	Gladstone	Brisbane	GT/FS	234	Pitt		1								1	4				2500	0	0		2500	100	2400	800	1600	1700	-100		727	13600	13:55	1.1	1616.1	$2,210.01	2.0	ILS	10.0	
10	16-Feb-12	24-Jan-12	Brisbane		JM/DC															OR																			$4,018.20				
11	16-Feb-12	25-Jan-12		Brisbane	JM/DC															OR																			$3,214.56				
12	16-Feb-12	27-Jan-12	Brisbane	Kingaroy	JM/DC	150								1						TRG	0	2100	367	638.6	251303	2739	100	2639	950	1689	0	1689		884	12950	9:19	1.1	1620.8	$2,210.01		ILS		
13	16-Feb-12	27-Jan-12	Kingaroy	Brisbane	JM/DC	85								1						TRG	0	1800	0	0		1800	100	1700	460	1240	1300	-60		920	12110	11:45	0.5	1621.3	$1,004.55	2.0	NDB GNSS	5.0	CIRME
																						0	0	0		0	100	-100	0	-100	0	-100					0.0		$0.00	0.0			
			Total																	Total Pax			Fuel Wt	1.74				Av Fuel Burn	708.904													

Av GS 216

Average Sortie 1.1

MR Finis 1621.3

SGQ Feb 12

MR Start 1621.3

Serial	Entry date	Trip: Date	Departure	Arrival	Crew	DIST - NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Retrieval	Counter Disaster	Police	Training	Other	Ministers	Pax	Governor	Pax	Other: OR, CD, Pol, TRG, Type Pax	Pax	Fuel details: Fuel B/F	Fuel Added - Litres	Fuel Added - LBS	Docket No	Ramp Fuel	Taxi Fuel	Departure Fuel	Fuel Burn	FOB-Landing	FOB-Gauge	Diff	Diff - %	Fuel Burn/Hr	TO Weight	Flight Times and cost: ATD	Flight Time	Mr Time	Trip Cost	Crew Time	Approach	Trip Duty Time	Remarks
1	16-Feb-12	2-Feb-12	Brisbane	Inisfail	JM/RO	728	Governor			1								1	2			1300	1096	1907	321365	3207	100	3107	1780	1327	1500	-173		614	14050	5:30	2.9	1624.2	$5,826.39		RNAV		
2	16-Feb-12	2-Feb-12	Inisfail	Cairns	JM/RO	43	Governor			1												1500	0	0		1500	100	1400	340	1060	1150	-90		650	11800	8:42	0.4	1624.6	$803.64	0.0	ILS		Positioning for fuel.
3	16-Feb-12	2-Feb-12	Cairns	Inisfail	JM/RO	43	Governor			1												1150	1263	2250	11512	3400	100	3300	320	2980	3100	-120		1067	13050	11:50	0.3	1624.9	$602.73	0.0	Vis		
4	16-Feb-12	2-Feb-12	Inisfail	Brisbane	JM/RO	714	Governor			1								1	2			3300	0	0		3300	100	3200	1710	1490	1450	40		811	14150	13:17	2.8	1627.7	$5,825.48	7.2	ILS	14.0	
5	16-Feb-12	3-Feb-12	Brisbane	Oakey	GT/JM	74							1							Pol	0	1450	788	1371	331385	2821	100	2721	400	2321	2400	-79		867	13000	15:29	0.6	1628.3	$1,205.46	0.0	Vis		Police support - floods Roma/Mitchel
6	16-Feb-12	3-Feb-12	Oakey	Roma	GT/JM	167							1							Pol	6	2400	0	0		2400	100	2300	650	1650	1700	-50		813	14000	16:35	0.8	1629.1	$1,607.28	0.0	RNAV		
7	16-Feb-12	3-Feb-12	Roma	Brisbane	GT/JM	238							1							Pol	0	1750	0	0		1750	100	1650	760	890	950	-60		891	12000	17:44	1.1	1630.2	$2,210.01	3.1	RNAV		
8	16-Feb-12	4-Feb-12	Brisbane	Roma	RO/JM	238							1							QES	4	950	1105	2079	361312	3029	100	2929	800	2129	2250	-121		667	14280	14:05	1.2	1631.4	$2,410.92	0.0	Vis		Hellocopter crew change - QES
9	16-Feb-12	4-Feb-12	Roma	St George	RO/JM	91							1							QES	6	2250	0	0		2250	100	2150	400	1750	1800	-50		1000	13900	15:58	0.4	1631.8	$803.64	0.0	Vis		Hellocopter crew change - QES - Paramedics to SGE
10	16-Feb-12	4-Feb-12	St George	Brisbane	RO/JM	244							1							QES	2	1850	0	0		1850	100	1750	650	1100	1150	-50		722	12560	17:45	0.9	1632.7	$1,808.19	3.1	Vis	6.0	Hellocopter crew change - QES - Paramedics to SGE
11	16-Feb-12	6-Feb-12	Brisbane	Roma	JU/RO	238	Bligh		1							1	7					1150	980	1705		2855	100	2755	820	1935	1900	35		820	14700	10:38	1.0	1633.7	$2,009.10	0.0	Vis		
12	16-Feb-12	6-Feb-12	Roma	Brisbane	JU/RO	238	Bligh		1							1	7					2000	0	0		2000	100	1900	710	1190	1200	-10		710	13900	16:43	1.0	1634.7	$2,009.10	2.5	Vis	9.5	
13	16-Feb-12	9-Feb-12	Brisbane	St George	RO/JL	244							1							CD	8	1300	881	1533	381361	2833	100	2733	960	1773	1800	-27		800	14976	8:38	1.2	1635.9	$2,410.92	0.0	NDB		
14	16-Feb-12	9-Feb-12	St George	Brisbane	RO/JL	244							1							CD	8	1900	0	0		1900	100	1800	900	900	950	-50		563	14050	10:17	1.6	1637.5	$3,214.56	3.2	Vis	6.0	
15	16-Feb-12	10-Feb-12	Brisbane	Dalby	GT/JL	100	Bligh		1							1	6					1000	852	1482	401303	2482	100	2382	500	1882	1900	-18		1000	14200	8:42	0.5	1638.0	$1,004.55	0.0	Vis		
16	16-Feb-12	10-Feb-12	Dalby	Brisbane	GT/JL	100	Bligh		1							1	6					1900	0	0		1900	100	1800	400	1400	1500	-100		1000	13800	11:46	0.4	1638.4	$803.64	1.3	Vis	7.0	
17	8-Mar-12	28-Feb-12	Brisbane	Thargomindo	JU/FS	497	Governor			1								1	2			1500	1139	1982	571331	3482	100	3382	1350	2032	2100	-68		614	14500	13:00	2.2	1640.6	$4,420.02	2.4	Vis	5.0	
18	8-Mar-12	28-Feb-12	Thargomindo	Brisbane	JU/FS	408	Governor			1								1	2			2000	295	513.3	13812	2513	100	2413	1260	1153	1100	53		548	13500	8:54	2.3	1642.9	$4,620.93	2.5	Vis	2.5	
																						0	0	0		0	100		0		0						0.0				0.0		
			Total			4739			4	8	0	5	3	0	0	4	26	4	8		34	30650	8519	14823					14710	28063	29900		0%				21.8			25.3		50.0	
																				Total Pax	76		Fuel Wt	1.74				Av Fuel Burn	681.019													

Av GS 219

Average Sortie 1.7

MR Finis 1642.9

SGQ Mar 12

MR Start 1642.9

Serial	Entry date	Trip: Date	Departure	Arrival	Crew	DIST - NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Retrieval	Counter Disaster	Police	Training	Other	Ministers	Pax	Governor	Pax	Other: OR, CD, Pol, TRG, Type Pax	Pax	Fuel details: Fuel B/F	Fuel Added - Litres	Fuel Added - LBS	Docket No	Ramp Fuel	Taxi Fuel	Departure Fuel	Fuel Burn	FOB-Landing	FOB-Gauge	Diff	Diff - %	Fuel Burn/Hr	TO Weight	Flight Times and cost: ATD	Flight Time	Mr Time	Trip Cost	Crew Time	Approach	Trip Duty Time	Remarks
1	17-Apr-12	5-Mar-12	Brisbane	Mackay	JU/FS	441	Bligh/Electio n		1								8					1100	702	1221	591365	2321	100	2221	1300	921	1050	-129		765	14500	7:20	1.7	1644.6	$3,415.47		Vis		Support for election campaign
2	17-Apr-12	5-Mar-12	Mackay	Proserpine	JU/FS	64	Bligh/Electio n		1								8					1200	745	1296	101690	2496	100	2396	300	2096	2100	-4		1000	14500	13:00	0.3	1644.9	$602.73	2.4	Vis	8.6	Support for election campaign
3	17-Apr-12	6-Mar-12	Proserpine	Rockhampton	FS/JL	203	Bligh/Electio n		1								8					2200	0	0		2200	100	2100	800	1300	1200	100		800	14200	9:20	1.0	1645.9	$2,009.10		Vis		Support for election campaign

Tabled by Power at PAC hearing 18/10/12

4	17-Apr-12	6-Mar-12	Rockhampton	Brisbane	FS/JL	282	Bligh/Electio n		1								8					1400	650	1131	442149	2531	100	2431	900	1531	1600	-69		692	14600	14:45	1.3	1647.2	$2,611.83	2.7	ILS	10.0	Support for election campaign
5	17-Apr-12	17-Mar-12	Brisbane	Mitchell	DC/JL	283	Lucas		1							1	2					1600	486	846	601313	2446	100	2346	920	1426	1500	-74		708	13350	10:00	1.3	1648.5	$2,611.83		Vis		
6	17-Apr-12	17-Mar-12	Mitchell	Roma	DC/JL	45	Lucas		1							1	2					1600	0	0		1600	100	1500	320	1180	1200	-20		800	12450	13:28	0.4	1648.9	$803.64		DGPSA		
7	17-Apr-12	17-Mar-12	Roma	Brisbane	DC/JL	238	Lucas		1							1	4					1300	691	1202	487704	2502	100	2402	720	1682	1600	82		655	13350	17:05	1.1	1650.0	$2,210.01	3.4	ILS	11.0	
8	17-Apr-12	19-Mar-12	Brisbane	Cairns	GT/FS	784	Bligh/Electio n		1								5					1600	1022	1778	791362	3378	100	3278	2100	1178	1300	-122		583	14690	17:30	3.6	1653.6	$7,232.76	3.8	LLZ	6.5	Support for election campaign
9	17-Apr-12	20-Mar-12	Cairns	Townsville	GT/FS	157	Bligh/Electio n		1								5					1300	1207	2100		3400	100	3300	700	2600	2700	-100		675	14300	9:18	0.8	1654.4	$1,607.28		ILS		Support for election campaign
10	17-Apr-12	20-Mar-12	Townsville	Mackay	GT/FS	182	Bligh/Electio n		1								5					2700	0	0		2700	100	2600	600	2000	2100	-100		750	13900	14:57	0.8	1655.2	$1,607.28		RNAV		Support for election campaign
11	17-Apr-12	20-Mar-12	Mackay	Gold Coast	GT/FS	485	Bligh/Electio n		1								6					2100	764	1312	161531	3412	100	3312	1300	2012	2200	-188		650	14900	19:27	2.0	1657.2	$4,018.20		ONSS		Support for election campaign
12	17-Apr-12	20-Mar-12	Gold Coast	Brisbane	GT/FS	51	Bligh/Electio n		1											Staff	1	2200	0	0		2200	100	2100	300	1800	1800	0		750	12800	22:00	0.4	1657.6	$803.64	4.8	ILS	15.0	Support for election campaign
13	17-Apr-12	26-Mar-12	Brisbane		JL/RO															OR																				$6,228.21				
14	17-Apr-12	26-Mar-12		Goondiwindi	FS/JL															OR																				$5,424.57				
																																0					0.0			0.0		0.0	
			Total																																									

				Total Pax		Fuel Wt	1.74
Av GS	231						

Av Fuel Burn	689.268	Average Sortie	1.6		
		MR Finis	1683.4		

Stats - Quarter One																																										
						26	6	4	5	3	2	0	7	98	29	8		195		23007						39190									56.7					
																																			MR Check	1683.4					

Flying Hours Data - VH-SGY Quarter Three 11/12

QLD GOVT AIR WING STAT DATA - SGY

SGY Jan 12

Sector	Entry date	Date	Departure	Arrival	Crew	Dist NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Retrieval	Counter Disaster	Police	Training	Other	Ministerial Pax	Governor Pax	Type/Pax OR, CD, Pol, TRG, Other	Pax	Fuel details: Fuel B/F	Fuel Added - LTRS	Fuel Added - LBS	Docket No	Ramp Fuel	Taxi Fuel	Departure Fuel	Fuel Burn	FOB-Landing	FOB-Gauge	Diff	Fuel Burn Lbs/Hr	TO Weight	Flight Times and costs: ATD	Flight Time	MR Time	Trip Cost	Crew Time	Approach	Duty Time	Remarks
																																	MR Start	2052.8						
1	13-Feb-12	30-Jan-12	Bankstown	Brisbane	GT/DC	422									1			Maint	1	2400	1800	3132	85076	5532	100	5432	2600	2932	3000	-68	1857	21700	14:05	1.4	2054.2	$4,688.46	1.6	IKNAV	9.0	Return from MPI Bankstown
2	13-Feb-12	31-Jan-12	Brisbane	Charleville	JM/DC	375	Bligh		1							1	6			3000	2105	3663	311361	5663	100	5563	1600	4963	4700	163	1636	24800	17:27	1.1	2055.3	$3,683.79	1.3	GNSS	8.0	Floods CV
3																				0	0	0		0	100	-100	0	0	0	0				0.0	2055.3	$0.00	0.0	Viz	0.0	
																				0	0																			
			Total			797			1	0	0	0	0	0	1	1	6	0	0	0	1		3905	6795					4400					2.5				2.9	0	17.0	
				Av Speed		319												Total Pax	8		Fuel V	1.74								Average Burn		1760	MR Finis	2055.3						

SGY Jan 12

QLD GOVT AIR WING STAT DATA - SGY

SGY Feb 12

Sector	Entry date	Date	Departure	Arrival	Crew	Dist NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Retrieval	Counter Disaster	Police	Training	Other	Ministerial Pax	Governor Pax	Type/Pax OR, CD, Pol, TRG, Other	Pax	Fuel details: Fuel B/F	Fuel Added - LTRS	Fuel Added - LBS	Docket No	Ramp Fuel	Taxi Fuel	Departure Fuel	Fuel Burn	FOB-Landing	FOB-Gauge	Diff	Fuel Burn Lbs/Hr	TO Weight	Flight Times and costs: ATD	Flight Time	MR Time	Trip Cost	Crew Time	Approach	Duty Time	Remarks
																																	MR Start	2055.3						
1	13-Feb-12	01-Feb-12	Charleville	Brisbane	DC/JM	375	Bligh		1							1	6			4700	1000	1740	2	6440	100	6340	2300	4140	4600	-460	2091	24300	9:47	1.1	2056.4	$3,683.79	1.3	ILS	4.0	Floods CV
2	13-Feb-12	01-Feb-12	Brisbane	Inisfail	DC/JL	758	Bligh		1							1	7			4600	1602	2787	321364	7387	100	7287	4150	3237	4000	-763	2306	25800	15:44	1.8	2058.2	$6,028.02	2.0	GNSS	6.5	
3	13-Feb-12	02-Feb-12	Inisfail	Rockhampton	JL/DC	439	Bligh		1							1	5			4000	0	0		4000	100	3900	2300	1700	2000	-300	1917	21750	14:07	1.2	2059.4	$4,018.68	1.4	GNSS	5.0	
4	13-Feb-12	03-Feb-12	Rockhampton	Brisbane	JL/DC	207	Bligh		1							1	5			2000	2297	3997	442025	5997	100	5897	1600	4397	4300	97	1778	23700	10:55	0.9	2060.3	$3,014.01	1.1	ILS	5.0	
5	13-Feb-12	03-Feb-12	Brisbane	Oakey	DC/JL	74							1					Pol	2	4300	1301	2264	341398	6564	100	6464	820	5744	5600	144	2733	23400	15:53	0.3	2060.6	$1,004.67		Viz		Floods CV
6	13-Feb-12	03-Feb-12	Oakey	Charleville	DC/JL	290							1					Pol	9	5700	0	0		5700	100	5600	1800	3800	4100	-300	1900	24100	16:31	1.0	2061.6	$3,348.90		Viz		Floods CV
7	13-Feb-12	03-Feb-12	Charleville	Brisbane	DC/JL	302							1					Pol	9	4000	0	0		4000	100	3900	1800	2100	2200	-100	1900	20400	17:40	1.0	2062.6	$3,348.90	2.9	ILS	9.0	Floods CV
8	13-Feb-12	04-Feb-12	Brisbane	Charleville	DC/JL	375	Bligh					1				1	5			2200	2554	4444	381311	6644	100	6544	2120	4524	4650	-126	1927	24350	8:48	1.1	2063.7	$3,683.79		DGA		Floods CV
9	13-Feb-12	04-Feb-12	Charleville	Roma	DC/JL	135	Bligh					1				1	5			4500	0	0		4500	100	4400	1400	3100	3000	100	2000	22150	12:36	0.7	2064.4	$2,344.23		Viz		Floods ROM
10	13-Feb-12	04-Feb-12	Roma	Oakey	DC/JL	161							1					Pol		3100	1401	2438	356010	5538	100	5438	1180	4358	4500	-142	1987	22000	14:46	0.6	2065.0	$2,009.34		Viz		Floods ROM
11	13-Feb-12	04-Feb-12	Oakey	Roma	DC/JL	161							1					Pol	6	4350	0	0		4350	100	4250	1100	3250	3200	50	2200	21950	16:40	0.5	2065.5	$1,674.45		Viz		Floods ROM
12	13-Feb-12	04-Feb-12	Roma	Brisbane	DC/JL	238	Bligh									1	7			3200	0	0		3200	100	3100	1400	1800	1800	0	2000	20350	17:50	0.7	2066.2	$2,344.23	4.6	Viz	13.0	Floods ROM
13	13-Feb-12	05-Feb-12	Brisbane	St George	GT/JL	244	Bligh						1			1	7			CD	1800	2505	4359	361330		6159	100	6059	2210	3949	4100	-151	1842	24250	8:18	1.2	2067.4	$4,018.68		Viz		Floods SGE
14	13-Feb-12	05-Feb-12	St George	Brisbane	GL/JL	244	Bligh						1			1	4			CD	4000	0	0		4000	100	3900	1320	2680	2600	80	1886	21250	17:12	0.7	2068.1	$2,344.23	2.3	Viz	12.0	Floods SGE
15	13-Feb-12	06-Feb-12	Brisbane	St George	JM/DC	244						1						CD	4	2400	2400	4176	371341	6576	100	6476	1600	5026	5100	-74	1938	23850	14:40	0.8	2068.9	$2,679.12		Viz		Floods SGE
16	13-Feb-12	06-Feb-12	St George	Brisbane	JM/DC	244							1					Pol	7	5100	0	0		5100	100	5000	1350	3750	3800	-50	1929	23300	16:16	0.7	2069.6	$2,344.23	1.9	Viz	9.0	Floods SGE
17	13-Feb-12	07-Feb-12	Brisbane	Townsville	GT/DC	624	Bligh		1							1	3			3800	1600	2784	381360	6584	100	6484	3200	3384	3500	-116	1882	23900	18:02	1.7	2071.3	$5,693.13	1.9	ILS	6.0	
18	13-Feb-12	08-Feb-12	Townsville	Brisbane	DC/GT	607	Bligh		1							1	3			3500	1504	2617	95784	6117	100	6017	2500	3517	3500	17	1529	23200	10:10	1.7	2073.0	$5,693.13	1.9	Viz	4.0	
19	8-Mar-12	23-Feb-12	Brisbane	Cairns	DC/BN	787	Fraser		1							1	1			3500	2783	4842	641390	8342	100	8242	3950	4392	4570	-178	1795	25300	19:45	2.2	2075.2	$7,367.58	2.4	ILS	8.0	
20	8-Mar-12	23-Feb-12	Cairns	Sunshine Coast	DC/BN	635	Fraser		1							1	2			4400	2178	3790	128284	8190	100	8090	3310	4880	5100	-220	1742	25300	14:40	1.9	2077.1	$6,362.91		GNSS		Diverted to SU due ATC and WX delays
21	8-Mar-12	23-Feb-12	Sunshine Coast	Brisbane	DC/BN	65	Fraser		0											5000	0	0		5000	100	4900	560	4440	4500	-60	1867	21400	22:00	0.3	2077.4	$1,004.67	2.6	ILS	11.5	Pax travelled by car to BN, repositioned from SU
22	8-Mar-12	26-Feb-12	Brisbane	Townsville	GT/BN	624	Palaszczuk		1							1	1			4400	1200	2088	861320	6488	100	6388	3100	3388	3500	-112	1824	23300	9:58	1.7	2079.1	$5,693.13	1.9	ILS	4.5	
23	8-Mar-12	28-Feb-12	Townsville	Brisbane	GT/BN	607	Bligh		1							1	4			3500	1502	2613	31	6113	100	6013	2800	3263	3200	63	1676	23700	13:38	1.7	2080.8	$5,693.13	1.9	GNSS	5.0	
			Total			8659			10	0	0	3	8	0	0	15	65	0	0	0	27		28627	44939					48170					25.5				30.1	0	102.5	
				Av Speed		340												Total Pax	107		Fuel V	1.74								Average Burn		1889	MR Finis	2080.8						

SGY Feb 12

SGY Mar 12

Sector	Entry date	Date	Departure	Arrival	Crew	Dist NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Retrieval	Counter Disaster	Police	Training	Other	Ministerial Pax	Governor Pax	Type/Pax OR, CD, Pol, TRG, Other	Pax	Fuel details: Fuel B/F	Fuel Added - LTRS	Fuel Added - LBS	Docket No	Ramp Fuel	Taxi Fuel	Departure Fuel	Fuel Burn	FOB-Landing	FOB-Gauge	Diff	Fuel Burn Lbs/Hr	TO Weight	Flight Times and costs: ATD	Flight Time	MR Time	Trip Cost	Crew Time	Approach	Duty Time	Remarks
																																	MR Start	2080.8						
1	17-Apr-12	08-Mar-12	Brisbane	Mackay	GT/BN	440	Bligh/Election		1							2	7			3200	1954	3400	591346	6500	100	6500	2200	4400	4400	0	1833	25000	7:45	1.2	2082.0	$4,018.68		Viz		Support for election campaign

SGY Mar 12

2	17-Apr-12	05-Mar-12	Mackay	Proserpine	GT/BN	54	Bligh/Election		1							2	7					4400	0	0		4400	100	4300	600	3800	3800	0	2000	22800	13:05	0.3	2082.3	$1,004.67	1.9	Viz	8.0	Support for election campaign
3	17-Apr-12	06-Mar-12	Proserpine	Rockhampton	GT/BN	205	Bligh/Election		1							2	7					3800	1261	2194	26908	5994	100	5894	1300	4694	4600	94	2167	24400	9:24	0.6	2082.9	$2,009.34		DMEA		Support for election campaign
4	17-Apr-12	06-Mar-12	Rockhampton	Brisbane	GT/BN	267	Bligh/Election		1							2	7					4600	1020	1776	442148	6375	100	6275	1600	4775	4700	75	1778	24800	13:00	0.9	2083.8	$3,014.01	1.9	RNAV	8.0	Support for election campaign
5	17-Apr-12	13-Mar-12	Brisbane																	OR																		$13,730.49				
6	17-Apr-12	14-Mar-12		Brisbane																OR																		$12,390.93				
7	17-Apr-12	15-Mar-12	Brisbane	Brisbane	GT/JL	850									1					SAR	2	3700	2677	4658	751316	8358	100	8258	5420	2938	3250	-312	1506	25050	16:10	3.6	2095.2	$12,056.04	3.8	ILS	5.5	SAR Beacon serch
8	17-Apr-12	19-Mar-12	Brisbane	Cairns	DC/JL	787	Bligh/Election		1							1	7					3250	2505	4359	791381	7609	100	7509	4000	3609	3900	-291	1818	25800	17:33	2.2	2097.4	$7,367.58	2.4	LLZ	4.6	Support for election campaign
9	17-Apr-12	20-Mar-12	Cairns	Townsville	DC/JL	160	Bligh/Election		1							1	7					3700	1303	2267	11050	5967	100	5867	1420	4547	4600	-53	2367	24200	9:30	0.6	2098.0	$2,009.34		ILS		Support for election campaign
10	17-Apr-12	20-Mar-12	Townsville	Mackay	DC/JL	182	Bligh/Election		1							1	7					4600	1000	1740	95713	6340	100	6240	1160	5160	5100	60	1967	24550	14:53	0.6	2098.6	$2,009.34		RNAV		Support for election campaign
11	17-Apr-12	20-Mar-12	Mackay	Gold Coast	DC/JL	492	Bligh/Election		1							1	7					5150	1204	2095	181532	7245	100	7145	2410	4835	4900	-65	1854	25600	19:20	1.3	2099.9	$4,353.57		RNAV		Support for election campaign
12	17-Apr-12	20-Mar-12	Gold Coast	Brisbane	DC/JL	51	Bligh/Election		1													4800	0	0		4800	100	4700	600	4000	4100	-100	2000	21200	21:00	0.4	2100.3	$1,339.56	3.7	ILS	15.0	Support for election campaign
13	17-Apr-12	25-Mar-12	Brisbane																	OR	0	4100	3322	5780	704331	9880	100	9780	6400	3430	3800	-370	1613	26300	1:20	4.0	2104.3	$13,395.60		ILS		
14	17-Apr-12	26-Mar-12		Brisbane																OR	0	3800	2697	4693	157205	8493	100	8393	6000	2493	2600	-7	1667	24800	11:10	3.6	2107.9	$12,056.04	8.0	Viz	17.0	
																																						$0.00				
																				0																						
			Total																	Total Pa	.		Fuel V	1.74							Average Bum		1734		MR Finis	2107.9						
				Av Speed																																						
	Stats -																																									
	Quarter One	-							20	0	4	3	8	0	2	28	127	0	0	0	193			00508	. 0	0	0	0	99650	0	0	0	0		0	55		0	03	0	102	

Flying Hours Data - VH-SGQ Quarter Four 11/12

SGQ Apr 12

Serial	Entry date	Trip: Date	Departure	Arrival	Crew	DIST - NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Donation	Counter Disaster	Police	Training	Other	Ministerial: Ministers	Ministerial: Pax	Governor: Governor	Governor: Pax	Other: OR, CD, Pol, TRG, Type Pax	Pax	Fuel details: Fuel BF	Fuel Added - LTRS	Fuel Added - LBS	Docket No	Ramp Fuel	Test Fuel	Departure Fuel	Fuel Burn	FOB Landing	FOB Ramp	Diff	Diff - %	Fuel Burn/Hr	TO Weight	Flight Times and cost: ATD	Flight Time	Hr Time	Trip Cost	Crew Time	Approach	Trip Duty Time	Remarks
1	17-May-12	3-Apr-12	Brisbane	Gladstone	FS/JL	230	Governor			1												1700	383	666.4	901064	2366	100	2266	750	1516	1700	-184		750	12600	17:29	1.0	1654.4	$2,009.10		Vis		
2	17-May-12	3-Apr-12	Gladstone	Brisbane	FS/JL	236	Governor			1								1	2			1700	0	0		1700	100	1600	800	800	1000	-200		727	12700	20:22	1.1	1655.5	$2,210.01	2.5	Vis	6.5	PU of Governor for Parliament
3	17-May-12	4-Apr-12	Brisbane	Harvey Bay	GT/JM	125	Newman		1							1	6					1000	847	1474	941374	2474	100	2374	500	1874	1900	-26		1000	14200	8:19	0.5	1656.0	$1,004.55		Vis		
4	17-May-12	4-Apr-12	Harvey Bay	Brisbane	GT/JM	130	Newman		1							1	6					1900	0	0		1900	100	1800	530	1270	1300	-30		883	13800	12:37	0.6	1656.6	$1,205.46	1.5	Vis		
5	17-May-12	12-Apr-12	Brisbane	Gladstone	JM/JL	239	Seeney		1							1	7					1300	611	1063	951312	2363	100	2263	860	1403	1550	-147		792	14350	6:24	1.1	1657.7	$2,210.01		Vis		
6	17-May-12	12-Apr-12	Gladstone	Brisbane	JM/JL	234	Seeney		1							1	7					1550	0	0		1550	100	1450	760	690	800	-110		565	13400	17:37	1.3	1659.0	$2,611.83	2.8	ILS	7.0	
7	17-May-12	13-Apr-12	Brisbane	Roma	JM/JL	238	Governor			1						1	2					800	1467	2553	1041320	3353	100	3253	830	2423	2600	-177		830	14500	10:18	1.0	1670.0	$2,009.10	1.2	Vis	3.5	
8	17-May-12	14-Apr-12	Roma	Mitchel	JM/JL	45	Governor			1												2650	0	0		2650	100	2550	250	2300	2300	0		1250	13050	12:23	0.2	1670.2	$401.82		Vis		Positioning for PU of Governor
9	17-May-12	14-Apr-12	Mitchel	Brisbane	JM/JL	282	Governor			1						1	2					2400	0	0		2400	100	2300	780	1520	1550	-30		850	13400	13:58	1.2	1671.4	$2,410.92	1.8	ILS		
10	17-May-12	30-Apr-12	Brisbane	Kingaroy	GT/FS	204								1								1550	536	932.6	1071361	2483	100	2383	1100	1283	1500	-217		846	12760	13:22	1.3	1672.7	$2,611.83		RNAV		CIR for FS
11	17-May-12	30-Apr-12	Kingaroy	Brisbane	GT/FS	92								1								1500	0	0		1500	100	1400	500	900	1000	-100		1000	11800	14:38	0.5	1673.2	$1,004.55	2.2	ILS	7.0	CIR for FS ADF Fail
12																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1673.2	$0.00				
13																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1673.2	$0.00				
14																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1673.2	$0.00				
15																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1673.2	$0.00				
16																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1673.2	$0.00				
17																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1673.2	$0.00				
																						0	0	0		0	100	-100	0	-100	0	-100					0.0		$0.00	0.0			
			Total			2068			4	5	0	0	0	2	0	8	30	1	2		0	16050	3944	6689					7660	15279	17200		0%					9.8			12.0		24.0	
				Av GS	211															Total Pax	30		Fuel Wt	1.74				Av Fuel	781.63							Average Sortie	0.8						
																																				MR Finis	1673.2						

MR Start 1663.4

SGQ May 12

Serial	Entry date	Trip: Date	Departure	Arrival	Crew	DIST - NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Donation	Counter Disaster	Police	Training	Other	Ministerial: Ministers	Ministerial: Pax	Governor: Governor	Governor: Pax	Other: OR, CD, Pol, TRG, Type Pax	Pax	Fuel details: Fuel BF	Fuel Added - LTRS	Fuel Added - LBS	Docket No	Ramp Fuel	Test Fuel	Departure Fuel	Fuel Burn	FOB Landing	FOB Ramp	Diff	Diff - %	Fuel Burn/Hr	TO Weight	Flight Times and cost: ATD	Flight Time	Hr Time	Trip Cost	Crew Time	Approach	Trip Duty Time	Remarks
1	6-Jun-12	6-May-12	Brisbane	Glenthorpe	GT/JM	98	Governor			1								1	2			1000	1184	2080	1221364	3080	100	2980	500	2480	2600	-140		833	13800	11:40	0.6	1673.8	$1,205.46		RNAV		
2	6-Jun-12	6-May-12	Glenthorpe	Glenthorpe	GT/JM	50								1								2600	0	0		2600	100	2500	200	2300	2400	-100		1000	12800	13:00	0.2	1674.0	$401.82	0.0	Vis		CCT Trg RHS JM
3	6-Jun-12	6-May-12	Glenthorpe	Brisbane	GT/JM	90	Governor			1								1	2			2400	0	0		2400	100	2300	400	1900	2050	-150		800	13300	20:11	0.5	1674.5	$1,004.55	1.8	ILS	11.5	
4	6-Jun-12	7-May-12	Brisbane	Rockhampton	GT/FS	267	Newman		1							1	4					2050	222	386		2436	100	2336	850	1486	1600	-114		708	13800	12:50	1.2	1675.7	$2,410.92	0.0	Vis		
5	6-Jun-12	7-May-12	Rockhampton	Brisbane	GT/FS	262	Newman		1							2	5					1600	0	0		1600	100	1500	800	700	850	-150		727	13300	21:31	1.1	1676.8	$2,210.01	2.7	Vis	12.0	
6	6-Jun-12	8-May-12	Brisbane	Kingaroy	JM/PB	84								1								850	903	1571	1291368	2421	100	2321	800	1521	1521	0		1000	12620	9:44	0.8	1677.6	$1,607.28	0.0	RNAV		CASA Flight Test
7	6-Jun-12	8-May-12	Kingaroy	Brisbane	JM/PB	92								1								1520	0	0		1520	100	1420	250	1170	1350	-180		500	11700	10:39	0.6	1678.1	$1,004.55	1.7	ILS		CASA Flight Test
8	6-Jun-12	8-May-12	Brisbane	Rockhampton	JM/JL	287	Stuckey		1							1						1350	1201	2090	1291363	3440	100	3340	900	2440	2600	-160		750	14000	13:33	1.2	1679.3	$2,410.92	1.2	Vis	3.5	
9	6-Jun-12	9-May-12	Rockhampton	Toowoomba	JM/JL	263	Stuckey		1							1						2600	0	0		2600	100	2500	960	1540	1600	-60		738	13100	12:28	1.3	1680.6	$2,611.83	0.0	Vis		
10	6-Jun-12	9-May-12	Toowoomba	Brisbane	JM/JL	65	Stuckey		1													1650	0	0		1650	100	1550	280	1270	1300	-30		933	11900	14:59	0.3	1680.9	$602.73	2.0	Vis	5.0	Drop off for Minister
11	6-Jun-12	24-May-12	Brisbane	Kingaroy	JM/AJ	84								1								1300	668	1162	1391757	2462	100	2362	900	1462	1560	-98		818	12060	13:12	1.1	1682.0	$2,210.01	0.0	RNAV		End Trg A Jones
12	6-Jun-12	24-May-12	Kingaroy	Brisbane	JM/AJ	84								1								1560	0	0		1560	100	1460	510	950	1000	-50		850	11900	10:39	0.6	1682.6	$1,205.46	2.1	ILS	7.0	End Trg A Jones
13	6-Jun-12	25-May-12	Brisbane	Chinchilla	JM/AJ	145	Governor			1								1	2			1000	1004	1747	1404379	2747	100	2647	700	1947	2100	-153		778	13400	15:55	0.9	1683.5	$1,808.19	0.0	RNAV		
14	6-Jun-12	25-May-12	Chinchilla	Brisbane	JM/AJ	145	Governor			1								1	2			2100	0	0		2100	100	2000	600	1400	1450	-50			12950	20:29	0.8	1684.3	$1,607.28	2.1	ILS	12.0	
15																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1684.3	$0.00	0.0			
16																							0	0		0	100	-100	0	-100	0	-100					0.0	1684.3	$0.00	0.0			
17																							0	0		0	100	-100	0	-100	0	-100					0.0	1684.3	$0.00	0.0			
																																							$0.00				
																						0	0	0		0	100	-100	0	-100	0	-100					0.0		$0.00	0.0		0.0	
			Total			2060			6	4	0	0	0	5	0	5	9	4	8		0	23560	5182	9017					8650	22147	23991		0%					11.1			13.7		51.0	
				Av GS	186															Total Pax	26		Fuel Wt	1.74				Av Fuel Burn	779.28							Average Sortie	0.9						
																																				MR Finis	1684.3						

MR Start 1673.2

SGQ Jun 12

Serial	Entry date	Trip: Date	Departure	Arrival	Crew	DIST - NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Donation	Counter Disaster	Police	Training	Other	Ministerial: Ministers	Ministerial: Pax	Governor: Governor	Governor: Pax	Other: OR, CD, Pol, TRG, Type Pax	Pax	Fuel details: Fuel BF	Fuel Added - LTRS	Fuel Added - LBS	Docket No	Ramp Fuel	Test Fuel	Departure Fuel	Fuel Burn	FOB Landing	FOB Ramp	Diff	Diff - %	Fuel Burn/Hr	TO Weight	Flight Times and cost: ATD	Flight Time	Hr Time	Trip Cost	Crew Time	Approach	Trip Duty Time	Remarks
1	25-Jun-12	7-Jun-12	Brisbane	Sydney	GT/AJ	412	Seeney		1							1	5					1450	539	937.9	1401321	2388	100	2288	1300	988	1000	-12		785	13900	7:10	1.7	1686.0	$3,415.47		ILS		
2	25-Jun-12	7-Jun-12	Sydney	Brisbane	GT/AJ	413	Seeney		1							1	5					1100	746	1302	1493391	2402	100	2302	1200	1102	1200	-98		706	13900	12:02	1.7	1687.7	$3,415.47	3.8	Vis	10.0	
3	25-Jun-12	12-Jun-12	Brisbane	Brisbane	AJ/JM	210								1						TRG	0	1200	667	1161	1501363	2361	100	2261	890	1371	1650	-279		690	12600	14:29	1.0	1688.7	$2,009.10	1.2	ILS	5.0	Vis WND AJ TRG
4	25-Jun-12	13-Jun-12	Brisbane	Emerald	GT/AJ	355	McVeigh		1							1	4					1650	511	889	1041347	2530	100	2439	1150	1289	1300	-11		767	13950	6:18	1.5	1690.2	$3,013.65		Vis		
5	25-Jun-12	13-Jun-12	Emerald	Richmond	GT/AJ	332	McVeigh		1							1	4					1300	849	1477	132211	2777	100	2677	1050	1627	1700	-73		750	14100	11:15	1.4	1691.6	$2,812.74	3.3	Vis	9.0	
6	25-Jun-12	14-Jun-12	Richmond	Longreach	GT/AJ	176	McVeigh		1							1	4					1700	0	0		1700	100	1600	800	1000	1100	-100		750	13000	6:19	0.8	1692.4	$1,607.28		Vis		
7	25-Jun-12	14-Jun-12	Longreach	Charleville	GT/AJ	209	McVeigh		1							1	4					1100	714	1242	548607	2342	100	2242	660	1582	1700	-118		733	13850	11:46	0.9	1693.3	$1,808.19		GNSS		
8	25-Jun-12	14-Jun-12	Charleville	Brisbane	GT/AJ	375	McVeigh		1							1	4					1700	997	1735	1400012	3435	100	3335	1000	2335	2500	-165		625	14800	16:00	1.6	1694.9	$3,214.58	3.9	Vis	14.0	
9	25-Jun-12	15-Jun-12	Brisbane	Monto	JL/AJ	191	Seeney		1								2					2500	548	953.5	1671737	3454	100	3354	880	2674	2800	-126		850	14150	5:23	0.8	1695.7	$1,607.28		Vis		
10	25-Jun-12	15-Jun-12	Monto	Mackay	JL/AJ	247	Seeney		1							1	2					2800	0	0		2800	100	2700	780	1920	2050	-130		780	13700	6:31	1.0	1696.7	$2,009.10		Vis		
11	25-Jun-12	15-Jun-12	Mackay	Clermont	JL/AJ	129	Seeney		1							1	2					2000	697	1039	250112	3039	100	2939	530	2409	2500	-91		883	13950	11:09	0.6	1697.3	$1,205.46		GNSS		

MR Start 1684.3

12	25-Jun-12	15-Jun-12	Clement	Thangool	JL/AJ	200	Seeney		1							1	2					2500	0	0		2500	100	2400	810	1790	2000	-210		783	13400	14:29	0.8	1698.1	$1,607.28		Vis		
13	25-Jun-12	15-Jun-12	Thangool	Urlsbano	JL/AJ	221	Seeney		1							1	2					1900	0	0		1900	100	1800	860	1140	1300	-100		733	12560	15:28	0.9	1699.0	$1,808.19	5.1	GNSS		13.0
14	26-Jun-12	26-Jun-12	Brisbane																	OR																			$1,205.46				
15	26-Jun-12	26-Jun-12		Urlsbane																OR																			$1,205.46				
16																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1700.2	$0.00		Vis		
17																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1700.2	$0.00		Vis		
18																						0	0	0		0	100	-100	0	-100	0	-100					0.0	1700.2	$0.00		Vis		
																															0						0.0			0.0		0.0	
			Total																																								
					Av GS	234														Total Pax			Fuel Wt	1.74				Av Fuel Burn	761.64							Average Sortie	1.2					
																																				MR Finis	1700.2					
Stats - Quarter One									21	9	2	0	0	8	0	22	79	5	10		122		16070						28420								36.8					
																																				MR Check	1700.2					

Flying Hours Data - VH-SGY Quarter Four 11/12

QLD GOVT AIR WING STAT DATA - SGY

SGY Apr 12

Serial	Entry date	Date	Departure	Arrival	Crew	Dist NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Retrival	Counter Disaster	Police	Training	Other	Ministerial Pax	Governor Pax	Type/Pax OR, CD, Pol, TRG, Other	Pax	Fuel details: Fuel B/F	Fuel Added - LTRS	Fuel Added - LBS	Docket No	Start Fuel	Taxi Fuel	Departure Fuel	Fuel Burn	FOB-Landing	FOB-Charge	Drt	Fuel Burn Lbs/Hr	TO Weight	Flight Times and costs: ATD	Flight Time	MR Time	Trip Cost	Crew Time	Approach	Duty Time	Remarks
																																		MR Start	2107.9					
1	17-May-12	03-Apr-12	Brisbane	Canberra	DC/JL	571	Nichols		1							1	3			2400	2301	4004	861065	6404	100	6304	3290	3114	3600	-486	1935	23750	13:01	1.7	2109.6	$5,693.13	1.9	Viz	5.0	
2		04-Apr-12	Canberra	Brisbane	DC/JL	548	Nichols		1							1	3			3400	1801	3134	104540	6534	100	6434	2000	4034	4250	-216	1788	23800	13:34	1.4	2111.0	$4,688.46	1.6	Viz	4.0	
3		12-Apr-12	Brisbane	Canberra	GT/FS	571	Newman		1							1	4			4250	1304	2269	951313	6519	100	6419	3000	3519	3700	-181	1765	24000	11:31	1.7	2112.7	$5,693.13	1.9	ILS	6.0	
4		13-Apr-12	Canberra	Brisbane	GT/FS	548	Newman	1	1							2	5			3700	1502	2613	332721	6313	100	6213	2000	3413	3300	113	1450	24200	17:37	2.0	2114.7	$6,697.80	2.0	ILS	7.0	
5						204														0	0	0		0	100	-100	0	0	0	0				0.0	2114.7	$0.00	0.0		0.0	
30																				0	0	0		0	100	-100	0	0	0	0				0.0		$0.00	0.0		0.0	
31																				0	0	0		0	100	-100	0	0	0	0				0.0		$0.00	0.0		0.0	
32																				0	0	0		0	100	-100	0	0	0	0				0.0		$0.00	0.0		0.0	
33																				0	0	0		0	100	-100	0	0	0	0				0.0		$0.00	0.0		0.0	
34																				0	0	0		0	100	-100	0	0	0	0				0.0		$0.00	0.0		0.0	
35																				0	0	0		0	100	-100	0	0	0	0				0.0		$0.00	0.0	Viz	0.0	
																				0	0																			
			Total			2442			4	0	0	0	0	0	0	5	15	0	0	0	0		6000	12020				11690						6.8		7.4	0	22.0	
				Av Speed		359												Total Pax	20		Fuel V	1.74							Average Burn		1719		MR Finis	2114.7					

QLD GOVT AIR WING STAT DATA - SGY

SGY May 12

Serial	Entry date	Date	Departure	Arrival	Crew	Dist NM	Minister Name	DG DPC	Task Type: Ministerial	Governor	Organ Retrival	Counter Disaster	Police	Training	Other	Ministerial Pax	Governor Pax	Type/Pax OR, CD, Pol, TRG, Other	Pax	Fuel details: Fuel B/F	Fuel Added - LTRS	Fuel Added - LBS	Docket No	Start Fuel	Taxi Fuel	Departure Fuel	Fuel Burn	FOB-Landing	FOB-Charge	Drt	Fuel Burn Lbs/Hr	TO Weight	Flight Times and costs: ATD	Flight Time	MR Time	Trip Cost	Crew Time	Approach	Duty Time	Remarks
																																		MR Start	2114.7					
1	7-Jun-12	01-May-12	Brisbane	Brisbane	GT/FS	160								1				TRG	1	3300	2002	3483	1071969	6783	100	6683	2200	4583	4400	183	1692	23000	6:40	1.3	2116.0	$4,353.57	1.5	NDB	1.5	CIR
2	7-Jun-12	04-May-12	Brisbane															OR																		$6,028.02				
3	7-Jun-12	04-May-12		Brisbane														OR																		$4,688.46				
4	7-Jun-12	06-May-12	Brisbane															OR																		$9,042.03				
5	7-Jun-12	06-May-12		Brisbane														OR																		$6,362.91				
6	7-Jun-12	07-May-12	Brisbane	Townsville	DC/JL	847									1			SAR	4	3600	3554	6184	1281941	9784	100	9684	6370	1414	1900	-486	1550	27250	8:27	5.4	2129.2	$18,084.06		VIS		AMSA Search
7	7-Jun-12	07-May-12	Townsville	Brisbane	DC/JL	1049									1			SAR	4	1900	4627	8051	9100	9951	100	9851	7170	2781	2900	-119	1667	27350	15:18	4.3	2133.5	$14,400.27	10.1	VIS	14.0	AMSA Search
8	7-Jun-12	08-May-12	Brisbane	Cairns	GT/FS	707	Springborg		1							1	3			2900	2046	3560	1291367	6460	100	6360	3500	2960	2900	60	1667	23600	15:04	2.1	2135.6	$7,032.69		VIS		
9	7-Jun-12	08-May-12	Cairns	Brisbane	GT/FS	751	Springborg		1							1	3			3100	1502	2613	120994	5713	100	5613	3250	2463	2400	63	1625	23000	20:15	2.0	2137.6	$6,697.80	4.5	ILS		
10	7-Jun-12	10-May-12	Brisbane	Canberra	GT/DC	571	Seeney		1							1	4			2400	3354	5836	1311365	8236	100	8136	3300	4936	5100	-164	2200	25700	7:09	1.5	2139.1	$5,023.35		ILS		
11	7-Jun-12	10-May-12	Canberra	Brisbane	GT/DC	548	Seeney		1							1	4			5100	607	1056	104903	6156	100	6056	2250	3806	3900	6	1731	23550	11:20	1.3	2140.4	$4,353.57	3.2	VIS	7.0	
12	7-Jun-12	21-May-12	Brisbane															OR																		$8,037.36				
13	7-Jun-12	21-May-12		Brisbane														OR																		$6,028.02				
14	7-Jun-12	22-May-12	Brisbane	Proserpine	JL/FS	500	McVeigh		1							1	3			3500	1704	2965	1431326	6465	100	6365	2900	3565	3600	-35	1813	23850	7:23	1.6	2146.2	$5,358.24		VIS		
15	7-Jun-12	22-May-12	Proserpine	Ayr	JL/FS	88	McVeigh		1											3550	0	0		3550	100	3450	700	2850	2800	50	2333	20150	9:16	0.3	2146.5	$1,004.67		VIS		Positioning for PU
16	7-Jun-12	22-May-12	Ayr	Townsville	JL/FS	36	McVeigh		1							1	5			2800	0	0		2800	100	2700	500	2300	2200	100	2500	20600	15:02	0.2	2146.7	$669.78		VIS		
17	7-Jun-12	22-May-12	Townsville	Cairns	JL/FS	166	McVeigh		1							1	3			2200	2153	3746	241809	5946	100	5846	1400	4546	4600	-54	2000	23350	17:48	0.7	2147.4	$2,344.23	3.6	ILS	13.5	
18	7-Jun-12	23-May-12	Cairns	Mareeba	JL/FS	29	McVeigh		1							1	3			4550	0	0		4550	100	4450	600	3950	3900	50	3000	21950	11:35	0.2	2147.6	$669.78		RNAV		
19	7-Jun-12	23-May-12	Mareeba	Innisfail	JL/FS	46	McVeigh		1							1	3			3950	0	0		3950	100	3850	700	3250	3200	50	1750	21350	15:38	0.4	2148.0	$1,339.56	1.0	RNAV	6.5	
20	9-Jun-12	24-May-12	Innisfail	Townsville	JL/FS	99	McVeigh		1							1	3			3200	0	0		3200	100	3100	800	2400	2100	300	2000	20600	17:41	0.4	2148.4	$1,339.56		VIS		
	9-Jun-12	24-May-12	Townsville	Mackay	JL/FS	182	McVeigh		1							1	3			2100	2461	4282	241864	6382	100	6282	1100	5282	5350	-68	1833	23800	18:31	0.6	2149.0	$2,009.34	1.4	RNAV	4.0	
	9-Jun-12	25-May-12	Mackay	Brisbane	JL/FS	434	McVeigh		1							1	3			5300	606	1054	107377	6354	100	6254	2100	4254	4500	-246	1909	23750	15:11	1.1	2150.1	$3,683.79	1.3	ILS	3.5	
	9-Jun-12	26-May-12	Brisbane	Honiara	DC/JL	1145									1			SAR	4	4500	3132	5450	1461306	9950	100	9850	5000	4950	5100	-150	1724	27300	9:18	2.9	2153.0	$9,711.81		VIS		AMSA Search
	9-Jun-12	26-May-12	Honiara	Honiara	DC/JL	1420									1			SAR	4	5100	2838	4938	Coord	10038	100	9938	8000	2038	2100	-62	1633	27300	13:37	4.9	2157.9	$16,409.61	8.2	RNAV	12.0	AMSA Search
	9-Jun-12	27-May-12	Honiara	Brisbane	DC/JL	1145									1			SAR	4	2100	4462	7764	Coord	9864	100	9764	5120	4744	4950	-206	1707	27300	8:56	3.0	2160.9	$10,046.70	3.2	VIS	6.0	AMSA Search
	9-Jun-12	28-May-12	Brisbane															OR																		$3,014.01				
	9-Jun-12	28-May-12		Brisbane														OR																		$2,344.23				
																								0	100	-100			0						2162.5				
			Total															0																						
				Av Speed		318												Total Pax			Fuel V	1.74							Average Burn		1742		MR Finis	2162.5					

SGY Jun 12

Task Type	Ministerial	Governor	Type/Pax OR, CD, Pol, TRG, Other	Fuel details	Flight Times and costs	Remarks
					MR Start 2162.5	

Serial	Entry date	Date	Departure	Arrival	Crew	Dist NM	Minister Name	D3 DPG	Minister	Governor	Cpsn Retrial	Counter Disaster	Police	Training	Other	Members	Pax	Governor	Pax	Trips/Pax	Pax	Fuel B/F	Fuel Added - LTRS	Fuel Added - LBS	Docket No	Ramp Fuel	Taxi Fuel	Departure Fuel	Fuel Burn	POB-Landing	POB-Gauge	DIT	Fuel Burn Lbs/Hr	TO Weight	ATD	Flight Time	MR Time	Trip Cost	Crew Time	Approach	Duty Time	
1	25-Jun-12	07-Jun-12	Brisbane	Darwin	JM/JL	1557	Cripps		1							1	5					1600	4748	8262	1601370	9862	100	9762	7670	2292	2650	-358	1682	27650	12:49	4.5	2167.0	$15,070.05	4.7	Viz	7.0	
2	25-Jun-12	09-Jun-12	Darwin	Ingham	JM/JL	987	Cripps		1							1	4					2650	3855	6708	166023	9358	100	9258	3920	5438	5600	-162	1704	27000	13:58	2.3	2169.3	$7,702.47		Viz		
3	25-Jun-12	09-Jun-12	Ingham	Brisbane	JM/JL	650	Cripps		1								4					5400	0	0		5400	100	5300	2600	2800	3100	-300	1529	22900	16:34	1.7	2171.0	$5,693.13	4.4	ILS	7.0	
4	25-Jun-12	13-Jun-12	Brisbane	Roma	DN/JL	230	Springborg		1							1	4					3100	2000	3480	1641346	6580	100	6480	1600	4890	4950	-60	2113	24050	7:24	0.8	2171.8	$2,679.12		Viz		
5	25-Jun-12	13-Jun-12	Roma	Brisbane	DN/JL	230	Springborg		1							1	1					4900	0	0		4900	100	4800	1200	3600	3600	0	1625	21750	11:47	0.8	2172.6	$2,679.12	2.0	Viz	7.0	
6	25-Jun-12	13-Jun-12	Brisbane	Longreach	DN/JL	635	Stuckey		1							1	1					3800	1650	2871	1661360	6471	100	6371	2670	3601	3700	-99	1794	23400	16:09	1.6	2174.2	$5,358.24	1.8	Viz	5.5	
7	25-Jun-12	14-Jun-12	Longreach	Brisbane	DN/JL	599	Stuckey		1							1	1					3800	1005	1749	646890	5349	100	5249	2140	3209	3250	-41	1646	22300	12:03	1.3	2175.5	$4,353.57	1.5	Viz	3.5	
8	25-Jun-12	16-Jun-12	Brisbane	Rockhampton	GT/BN	297	Governor			1								1	2			3250	1906	3316	1661378	6566	100	6466	1900	4566	4700	-34	1900	23650	7:48	1.0	2176.5	$3,348.90		Viz		
9	25-Jun-12	16-Jun-12	Rockhampton	Cairns	GT/BN	498	Governor			1								1	2			4700	602	1047	42184	5747	100	5647	2600	3147	3000	147	1733	22850	13:40	1.5	2178.0	$5,023.35	2.6	Viz	10.0	
10	25-Jun-12	17-Jun-12	Cairns	Brisbane	GT/BN	751	Governor			1								1	2			3000	1199	2085	123307	5088	100	4988	3000	2066	2100	-14	1667	22200	10:28	1.8	2179.8	$5,028.02	2.0	Viz	4.0	
11	25-Jun-12	19-Jun-12	Brisbane																	OR																		$8,707.14				
12	25-Jun-12	19-Jun-12		Brisbane																OR																		$5,697.80				
13	25-Jun-12	23-Jun-12	Brisbane	Barcaldine	JM/GT	462	Governor			1								1	2			2100	3101	5396	1741370	7496	100	7396	2900	4596	4700	-104	1933	24600	9:30	1.5	2185.9	$5,023.35		Viz		
14	25-Jun-12	23-Jun-12	Barcaldine	Brisbane	JM/GT	464	Governor			1								1	2			4700	0	0		4700	100	4600	1900	2800	2800	0	1583	21800	14:14	1.2	2187.1	$4,018.68	3.1	Viz	8.0	
15	25-Jun-12	26-Jun-12	Brisbane	Cairns	JM/JL	766	Newman		1							4	4					2800	2202	3831	1771322	6631	100	6531	4150	2481	2750	-269	1804	24850	12:55	2.3	2189.4	$7,702.47		Viz		DLA - PAX
16	25-Jun-12	26-Jun-12	Cairns	Brisbane	JM/JL	766	Nichols		1							1	1					2500	3000	5220	123352	7720	100	7620	3120	4600	5000	-400	1733	24600	21:04	1.8	2191.2	$6,028.02	4.5	ILS	12.5	
17	6-Jul-12	28-Jun-12	Brisbane	Canberra	JM/JL	574	Cripps		1							1	3					5000	902	1569	1791342	6569	100	6469	2900	3669	3800	-131	1706	23900	17:23	1.7	2192.9	$5,693.13	1.9	ILS	4.5	
18	6-Jul-12	29-Jun-12	Canberra	Brisbane	JM/JL	647	Cripps		1							1	3					3800	1599	2782	166383	6582	100	6482	2510	4072	4100	-28	1475	23900	14:02	1.7	2194.6	$5,693.13	1.8	ILS	5.0	8 min ATC hold
19																						0	0	0		0	100	-100	0	0	0	0				0.0	2194.6	$0.00				
																				0																						
			Total			364														Total Pax			Fuel V	1.74								Average Burn	1714		MR Finis	2194.6					
				Av Speed																																						
Stats -																																										
Quarter One									28	5	10	0	0	1	5	30	86	5	10	0	190			146732	0	0	0	0	140050	0	0	0	0		0	87		0	96	0	160	

Documents Tabled at Hearing – Treasurer

FINANCE & ADMINISTRATION COMMITTEE

Tabled by Member for Mulgrave at PAC Estimates Hearing on 9/10/12.

Budget and Expenses by Office1 21 February 2011 to 30 June 2011	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Total for Non-Government support		..	**1,099**	**3,290**
Corporate Support		..	2,812	3,881
IT Replacement Program		..	800	..
GRAND TOTAL		..	**18,672**	**43,259**

Notes:
1. Figures may not add due to rounding.
2. Portfolio responsibilities did not change on 21 February 2011.
3. The Office of the Minister for Main Roads, Fisheries and Marine Infrastructure includes the Townsville regional office.
4. New Leader of the Opposition commenced on 23 March 2011.

STAFF BY OFFICE

Staff by Office[1]	Notes	2010-11 Est. act.	2011-12 Estimate
Premier and Minister for Reconstruction		32	32
Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State		14	14
Treasurer and Minister for State Development and Trade		12	12
Minister for Health		13	13
Minister for Police, Corrective Services and Emergency Services		11	11
Minister for Energy and Water Utilities		10	10
Minister for Main Roads, Fisheries and Marine Infrastructure		12	12
Minister for Education and Industrial Relations		13	13
Minister for Agriculture, Food and Regional Economies		10	10
Minister for Employment, Skills and Mining		10	10
Minister for Finance and The Arts		9	9
Minister for Environment and Resource Management		13	13
Minister for Transport and Multicultural Affairs		13	13
Minister for Child Safety and Minister for Sport		10	10
Minister for Community Services and Housing and Minister for Women		10	10
Minister for Tourism, Manufacturing and Small Business		11	11
Minister for Government Services, Building Industry and Information and Communication Technology		11	11
Minister for Disability Services, Mental Health and Aboriginal and Torres Strait Islander Partnerships		9	9
Total for Ministerial Offices		**223**	**223**
Office of the Leader of the Opposition		22	22
Total for Non-Government support		**22**	**22**
GRAND TOTAL		**245**	**245**

Note:
1. Figures may not add due to rounding.

Staff by Office[1]	Notes	2011-12 Budget[2]	2011-12 Est. Act.	2012-13 Estimate
Premier			35	35
Deputy Premier, Minister for State Development, Infrastructure and Planning			14	14
Treasurer and Minister Trade			16	16
Minister for Health			10	10
Minister for Education, Training and Employment			11	11
Minister for Police and Community Safety			11	11
Attorney-General and Minister for Justice			10	10
Minister for Transport and Main Roads			10	10
Minister for Housing and Public Works			10	10
Minister for Agriculture, Fisheries and Forestry			9	9
Minister for Environment and Heritage Protection			8	8
Minister for Natural Resources and Mines			8	8
Minister for Energy and Water Supply			9	9
Minister for Local Government			9	9
Minister for Communities, Child Safety and Disability Services			10	10
Minister for Science, Information Technology, Innovation and The Arts			8	8
Minister for National Parks, Recreation, Sport and Racing			8	8
Minister for Tourism, Major Events, Small Business and Commonwealth Games			8	8
Minister for Aboriginal and Torres Strait Islander and Multicultural Affairs and Minister Assisting the Premier			8	8
Total Ministerial Offices	3	**223**	**212**	**212**
Office of the Leader of the Opposition		22	22	22
Total for Non-Government Support		**22**	**22**	**22**
GRAND TOTAL		**245**	**234**	**234**

Notes:

1. Figures may not add due to rounding.
2. Due to the changed portfolio structure, totals only are shown.
3. The 2012-13 Estimate represents a reduction in Ministerial staff of 11 positions from the 2011-12 Budget.

Tabled by Member for Mulgrave at FAC Estimates Hearing 9/10/12.

Tabled by the Pr 1/8/12

1 August 2012

Dear Premier and Treasurer

The purpose of this letter is to clarify my statements at the hearings of the Queensland Industrial Relations Commission (QIRC) yesterday.

In my testimony to the QIRC, I made the following general points:

1. The Queensland Government's level of debt is manageable, but only if corrective action is taken as a matter of urgency, otherwise the current trajectory will see debt reach $100 billion by 2018–19, with the risk that this will trigger a further downgrading of the State's credit rating.

2. This level of debt comes at a huge cost in terms of interest payments which divert scarce funds away from service delivery needs, adversely impacting on the Government's capacity to pay public service salaries.

The background to my comments is that the previous Government recorded operating deficits in 2007-08, 2009-10, 2010-11 and 2011-12 (estimated actual). On an accrual basis, the Government had to borrow to fund its operating deficit.

So it is clear that additional borrowings were required to support the budget operating deficit position i.e. the previous Government borrowed to meet operating expenses.

Yours sincerely

(Dr D McTaggart)

Tabled by Member for Mulgrave at FAC Estimates Hearing 9/10/12.

- Maintain a competitive tax environment for business.

  Per capita tax collections in Queensland in 2011-12 are estimated at $2,271, compared with an estimated $2,711 for the average of the other states.

- Stabilise net financial liabilities as a proportion of revenue in the Non-financial Public sector.

  The net financial liability to revenue ratio is expected to peak in 2012-13 at 123% and stabilise at slightly below that level for the remainder of the forward estimates. This is an improvement on the ratio estimated in the 2011-12 Budget, which was projected to reach 127% in 2014-15.

- Target full funding of long-term liabilities such as superannuation in accordance with actuarial advice.

  As at the most recent actuarial review (released June 2011), accruing superannuation liabilities were fully funded when the transfer of Queensland Motorways Limited to the Queensland Investment Corporation's investment trust were taken into account.

Principle

Achieve a General Government net operating surplus as soon as possible, but no later than 2015-16.

This approach to expenses growth, together with allowing improvements in revenue forecasts to flow through to the bottom line, is aimed at achieving a net operating surplus in the General Government sector by 2015-16 and, depending on the strength of the recovery, possibly sooner. The 2010-11 MYFER savings, which reach $400 million per annum by 2014-15, are important to achieving this, as is the Government's commitment to limiting wage increases to 2.5% per annum.

Competitive tax regime

One of the Queensland Government's key fiscal objectives is to maintain a competitive tax environment. While the Government will raise sufficient revenue to meet the service and infrastructure needs of the people of Queensland, it is important that business has a low cost environment, to promote economic development and jobs growth.

The competitiveness of a State's tax system is usually assessed by using one of the following measures:

- taxation revenue on a per capita basis
- taxation effort as assessed by the Commonwealth Grants Commission
- taxation revenue expressed as a percentage of gross state product (GSP).

Queensland's competitive tax position is confirmed on all three measures:

- per capita tax collections in Queensland in 2011-12 are estimated at $2,268, compared with an estimated $2,769 for the average of the other states
- Commonwealth Grants Commission data indicate that Queensland's taxation effort ratio was 87% of the standard for all states in 2009-10
- Queensland's tax collections were 3.68% of GSP in 2009-10, compared to 4.22% for the average of the other states.

The 2011-12 Budget includes the abolition of the Community Ambulance Cover levy, and transfer duty, payroll tax and land tax measures. Details of these changes and other revenue items are provided in Chapter 4.

Principle

Maintain a competitive tax environment for business.

Tabled by Member for Mulgrave at PAC Estimates Hearing 9/10/12

QUEENSLAND TREASURY CORPORATION

DRAFT

Project X
Department of Housing and Public Works (DHPW)

July 2012

Overview

DRAFT

- Introduction and Project Overview
- Scenarios modelled and Key Inputs
- Model Outputs
- Key Sensitivities and Considerations
- JLL advice – property market conditions
- Summary Observations
- Next Steps

Introduction

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- Department of Housing and Public Works' (DHPW's) Accommodation Office is developing a Project Plan in relation to a proposed redevelopment of the Government Administrative Precinct in the Brisbane CBD (Project X).
- QTC is building a financial model to assist the analysis.
- Modelling is not at a final stage
  - results should be interpreted with care
  - they are likely to change as analysis develops and final QA completed
- Inputs have been provided by DHPW and assumptions based on information provided by DHPW.
- Flexibility has been built-in to model various scenarios and sensitivities.
- QTC welcomes the opportunity to discuss aspects of the model and agree next steps.

Project Overview – Buildings

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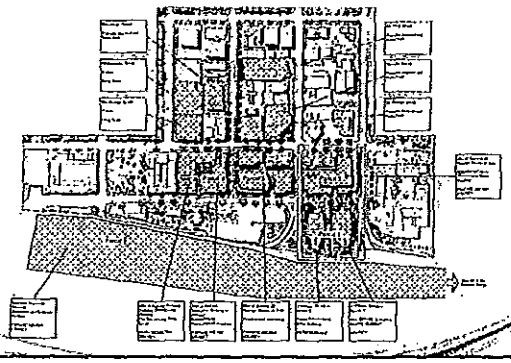

Project Overview – Buildings

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1. 1 William Street
2. 80 George Street – A & B
3. Executive Building
4. Executive Annexe
5. The Mansions
6. Harris Terrace
7. Law Courts
8. Stamford Hotel
9. 61 Mary Street
10. Education House
11. Mineral House
12. Primary Industries Building
13. 63 George Street
14. Railway Building 1C and 1D
15. Gabba Towers
16. Landcentre
17. Go Print
18. Printing Building
19. The Public Services Club
20. Neville Bonner Building

Model Outputs – Focus

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- Cost neutral: will not exceed Business-as-usual scenario
- Cashflows associated with the Project X
  - including discounted cash flows
- Lease versus Buy (own and maintain) scenarios
- Balance Sheet implications
- Required rate of return (IRR) for the State

Scenarios

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Business-as-usual:

- Continue owning and occupying existing government buildings and upgrade in line with normal capital works program

Compared to Business-as-Usual:

1. Immediate Disposal and Development
2. Capital Value Prioritisation

Common Inputs

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- Construction of new building at 1 William Street (60,000sqm)
- Private sector develop 80 George Street (A&B separately), government occupying space (60,000sqm approx. evenly split between A&B)
- 100 George Street and Annexe sold after 1 William Street building completed
- Disposal of other government buildings at a market value (or land value less demolition cost depending on building condition and planned status) less disposal costs
- Public service reduction (20%) and space efficiencies (targeting 13m² per person)
- Terminal value incorporated (assumes realisation of the value of any owned buildings at the end of forecast period). Based on DHPW methodology.

Immediate Disposal and Development

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- Disposals to occur by 31 December 2012
- Lease terms:
  - Existing buildings = 5 years (assumed to be operating leases, off-balance sheet)
  - New buildings (1 William Street and 80 George Street A&B) = 15 years (assumed to be finance leases, on-balance sheet)

Capital Value Prioritisation

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- Timing of sales: sequenced disposals to preserve capital value:

	2012	2013	2014	2015	2016
Construction	1 William Street	80 George Street (A&B)			
Disposal	60 George Street (A&B) The Mandarins Harris Terrace Stanley Hotel	51 Mary Street Mineral House	Primary Industries Building 63 George Street Cable Towers	Education House Railway Building NC Railway Building SD Landcentre Go Print	Executive Building and Annexe Neville Bonner Building Printing Building Public Services Club
NLA	28,000m²	54,500m²	31,500m²	61,000m²	47,000m²

- Leases (finance leases):
  - 15 years for sale and leaseback of existing buildings
  - 15 years for new buildings (eg, 80 George Street)

Key Inputs and Assumptions

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- Forecast Period: 21 years (to 2033)
- Discount rate = 10.5% (investment decision)
- Calculated Market Values = Gross Income / Capitalisation Rate
  - Gross Income (per valuation reports provided by DHPW)
  - Capitalisation rate (8.75% to 11.5% per JLL Report)
- GST applies (10% applies to sales and leases)
- Stamp Duty (per Office of State Revenue)

Model Outputs – 1 William Street owned

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[illegible]	[illegible]	[illegible]	[illegible]
Sale proceeds		[illegible]	[illegible]
Total income	[illegible]	[illegible]	[illegible]
Total expenses	[illegible]	[illegible]	[illegible]
Total NPC	[illegible]	[illegible]	[illegible]
NPC difference to business as usual	-	[illegible]	[illegible]
Net assets at FY2033	[illegible]	[illegible]	[illegible]

- Owning 1 William Street provides the most favourable result from a cashflow (NPC) and balance sheet (net asset) position out of all of the scenarios modelled.
- Staging sales back to achieve a better sale price results in an improved overall cashflow position (ie, NPC)
  - NPC position is significantly better under Capital Value prioritisation scenario
- Balance sheet: liabilities are materially higher under the Immediate Disposal and Development scenario compared to Capital Value Prioritisation scenario

Comments and Observations

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- The Net Present Cost under the Immediate Disposal and Development scenario is higher compared to the Capital Value Prioritisation scenario because:
  - Lower proceeds are realised for assets
  - Lease payments are greater over the forecast period (because of earlier entry in to leases and short leaseback terms resulting in exposure to higher market rents earlier)
  - Lease payments are higher compared to forecast opex and capex on owned buildings

Model Outputs – 1 William Street leased

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- Leasing 1 William Street has a higher NPC and has a larger impact on the balance sheet position compared with the scenario where 1 William Street is owned.

Cashflow Breakdown – Business as Usual

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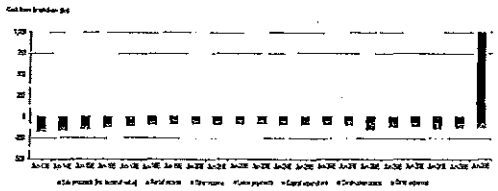

Cashflow Breakdown – Immediate Disposal

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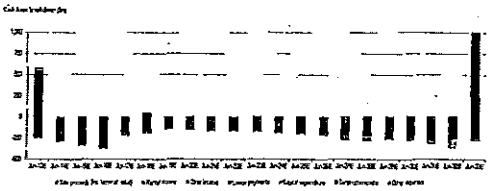

- Significant upfront cash inflows from sale of buildings
- Construction of 1 William Street in early years
- Lease payments remain steady (<$250M p.a.) before increasing to >$250M in outer years

Cashflow Breakdown – Capital Prioritised

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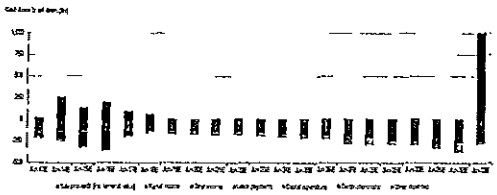

- Cash inflow in initial years spread out due to sequenced sale of buildings
- Construction of 1 William Street in early years
- Lower lease payments (than Scenario 1) before similar increase in outer years

Balance Sheet – Immediate Disposal

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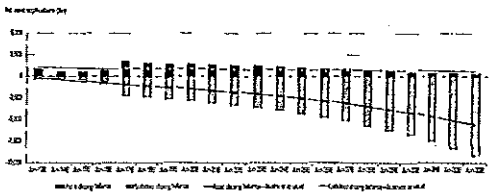

Balance Sheet – Capital Prioritisation

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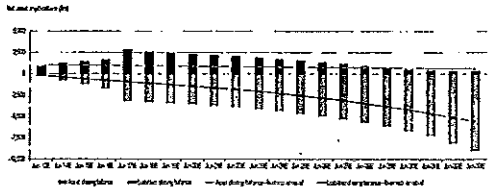

- Stronger asset position in early years compared to immediate disposal scenario (more gradual reduction of building portfolio)
- Greater asset and liability position recognised in FYE16 due to longer (finance) leases on balance sheet which diminish over time.
- Asset position partly offsets liabilities, which grow in to the outer years (representing financing costs to fund ongoing leases)

Space Breakdown – Business as Usual

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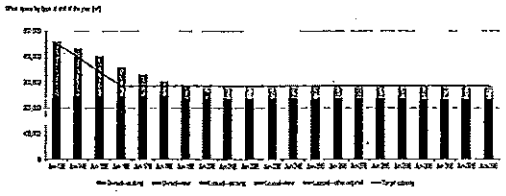

Space Breakdown – Immediate Disposal

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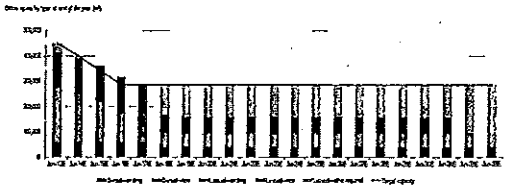

- There is considerable risk with entering short-term leases on a substantial amount of properties at the one time.
- Leases will need to be carefully structured in such a way as to mitigate the market risk exposure at the end of the lease term.

Space Breakdown – Capital Prioritisation

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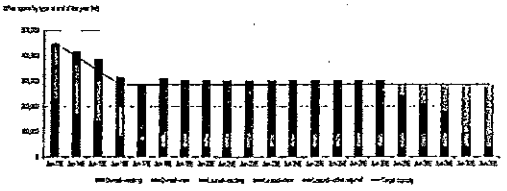

Factors impacting results

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- Sale proceeds: market values achieved
- Timing of sales (and entry in to leases)
- Length of leases
- Lease costs
- Treatment of leases: on or off-balance sheet
  - Finance v Operating Lease (refer to Appendix)
- Construction costs
- Terminal values

Factors that have less impact on results

DRAFT

- Construction timing
- Operating expenses

Sensitivity Analysis

DRAFT

- Discount Rate (7%, 9% and 11%)
- Market Values (+/- 10% of values)
- Disposal dates: delay in timing of sales (+1 year)
- Lease terms: longer/shorter lease period on sale and lease back of existing buildings
- Lease terms & Market Value
- Construction costs (+/- 10%)
- Construction timing (+1 year)
- Operating costs (+/- 10%)

Discount Rate Sensitivity

DRAFT

Immediate disposal and development

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Capital prioritisation

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Discount Rates

DRAFT

- The sensitivity analysis around discount rates illustrates:
  - The higher the discount rate, the more favourable the NPC
- Investment Decision: the discount rate reflects the opportunity cost to a business. It is the cost that reflects the specific risk of an investment as it rewards providers of capital to the business. For a commercial project it is the required rate of return.
- For the purposes of Project X we have used a commercial rate of return equal to 10.5% for our analysis

Risk Adjusted Cashflows Sensitivity

DRAFT

Immediate disposal and development

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Market Value Sensitivity

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Immediate disposal and development

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Market Values

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- The sensitivity analysis around market values illustrates:
  - For an increase in value (higher sale proceeds), there is an almost commensurate improvement from an overall cashflow (NPC) perspective
  - Similarly, for a decrease in value (lower sale proceeds), there is a similar adverse effect on NPC
  - The balance sheet position moves in line with the direction of any movement in the market values achieved at sale, albeit to a proportionately smaller extent.

Timing of Sales (Delay) Sensitivity

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Immediate disposal and development

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Capital prioritisation

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Timing of Sales (Delay)

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- This sensitivity considers a delay in the timing of achieving disposals of the buildings (in isolation), and illustrates:

Immediate Disposal

- A delay results in lease-back periods extending beyond the date 1 William Street is completed and ready to occupy.
- After 1 year, the delay in entering leases has a positive impact on NPC and the balance sheet.
- After 2 years, this begins to be offset by:
  - Delayed receipt of sale proceeds
  - Overlap of lease-back periods (paying for excess space in effect) along with opex on 1 William Street

Capital Prioritisation

- Both the NPC and Balance Sheet position improves if sales are delayed by 1 year (with further improvement if delayed by 2 years)
- This is because the slower sales rate (and therefore delayed receipt of sale proceeds) is offset by the resulting reduction in overall lease payments over the forecast period (due to entering into leases later and deferred exposure to market lease rates)

Lease Term Sensitivity

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Immediate disposal and development

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Capital prioritisation

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Vary Lease Terms (length of lease)

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- Generally, the longer the lease, the more favourable the capitalisation rates, the higher the market value (sale proceeds achieved).
- However, this sensitivity analysis around the length of leases (in isolation to its effect on market values) illustrates:
  - The NPC and Balance Sheet deteriorate in both scenarios where:
    1. Lease terms are extended from 5 years to 15 years in the Immediate disposal and development scenario
    2. Lease terms are reduced from 15 years to 5 years in the Capital value prioritisation scenario
  - The importance of knowing demand and supply requirements in relation to space

Vary Lease Terms (length of lease)

DRAFT

Immediate Disposal

- Significantly lengthening the lease terms has the effect of overcommitting to space, meaning locking in to a lease liability which includes space which is not needed in later years (resulting in unnecessarily higher overall lease payments)
  - This has an adverse effect on NPC and the balance sheet

Capital Prioritisation

- By significantly shortening the lease terms, rentals are exposed to market rates earlier in the forecast period resulting in greater overall lease payments
  - This adversely impacts NPC and the balance sheet

Lease Term & Market Value Sensitivity

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Immediate disposal and development

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Capital prioritisation

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Vary Lease Terms & Market Values

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Immediate Disposal

- The longer the lease terms, the higher the market values
  - NPC improves
  - Balance Sheet is slightly stronger
- However, this trend begins to reverse if 15 year lease terms are adopted
  - due to locking in to long term leases (liabilities) which may cater for space which may otherwise not be required in outer years

Capital Prioritisation

- The shorter the lease terms the lower the market values
  - There is a marked deterioration in NPC, particularly if shortened to 5 years
  - Gradual weakening of the Balance Sheet due to shorter lease terms and thus earlier entry in to market based arrangements (at market rates)

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Construction Costs Sensitivity

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Immediate disposal and development

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Capital prioritisation

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Construction Costs

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- The sensitivity analysis around construction costs illustrates:
  - Higher construction costs result in a deterioration in the NPC and balance sheet position
  - The opposite is true if construction costs are lower

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Construction Timing Sensitivity

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Immediate disposal and development

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Capital prioritisation

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Construction Timing

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- The sensitivity analysis around construction timing illustrates:
  - Delayed construction (1 year or 2 years) results in a slight improvement in the NPC and balance sheet position

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Operating Expense Sensitivity

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Immediate disposal and development

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Capital prioritisation

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Operating Expense

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- Operating expenses include:
  - Building outgoings including utilities
  - Relocation costs
- The sensitivity analysis around operating expenses illustrates:
  - Higher operating expenses result in a deterioration in NPC and balance sheet position
  - Conversely, if operating expenses are lower, the NPC and balance sheet position improves.

Summary of Sensitivities

DRAFT

Cashflows (NPC)

- The discount rate has the largest impact on NPC.
- Sales prices for the buildings does have a material impact on NPC.
- In general, a delay in achieving disposals improves the NPC in both scenarios. However, the benefit from a delay in sales in the Immediate Disposal scenario is reduced.
- Depending on the scenario, significantly lengthening or shortening the lease terms adversely affects the NPC

Balance Sheet

- Lease terms and classification is the most significant consideration from a balance sheet perspective.
- Variations in market values achieved impact the balance sheet position to a proportionately lesser extent.
- In general, a delay in achieving disposals improves the balance sheet position in both scenarios. However, the benefit from a delay in sales in the Immediate Disposal scenario is reduced.
- Depending on the scenario, significantly lengthening or shortening the lease terms adversely affects the balance sheet position

Excluding Terminal Values

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1 William Street owned

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1 William Street leased

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Terminal Values (TV)

DRAFT

- Terminal values assume the realisation of the value of any owned building at the end of the forecast period (21 years). The TV represents that component of value which accrues after the end of the forecasts period.
- If the terminal values are excluded, this considers the effect of the assets being recorded and recognised in the balance sheet (rather than as a notional cash flow).
  - The NPC is materially higher, particularly where 1 William Street is owned
  - The balance sheet position is not affected

Key Considerations

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- JLL advice
- Demand and supply requirements
- Divestment strategy and sequencing
- Lease terms (length of lease)
- Discount rate
- Lease accounting and classification
- GST

Lease v Buy – 1 William Street

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- Looking at the development of this site in isolation
- Using a discount rate of 6.5% (financing decision)
  - represents the State's cost of funds

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- The modelling suggests that there needs to be significant non-quantifiable benefits to leasing to offset the significantly higher cost to the State if tha State chooses to lease rather than own 1 William Street.

Cost Neutral v Capital Neutral

DRAFT

- Cost neutrality will be difficult to achieve
  - The modelling shows that Project X is not returning a positive NPV under any scenario (rather an NPC).
- Undertaking the project on a capital neutral basis may be possible.
  - Proceeds from sale of assets in the order of $594M-$736M.
  - Construction costs for 1 William Street = $538M (approx.) plus other property related capital expenditure

Capital Neutral

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1 William Street owned

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1 William Street leased

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Capital Neutral

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- In all scenarios, Project X is better from a capital flow perspective than business as usual
  - Business as usual is negative in terms of capital flows
- Capital Value Prioritisation results in the most favourable capital positive position (where 1 William Street leased)
- It is important to note that capital neutrality doesn't take in to consideration significant cashflows in relation to lease liabilities (or their balance sheet impact)

Jones Lang LaSalle – Outline of Advice

DRAFT

- Market Conditions and Potential Impact of Project X
- Capital Markets
- Investor Appetite
- Divestment Strategy
- Divestment Considerations

JLL view – Market Conditions

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- Prime space supply-side constraints
  - The Brisbane CBD office market is now considered to be under-supplied of good quality space
- Constrained debt markets
- New projects are still proving difficult to commence, driven by:
  - Hesitancy by some tenants to pre-commit (due to wider uncertainty)
  - Constrained lending conditions
  - Protracted negotiation and decision-making periods by tenants and financiers
- Outlook for Brisbane CBD office market vacancy over the medium term is a positive one (lower vacancy)
  - will minimise the potential impact of Project X on the broader market (particularly under a measured and staged space divestment program)

JLL view – Market Specifics

DRAFT

- A pre-commitment of circa 120,000sqm total by government represents:
  - a significant three years of average annual long term net absorption level for the total Brisbane CBD office market
  - around 2.5 years of long term average annual supply completions (new and refurbishments) in the CBD since 1982
- A reduction in total space occupied by the State in the order of 200,000sqm over the period 2012 to 2017, represents:
  - Just under 10% of total office stock in the CBD
  - A significant 17.5% of the total secondary grade market

JLL view – Market Specifics (cont'd.)

DRAFT

- Demand net absorption of space is currently running well above-trend for three consecutive years
  - Much of the demand has been for prime space
  - Prime vacancy has rapidly decreased from 8.9% in Q4 2009 to just 2.6% in Q1 2012
- 61 Mary Street, Education House and Mineral House are the most viable properties for refurbishment, totalling around 80,000sqm
  - Much of the secondary space to be divested, will over the short to medium term likely be repositioned as higher-grade stock as refurbishment activity is undertaken by the new owners
  - The average level of refurbishment completions per annum over the last decade was 13,600sqm
  - 80,000sqm represents almost 6 years of the long term average (assuming those three buildings account for 100% of all refurbishment activity)

JLL – Potential Impact of Project X

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Worst Case Scenario

- Over supply
- Reduction in sale prices achievable market wide
- High vacancy
- Falling rents
- Stalled new projects
- Saturation of supply of refurbished office space

'City Shaping'

- Vibrant mixed use renewal
- New government office accommodation
- Platform to create a lasting legacy
- Strong identity on a national and global scale of significance

JLL view – Capital Markets

DRAFT

- The aged assets proposed for disposal are expected to be more heavily scrutinised, due to:
  - the higher risk profile
  - the need to be extensively refurbished
  - the need to undertake a major re-positioning of most of the assets in the short to medium term.
- This risk profile is magnified due to the **concentrated location** of most of the assets in the traditional Government Administrative Precinct, with it being considered a **'single tenant' precinct**, and the large quantity of aged space being offered to the market at the same time.

JLL view – Capital Markets (cont'd.)

DRAFT

- Buyers will positively view the substantial change proposed for the precinct, and the focus on diversifying uses within the area.
- The risk will diminish as firmer details are known on mix, uses and timing of the full redevelopment and lease expiries.
- Details on **precinct outcomes, total lease terms** and **staggered expiry profiles** will be critical to determining the ultimate risk profile for investors.
- Divesting the quantity of B-grade space will test the depth of the capital markets
  - The indicative market value of the assets to be divested is more than 3 times the annual transaction value of B-grade assets over the past three years

JLL view - Investor Appetite

DRAFT

Asset Class	Investor Type with Highest Market Appetite
New Government Leased Assets	Listed Property Trusts (A-REITs) Superannuation Funds Offshore
Secondary Assets	Unlisted Wholesale Trusts

- Total transaction volumes for B-grade quality assets in the Brisbane CBD have average around AUD 125 million per annum from 2009 to 2011.
- Necessary to carefully plan the divestment strategy to mitigate significant negative market impacts while optimising the outcomes for the State.

JLL view – Divestment Strategy

DRAFT

Scenario	Book Value	Indicative Market Value (adjusted)	Differential
Accommodation Optimisation	$672M	$503M-$563M	$110M-$169M
Capital Value Optimisation	$672M	$600	$72M

- Accommodation Optimisation assumes shorter lease terms (5 years)
- Capital Value Optimisation assumes lease terms of 10-15 years on B-grade assets being disposed
  - Strong covenant de-risks the asset for investor

JLL view – Key Divestment Considerations

DRAFT

1. Confirm Vision, Goals and Objectives of Project X
2. Detailed space planning
3. Detailed building-by-building analysis
4. Scenario modelling of divestment strategy options
5. Economic viability assessment of redevelopment options
6. Structuring flexible commercial terms
7. Clear communication to market of the process
8. Firming-up desired precinct master plan outcomes
9. Active ongoing monitoring of market

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JLL – Lease Considerations

DRAFT

- The total lease terms offered will be materially influential on the success of the divestment process.
  - Investors will be cautious due to concerns relating to re-leasing risks for repositioned assets and relative ongoing competitiveness of the asset compared to new prime stock
- Capital values in a post-GFC environment are underpinned by the covenant on the asset (quality of the tenant and length of the lease term)
  - Longer lease terms will likely be required to maximise value outcomes for the disposal of assets
  - Options to achieve a short WALE but still preserve market value may be available through structured lease-backs on refurbished assets
- Investment demand from different buyers will be largely influenced by the lease terms offered on the assets.
  - Short lease terms of around 5 years will attract a more limited pool of value-add investors, and be reflected in a soft yield (low price) as a result
  - Longer term leases of between 10 and 15 years will attract demand from a deeper pool of investors, and firmer yields (higher price) will be achieved

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Key Leasing Decisions*

DRAFT

- Lease start – may be beneficial to delay where possible subject to demand and supply requirements
  - Pushes out onset of large lease liabilities
- Lease term (length)
  - Do not want to overcommit (leasing excess space) by entering long term leases unnecessarily
  - Do not want too short a lease term and bring forward exposure to market rates sooner
  - Length of the lease will also materially affect market value achievable
- Lease classification will have significant impact on balance sheet
  - Finance versus Operating Lease
- Lease structure: effective negotiation of lease terms can achieve an effective transfer of risk and mitigate exposure to market risk

**particularly critical given the substantial number of properties*

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Summary Observations

DRAFT

- Project X will have a significant impact on both the State's cashflows and its balance sheet
- The quantum of the impact will depend on the approach taken to the Project
  - Immediate disposal and development
  - Capital value prioritisation and sequenced approach
  - Leasing arrangements negotiated
- The competing priorities will need to be carefully considered

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Next Steps

DRAFT

- Present model to DHPW and obtain feedback to confirm scenarios QTC should model for delivery of final iteration
- Jones Lang LaSalle final report to be issued subject to any feedback on their final draft
- Further analysis and consideration
  - Seek further expert advice if necessary (eg, Tax)

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Appendix – Treatment of Leases

DRAFT

- Entities only recognise an asset and a liability in a finance lease.
- Finance lease (AASB 117): a lease that transfers substantially all the risk and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.
- A factor affecting lease classification is whether the lease term is shorter or longer than the useful life of the asset being leased.
  - If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset should be fully depreciated over the shorter of the lease term and its useful life.

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Lease Classification: Balance Sheet Impact

DRAFT

- Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments each determined at the inception of the lease.
  - Therefore, bring leases on balance sheet will have little impact on the overall net asset position because an asset will be recognised and depreciated over time at the same time a lease liability is recorded and diminishes over the lease term as it is paid off.
- However, because both sides of the balance sheet increase, recognition as a finance lease will have a significant impact on the balance sheet.

Ratings Impact

DRAFT

- Because both sides of the balance sheet are affected when a finance lease is recognised, certain financial ratios will be impacted
  - eg, Revenue/Total Liabilities
- If in entering the leases, an effective transfer of risk can be achieved, this may mean being able to classify the lease as an operating lease (and off-balance sheet).
  - Liabilities (debt levels) would stay lower for instance, which is significant from a ratings perspective

Appendix – Property Value

DRAFT

Immediate disposal and development

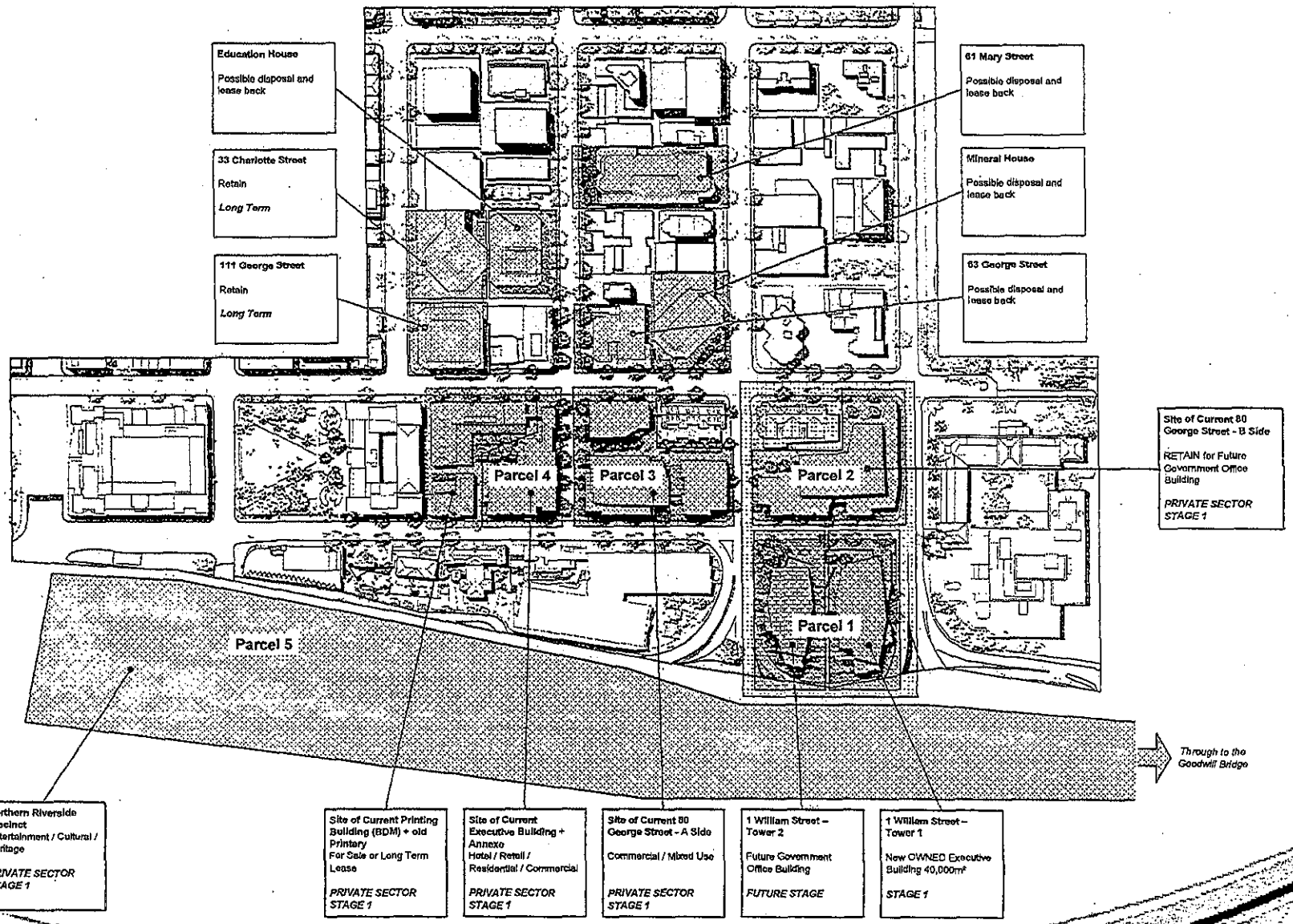
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Capital prioritisation

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

DRAFT

Project Overview – Buildings



Project X – Department of Housing and Public Works

QUEENSLAND TREASURY CORPORATION

PREPARED BY QUEENSLAND TREASURY CORPORATION
JULY 2012

Executive Summary

Scope

QTC has built a financial model to assist the Department of Housing and Public Works (DHPW) Accommodation Office to develop a Project Plan in relation to a proposed redevelopment of the Government Administrative Precinct in the Brisbane CBD (Project X).

The modelling is subject to numerous assumptions determined by DHPW and inputs based on information provided by DHPW (see Appendix A).

The model compares a business-as-usual case (the State continuing to own and occupy existing government buildings and upgrade these in line with a normal capital works program) with the following disposal scenarios managed by the State:

1. Immediate Disposal and Development – where all of the properties are sold and William Street is constructed immediately (funded by property sales).
2. Capital Value Prioritisation – where the properties are sold in a staged process and William Street is constructed immediately (funded by debt and progressive property sales).

The specific details of each scenario are set out in Appendix B.

For completeness, we note that the modelling has not contemplated offering for sale the buildings and sites as a portfolio to a single purchaser – for the purchaser to retain or to manage the progressive disposal of the portfolio in to the general property market. This would be likely to have a different cash flow profile and different balance sheet impact (although many of the considerations discussed in this executive summary would continue to be relevant).

QTC has relied on information obtained from DHPW together with advice from Jones Lang LaSalle (JLL). JLL provided a report on 18 June 2012. A copy of this is included in Appendix C.

Limitations

The financial modelling and this financial report present an unsophisticated approach to understanding and analysing the various options available to the State in dealing with its accommodation portfolio. The analysis is restricted to a number of scenarios where the State is arranging the planning and development of new developments and the State is selling the current property portfolio directly in to the market. The analysis does not consider opportunities for innovative structures and delivery models, opportunities for efficiency nor the multitude of issues and opportunities which would typically relate to property developments by the private sector. The property sector is a dynamic industry where innovative solutions are often applied across property developments to produce a variety of outcomes. For example, a multi-faceted development including a mix of retail, entertainment, office and residential accommodation, could provide for different valuations and rental structures to that of a single purpose development. By maximising the use of a property the revenue produced and therefore the valuation can similarly be maximised. Given the relatively short time frame provided to develop, analyse and report on the financial model, this report does not take into account market opportunities, opportunities to innovate and potential efficiencies and therefore tends to produce a fairly predictable outcome.

In a lease versus buy analysis, a single purpose building with long term lease to the State for most or all of the building should always present State ownership as the preferred option. This is because the Government has a lower cost of funds than the private sector and there is minimal risk transfer in these circumstances. However, where the building is part of a larger development package the lease versus buy equation could change or at least narrow significantly as a result of the opportunities and efficiencies that are created by the property development.

Therefore, while the outcomes from this report are useful in understanding the costs to Government in analysing its office accommodation strategy, innovative solutions provided from the private sector should also be considered as part of the overall solution.

Model Outputs

From the scenarios modelled, QTC make the following comments and observations:

- **Discount Cash Flow Analysis:** All of the scenarios produced a Net Present Cost (NPC). The Capital Value Prioritisation scenario (where 1 William Street is owned) returned the most favourable NPC, while Immediate Disposal and Development (where 1 William Street is owned) returned the least favourable NPC.
- **Balance Sheet:** All of the scenarios had an overall adverse impact on the State's net asset position. The Capital Value Prioritisation scenario (where 1 William Street is owned) returned the strongest Balance Sheet position, while Immediate Disposal and Development (where 1 William Street is leased) returned the weakest Balance Sheet position.

The modelling suggests that where the State is managing the sale of the portfolio, a sequenced divestment strategy produces a more favourable outcome because:

- It is assumed higher proceeds can be realised from the sale of assets

- Lease payments are not as high over the forecast period because:
  - leases are progressively entered in to as properties are sold (due to staged approach to sales) meaning that lease payments commence later, and
  - the scenario assumes longer lease terms, resulting in delayed exposure to higher market rates when leases expire.

Cashflows (NPC)

The model cashflow outputs under each scenario are summarised as follows:

	Least Favourable ←		→	**Most Favourable**
Scenario	Immediate Disposal and Development (where 1 William Street *owned*)	Immediate Disposal and Development (where 1 William Street *leased*)	Capital Value Prioritisation (where 1 William Street *leased*)	Capital Value Prioritisation (where 1 William Street *owned*)

Balance Sheet

The modelling shows the following regarding the balance sheet position under each scenario:

	Weaker ←		→	**Stronger**
Scenario	Immediate Disposal and Development (where 1 William Street *leased*)	Immediate Disposal and Development (where 1 William Street *owned*)	Capital Value Prioritisation (where 1 William Street *leased*)	Capital Value Prioritisation (where 1 William Street *owned*)

Space Breakdown

From the model outputs we have looked at how the office space required is being delivered over the forecast period under each scenario (for example, whether the office space would be delivered through State-owned buildings, existing or old leases, or new leases).

Key observations:

- There is considerable risk with entering a number of short-term leases on a substantial amount of properties that expire on or around the same time.
- Leases will need to be carefully structured in such a way as to mitigate the exposure to market lease rates at the end of the lease term without over-committing to space.
- Knowing demand and supply requirements in relation to space is of critical importance.

Key Sensitivities

QTC conducted sensitivity analysis across a number of inputs and assumptions. From the sensitivity analysis that we undertook, the modelling identified the following metrics as being key variables affecting the outputs:

- Discount Rate
- Lease Terms & Market Value
- Market Values

- Lease Terms: longer/shorter lease period on sale and lease back of existing buildings
- Disposal Dates: delay in timing of sales
- Construction Costs, and
- Construction Timing.

Lease versus Own – 1 William Street

Subject to the comments in the Limitations section, the modelling suggests that there needs to be significant non-quantifiable benefits to leasing in order to offset the significantly higher cost to the State, if the State chooses to lease rather than own 1 William Street.

Cost Neutrality

The modelling shows that cost neutrality will be difficult to achieve – Project X does not return a positive Net Present Value (NPV) under any scenario (rather each scenario produces an NPC). This is due mainly to the significant cash flows associated with the leasing aspects of Project X across a substantial number of properties.

Capital Neutrality

As part of our analysis, QTC also considered Project X from a capital neutral basis under each scenario. This analysis indicates that it may be possible to achieve capital neutrality in undertaking Project X. To illustrate in broad terms, we highlight that:

- Proceeds from the sale of the assets are in the order of $684 million to $800 million; compared with
- Construction costs for 1 William Street are forecast to be $564 million (although it is expected that there will be some other additional property related capital expenditure).

The analysis showed that:

- In all scenarios, Project X is better from a net capital perspective than business-as-usual (which only has capital payments).
- Capital Value Prioritisation (where 1 William Street is leased) results in the most favourable (positive) net capital position.

It is important to note, however, that capital neutrality ignores the significant operating cash flows in relation to lease liabilities and their balance sheet impact.

Conclusion

Project X will have a significant impact on both the State's operating cash flows and its balance sheet. The quantum of the impact will depend on the approach taken to Project X, in particular regarding:

- Divestment strategy – optimising structure to capture the best possible return; and
- Leasing decisions – optimising structure to secure space and rent certainty while managing the balance sheet and operating cash flow impacts from lease arrangements.

Achieving the best possible return and optimising lease structures are not necessarily complimentary.

The modelling suggests that the key leasing decisions that should be considered are as follows:

- Capacity requirements: Knowing the Government's demand requirements for office accommodation in the CBD is of critical importance to Project X. Any over or under-supply is likely to materially impact on operating cash flows, the balance sheet and office space availability.
- Lease term (length): Longer term leases will ensure that office accommodation is secured for a longer period and provide certainty as to rent. Lease terms are also likely to drive the sale price achievable in the broader market for the properties being disposed. However, the lease classification may mean that long term leases are less favourable from a balance sheet perspective.
- Lease classification (Finance versus Operating Lease): The treatment of leases from an accounting and ratings agency perspective will need to be analysed in detail when lease arrangements are being established to determine the impact on the State's balance sheet.
- Lease start date: to reduce the potential impact of lease commitments on the balance sheet, it may be beneficial to stage the entry in to the leases (and therefore the sale of the building portfolio).

Although Project X under certain scenarios may produce a more favourable result in one respect, it may be detrimental in terms of another. For example, a scenario which has the lowest impact on the State's operating cash flows may have a detrimental impact on the State's balance sheet and may not secure the State's long term office accommodation requirements. Accordingly, it is important to assess the impact of Project X needs in terms of:

- its operating cash flows (including proceeds achievable from the disposal of Government buildings)
- the balance sheet, and
- its office accommodation requirements.

These competing tensions need to be balanced in light of the Government's priorities as well as vision, overall objectives and desired outcomes for the precinct, which include:

- stimulate construction activity, the Brisbane CBD property market and Queensland economy;
- establish a vibrant mixed use destination
- satisfy future Government office space requirements
- private sector involvement, and

- cost and/or capital neutrality.

Appendix A: Common Inputs and Assumptions

The modelling is based on numerous inputs and assumptions provided by DHPW. The model has been built incorporating the following common elements:

- Build, own, occupy and maintain 1 William Street (60,000sqm)
- Private sector develop 80 George Street (A&B separately), government occupying space (60,000sqm approx. evenly split between A&B)
- 100 George Street (Executive Building) and Annexe is sold after 1 William Street building completed
- Disposal by the State of other government buildings at a market value (or land value less demolition cost depending on building condition and planned status) less disposal costs
- Public service reduction (20%) and space efficiencies
- Terminal values incorporated (assumes realisation of the value of any owned buildings at the end of forecast period)

A.1: Key Inputs

Construction of 1 William Street

- Start date: 1 April 2013 (early works commence 1 October 2012)
- Construction period: 4.5 years (completion in April 2017)
- Cashflow profile: prepared by Rider Levett Bucknall for DHPW

Disposals

- Timing: dates specific to each scenario (see Appendix B)
  - Sale of 100 George Street (Executive Building) and Annexe = April 2017 (following completion of 1 William Street building)
- Disposal costs = 1.5%

80 George Street

- Sale date: 31 December 2012
- Occupation Day: 1 June 2016
- Construction start: 1 January 2013
- Construction Period: 3 years

Leasing Data

- Existing Buildings (all B-grade except Neville Bonner Building)
  - Lease rents per valuation reports with 4% increase per annum
  - Ratchet clause (50% through lease term) to market rates (from BIS Shrapnel) subject to cap and collar (10% increase; 5% decrease)

- Make good (at end of lease) = $200/sqm
- Lease period starts on day of disposal (occupancy assumed to be uninterrupted)

- New Buildings
  - 1 William Street (Premium grade) = $950/sqm
  - 80 George Street (A-grade) = market rate at time of completion (from BIS Shrapnel)

General

- Forecast Period: 21 years (to June 2033)
- Operating Expenditure: based on Adopted Outgoings from valuation reports (except for 1 William Street = $100/sqm). Relocation costs also included.
- Capital Expenditure includes construction, fit-out and upgrades (for 1 William Street upgrades = $200/sqm in Year 10; $400/sqm in Year 15)
- Terminal values: these have been included and calculated using:
  - Gross Income figures (from valuation reports)
  - Capitalisation Rates as per scenarios (below) except 1 William Street = 7.5%

A.2: Key Assumptions

- Closed environment:
  - No allowance made for consolidated revenue (inflows)
  - No cash leakage (outflows)
  - Where cash not available from the project, expenses (eg, capex and opex) are funded by debt
- Discount rate = 10.5% (investment decision)
- GST applies (10% applies to sales and leases)
- Stamp Duty: per Office of State Revenue. It is included as a revenue stream for the State (ie, reflected as cash inflow paid by the purchaser in the model).
- Total Sale Proceeds assumes the sale of all buildings within the portfolio that have been identified by DHPW as potential sites for disposal.
- Capacity Requirements: based on DHPW space requirement forecasts which incorporate a 20% reduction in overall space (due to contraction of public service) and increased space efficiencies (such as reducing the average area per person from 15sqm to 13sqm)
  - 120,000sqm space requirement for government split between:
    - > 1 William Street (60,000sqm), and
    - > 80 George Street A&B (50/50 between each building = 30,000sqm each)

    These splits may vary if other parties (eg, QTC) occupy space in 1 William Street.
  - Size of buildings constructed at each of 80 George Street A&B = at least 30,000sqm
  - If shortfall in supplied capacity to predicted government demand[1], then additional space is leased at commercial terms (minimum blocks of 500sqm)

[1] Supplied by DHPW

- Relocation costs: $2M per building
- Demolition costs: $2.5M per building

A.2.1: Balance Sheet

- See Appendix B: *Scenarios* for detail regarding lease classification (ie, whether leases are treated on or off balance sheet).
- Buildings under construction are brought on balance sheet progressively through the construction phase on the basis these costs are capitalised. Upon completion, the asset value on the balance sheet is brought in to line with the value of the first year's rent divided by the capitalisation rate.
- Buildings are re-valued each year based on next year's rent (according to BIS Shrapnel market forecasts or existing DHPW arrangements) divided by the capitalisation rates.
- Depreciation: straight-line basis over Remaining Economic Life (from valuation reports)
  - All buildings are depreciated prior to disposal
  - New buildings are depreciated upon completion
  - 1 William Street economic life = 80 years
- Fit-out costs:
  - 1 William Street: included in construction cost paid by owner and depreciated.
  - 80 George Street: paid by owner
- Interest on cash balances
  - deposits = 4%
  - overdraft = 6.5%

Appendix B: Scenarios

The model compares a business-as-usual case (the State continuing to own and occupy existing government buildings and upgrade these in line with a normal capital works program) with the following disposal scenarios managed by the State:

1. Immediate Disposal and Development – where all of the properties are sold and William Street is constructed immediately.
2. Capital Value Prioritisation – where the properties are sold in a staged process and William Street is constructed immediately (funded by debt and progressive property sales).

B.1: Business-as-Usual

Continue owning and occupying existing government buildings and upgrade in line with normal capital works program. Incorporates public service reduction (20%) and space efficiencies.

B.2: Immediate Disposal and Development

- Disposals to occur by 31 December 2012
- Lease terms:
  - Existing buildings = 5 years (assumed to be operating leases, off-balance sheet)
  - New buildings (1 William Street and 80 George Street A&B) = 15 years (assumed to be finance leases, on-balance sheet)
- JLL Market Values: Calculated = Gross Income / Capitalisation Rate
  - Gross Income[2] (from valuation reports)
  - Capitalisation rate = 11.5% (per JLL report)
- DHPW Book Values (provided for comparison only) = Gross Income / Capitalisation Rate
  - Gross Income[3] (from valuation reports)
  - Capitalisation rate = 8.5% to 10.25% (per valuation reports)

TABLE: SUMMARY OF MARKET VALUES

[illegible]	[illegible]	[illegible]
Original bundle*	404.94	663.50
Additional properties	303.02	414.98
Total	**707.96**	**1,078.48**

* Executive Building and Annexe, 80 George Street, 61 Mary Street, Education House, Mineral House, Primary Industries Building, The Mansions, Harris Terrace.

[2] Derived from market rental rates included in valuation reports.
[3] Derived from market rental rates included in valuation reports.

B.3: Capital Value Prioritisation

- Divestment strategy: sequenced disposals (key timings in staged approach per table below):

TABLE C1: SEQUENCING OF CONSTRUCTION AND DISPOSALS

Calendar Year	2012	2013	2014	2015	2016	2017
Construction	1 William Street	80 George Street (A&B)				
Disposal	80 George Street (A&B) The Mansions Harris Terrace Stamford Hotel Law Courts	61 Mary Street Mineral House	Primary Industries Building 63 George Street Gabba Towers	Education House Railway Building 1C Railway Building 1D Landcentre Go Print	Neville Bonner Building	Executive Building and Annexe Printing Building Public Services Club
Total NLA for sale (approx.)	20,000m^2	58,500 m^2	31,500 m^2	61,000 m^2	18,000 m^2	28,000 m^2

- All sales made by 31 December in the year of sale
- 100 George Street (Executive Building) and Annexe sold post-completion of 1 William Street building
- Lease terms:
  - 15 years for sale and leaseback of existing buildings (finance leases)
  - 15 years for 80 George Street (and 1 William Street if leased) (finance leases)
- JLL Market Values: Calculated = Gross Income / Capitalisation Rate
  - Gross Income (from valuation reports)
  - Capitalisation rate = 8.75% to 11% (per JLL report[4])
- DHPW Book Values (provided for comparison only) = Gross Income / Capitalisation Rate
  - Gross Income (from valuation reports)
  - Capitalisation rate = 8.5% to 10.25% (per valuation reports)

TABLE: SUMMARY OF MARKET VALUES

	Market Value ($m)	Book Value ($m)
Original bundle*	489.71	663.50
Additional properties	336.53	414.98
Total	**826.24**	**1,078.48**

* Executive Building and Annexe, 80 George Street, 61 Mary Street, Education House, Mineral House, Primary Industries Building, The Mansions, Harris Terrace.

[4] Capitalisation Rates on additional properties = 10.5%

Appendix C: JLL Project X Market Report

Attached is the final draft of Jones Lang LaSalle's report of 18 June 2012 to QTC regarding Project X.

Minutes

FINANCE & ADMINISTRATION COMMITTEE

Minutes

Original Held: FAC RD

File No: Minute book

Minutes of a meeting of the Finance and Administration Committee

Held on Wednesday 12 September 2012

At 9:34 am

Committee Meeting Room 2, Level 6-Parliamentary Annexe

Present:

Mr Michael Crandon MP (Chair)
Mr Curtis Pitt MP (Deputy Chair)
Mr Reg Gulley MP
Mr Ian Kaye MP
Mrs Freya Ostapovitch MP
Mr Mark Stewart MP

Apologies:

Mr Tim Mulherin MP
Mr Ted Sorensen MP

In attendance:

Deborah Jeffrey, Research Director
Maggie Lilith, Principal Research Officer
Marilyn Freeman, Executive Assistant

Estimates

Questions on notice prior to hearing and questions taken on notice at the hearing

The committee considered Standing Order 182 – Questions on notice prior to the hearing.

On the motion of Mr Pitt, seconded by Mr Stewart, the committee agreed that answers to questions on notice be authorised for publication and put on the committee's webpage as they are received unless determined otherwise by the committee.

The committee considered Standing Order 183 – Questions on notice at the hearing and additional information

On the motion of Mr Kaye, seconded by Mrs Ostapovitch, the committee agreed that with respect to questions on notice and questions taken on notice at the hearing:

- Members' questions on notice be forwarded to the research director by 12:00 noon Wednesday 26 September 2012
- Ministers' answers to the questions taken on notice at the hearing be returned to the research director by 3:00 pm Thursday 11 October 2012.

Public Hearing on the Day

The Committee considered Standing Order 178 regarding hearing time allocations.

On the motion of Mr Gulley, seconded by Mr Pitt it was agreed that with respect to the committee's hearing on Tuesday 9 October 2012, the order and time allocations would be as follows:

Minister	Portfolio	Organisational Unit	Session Time
Premier	Premier	Department of the Premier and Cabinet	10:30am – 12:00pm
	Lunch Break		12:00pm – 1:00pm
Premier	Premier	Department of the Premier and Cabinet	1:00pm – 2:30pm
	Afternoon Tea Break		2:30pm – 3:00pm
Treasurer and Minister for Trade	Treasurer	Queensland Treasury	3:00pm – 4:30pm
	Break		4:30pm – 5:00pm
Treasurer and Minister for Trade	Treasurer/Trade	Queensland Treasury/Trade	5:00pm – 6:30pm

General hearing procedure

The committee noted Standing Orders: 180 (2), 181 (a) (b) (c) , 181 (d), 181 (f) and 181 (g).

The Committee considered Standing Order 181 (e) - questioning by non-committee members.

On the motion of Mr Pitt, seconded by Mr Kaye the Committee agreed that non-committee Members be given leave to ask questions during the hearing.

The Committee considered Ministers' use of ancillary materials.

On the motion of Mrs Ostapovitch, seconded by Mr Stewart, the Committee agreed that Ministers be allowed to use ancillary materials during the hearing provided the following guidelines are complied with:

- The materials should not be of a size or nature which could create safety or security issues (eg: they impede movement within the Chamber, impede access to and from the Chamber, require power cords to be run across the floor, are difficult to move into and out of the Parliamentary precinct)
- If the materials contain or depict information, that information should also be presented to the committee in documentary or other acceptable form
- Advance notice should be given to the research director of the nature of any ancillary materials the Minister proposes using, so that the committee can assess its compliance with the above.

General Business

General Business

Catering:

The committee agreed that no catering would be provided during the course of the Estimates hearing with the exception of coffee and tea making facilities.

Meetings:

The committee agreed that the adoption meeting would be held at 9:30 am Thursday 25 October 2012 and that teleconference facility would be available.

In line with Standing Order 187(3) any reservation or dissenting reports to be with the research director 24 hours from adoption meeting.

General

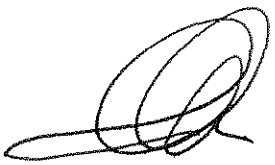
The Committee noted the following documents:

- Organisational chart for Department of the Premier and Cabinet
- Organisational chart for Treasury and Trade

Next Meeting: The next committee meeting will be Tuesday 9 October 2012 prior to the hearing. Room to be advised.

Close: The meeting closed at 10:05 am.

Confirmed on 9 October 2012



Michael Crandon MP
Chair

Minutes

Original Held: FAC RD

File No: Minute book

Minutes of a meeting of the Finance and Administration Committee

Held on Tuesday 9 October 2012

At 10:24 am

Room A.35 Parliament House

Present:	Mr Michael Crandon MP (Chair) Mr Curtis Pitt MP (Deputy Chair) Mr Reg Gulley MP Mr Ian Kaye MP Mr Tim Mulherin MP Mrs Freya Ostapovitch MP Mr Mark Stewart MP Mr Ted Sorensen MP
Apologies:	Nil
In attendance:	Deborah Jeffrey, Research Director Maggie Lilith, Principal Research Officer Marilyn Freeman, Executive Assistant
Confirmation of Minutes of previous meeting	On the motion of Mr Pitt, seconded by Mr Stewart, the committee resolved that the minutes of the Finance and Administration Committee meeting relating to estimates, held on 12 September 2012 be confirmed.
Business arising from the minutes	Nil
Correspondence	On the motion of Mr Kay, seconded by Mrs Ostapovitch, the committee resolved that the inwards correspondence items 1-7 in relation to estimates be accepted, and outwards correspondence items 1-9 in relation to estimates be endorsed.
Business arising from the correspondence	Nil
Public hearing procedures	On the motion of Mr Mulherin, seconded by Mr Sorensen, the committee resolved that the Premier and Treasurer & Minister for Trade be allowed to make a brief opening statement of up to 5 minutes
Release of inquiry documents	On the motion of Mrs Ostapovitch, seconded by Mr Mulherin, the committee resolved that pursuant to section 50(2) of the *Parliament of Queensland Act 2001* the committee authorises the publication of all documents presented to it in the course of its inquiry.
Other business	There was no other business.

Next Meeting: The next committee meeting relating to estimates will be 9:30 am Thursday 25 October 2012, meeting room and teleconference details to be advised.

Chair's draft report will be forwarded to Members by Tuesday 23 October 2012.

Reservation or dissenting reports to be to the research director by 24 hours after the adoption meeting: ie 9:30 am Friday 26 October 2012.

Close: The meeting closed at 10:30 am.

Finance and Administration Committee
Summary of Inwards Correspondence - Estimates
9 October 2012

	Date Rec'd	File No.	From	Topic
1.	20.09.2012	E12	Mr C Pitt MP, Shadow Treasurer, Member for Mulgrave	Seeking consideration for two (2) additional Chief Executives to appear
2.	26.09.12 Email	E12	Mr M Bellaver Office-Leader of Opposition	Non Govt QoN for DPC and Treasury plus letter from Mr T Mulherin MP
3.	26.09.12 email	E12	Mr M Crandon MP Chair FAC	Govt QoN for Treasury
4.	26.09.12 email	E12	Mr M Crandon MP Chair FAC	Govt QoN for DPC
5.	04.10.12	E12	Ms L McDonald, Estimates Coordintaor, Department of Premier and Cabinet	List of witnesses and attendees for Premier's portfolio Estimates hearing
6.	08.10.12	E12	Ms A Palaszczuk MP Leader of the Opposition	Request to attend Estimates hearing and ask questions
7.	08.10.12	E12	Ms L Koci, Assistant Policy Office, Qld Treasury & Trade	List of witnesses and attendees for Treasurer's portfolio Estimates hearing

Finance and Administration Committee
Summary of Outwards Correspondence - Estimates
9 October 2012

	Date	File No.	To	Topic
1.	14.09.12	E12.12.01	Mr J Grayson, Director-General, Department of the Premier and Cabinet	Outlining committee processes relating to scrutiny of budget estimates
2.	14.09.12	E12.12.02	Hon C Newman MP, Premier of Queensland	Outlining committee processes relating to scrutiny of budget estimates
3.	14.09.12	E12.12.03	Ms H Gluer, Under Treasurer, Queensland Treasury and Trade	Outlining committee processes relating to scrutiny of budget estimates
4.	14.09.12	E12.12.04	Hon T Nicholls MP, Treasurer and Minister for Trade	Outlining committee processes relating to scrutiny of budget estimates
5.	20.09.2012	E12.12.05	Mr C Pitt MP, Shadow Treasurer	Response to request for omitted Chief Executives to be included in Estimates 2012
6.	26.9.12	E12 (Email)	CLLO Treasury, cc M-A Wilson, K.Padarath Treasury	QoN for Estimates 2012 Treasury
7.	26.9.12	E12 (Email)	CLLO Premiers, cc J.McLeod, E.McDonald Premiers	QoN for Estimates 2012 DPC
8.	27.09.12	E12 (Email)	Ms S Francis, DPC; Mr M Bellaver, Opposition Office	QoN for Estimates 2012
9.	8.10.12	E12 (Email)	Ms S Francis, DPC; Mr M Bellaver, Opposition Office	Answers to Questions on Notice

Confirmed on 25 October 2012

Michael Crandon MP
Chair

Minutes

Original Held: FAC RD

File No: Minute book

Minutes of a meeting of the Finance and Administration Committee

Held on Thursday 25 October 2012

At 3:30 pm by teleconference

Room 6.53 Parliamentary Annexe

Present:

Mr Michael Crandon MP (Chair)
Mr Reg Gulley MP
Mr Ian Kaye MP
Mr Tim Mulherin MP
Mrs Freya Ostapovitch MP
Mr Mark Stewart MP

Apologies:

Mr Curtis Pitt MP (Deputy Chair)
Mr Ted Sorensen MP

In attendance:

Deborah Jeffrey, Research Director
Maggie Lilith, Principal Research Officer
Lynette Whelan, Executive Assistant

Confirmation of Minutes of previous meeting

On the motion of Mr Mulherin, seconded by Mrs Ostapovitch, the committee resolved that the minutes of the Finance and Administration Committee meeting relating to estimates, held on 9 October 2012 at 10:24am be confirmed.

Business arising from the minutes

Nil

Correspondence

On the motion of Mr Gulley, seconded by Mr Kaye, the committee resolved that the inwards correspondence items 1-2 in relation to estimates be accepted.

Business arising from the correspondence

Answers to Questions taken on Notice at the Hearing

The committee noted inwards correspondence item no. 1. Discussion ensued. It was noted that correspondence would be tabled with the report as additional information.

Changes to transcript

The committee noted inwards correspondence item no. 2.

Determination of additional material to be tabled with report(s) and minutes

On the motion of Mr Stewart, seconded by Mr Gulley, the committee resolved That the Committee table, together with the report, a file titled "Additional Information", which will contain:

- Meeting minutes
- Questions on notice
- Documents tabled at hearing
- Questions taken on notice at hearing

2012-2013 Budget Estimates Report No 21

The committee considered the draft report.

Section	Decision
Page 1	Agreed
Page 2	Agreed
Page 2 – Recommendation 1	Agreed
Page 3	Agreed
Page 4	Agreed
Page 5	Agreed
Page 6	Agreed
Page 7	Agreed
Page 8	Agreed

On the motion of Mrs Ostapovitch, seconded by Mr Kaye, the committee resolved that the chair's draft report, as agreed to be adopted as Report No. 21 of the Finance and Administration Committee and order that arrangements proceed for printing the report to enable tabling.

Question – put

The committee divided – Mr Crandon in the chair

Ayes	Nos
Mr Crandon	Mr Mulherin
Mr Gulley	
Mrs Ostapovitch	
Mr Stewart	
Mr Kaye	

And so the question was resolved in the affirmative.

Reservation or dissenting reports

The committee noted that any statement of reservation or dissenting report are required to be provided to the research director by 3:30pm Friday 26 October 2012. Discussion ensued.

Minutes

On the motion of Mr Mulherin, seconded by Mr Stewart the committee resolved that in order for the minutes to be tabled with the report as per Standing Order 189, the Committee authorises that the Chair, in consultation with non-government members, confirm the minutes of this meeting.

Other business

There was no other business.

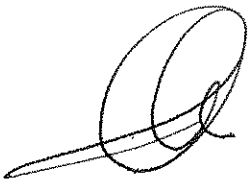
Close:

The meeting closed at 3:45pm.

Finance and Administration Committee
Summary of Inwards Correspondence - Estimates
25 October 2012

	Date Rec'd	File No.	From	Topic
1.	11.10.12	E12	Hon C Newman MP, Premier of Queensland	Answers to Questions taken on Notice at the hearing and additional information regarding non-government Question on Notice No. 7.
2.	12.10.12	E12 (email)	Ms E McDonald	Amendments to Estimates hearing transcript.

Confirmed on 26 October 2012



Michael Crandon MP
Chair

Minutes

Original Held: FAC RD

File No: Minute book

Minutes of a meeting of the Finance and Administration Committee

Held on Friday 26 October 2012

At 7:04 am by teleconference

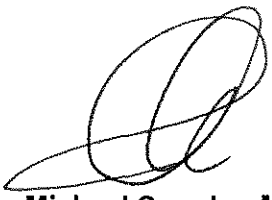
Room 6.53 Parliamentary Annexe

Present:	Mr Michael Crandon MP (Chair) Mr Reg Gulley MP Mr Ian Kaye MP Mr Tim Mulherin MP Mrs Freya Ostapovitch MP Mr Mark Stewart MP
Apologies:	Mr Curtis Pitt MP (Deputy Chair) Mr Ted Sorensen MP
In attendance:	Deborah Jeffrey, Research Director
Confirmation of Minutes of previous meeting	On the motion of Mr Mulherin, seconded by Mr Gulley, the committee resolved that the minutes of the Finance and Administration Committee meeting relating to estimates, held on 25 October 2012 at 3:30 pm be confirmed.
Business arising from the minutes	**Statement of Reservation** Mr Mulherin advised that contrary to advice given at the meeting on 25 October 2012 he will not be providing a dissenting report in relation to the 2012-2013 Budget Estimates Report No 21 but would like to submit a statement of reservation. Discussion ensued. The committee agreed to recind the previous decision and give the matter further consideration.
2012-2013 Budget Estimates Report No 21	On the motion of Mr Mulherin, seconded by Mrs Ostapovitch the committee resolved that the Chair's draft as agreed be adopted as the report of the committee.
Minutes	On the motion of Mr Mulherin, seconded by Mr Stewart the committee resolved that in order for the minutes to be tabled with the report as per Standing Order 189, the Committee authorises that the Chair, in consultation with non-government members, confirm the minutes of this meeting.
Other business	There was no other business.
Close:	The meeting closed at 7:10 am.

Finance and Administration Committee
Summary of Inwards Correspondence - Estimates
25 October 2012

	Date Rec'd	File No.	From	Topic
1.	11.10.12	E12	Hon C Newman MP, Premier of Queensland	Answers to Questions taken on Notice at the hearing and additional information regarding non-government Question on Notice No. 7.
2.	12.10.12	E12 (email)	Ms E McDonald	Amendments to Estimates hearing transcript.

Certified as correct 29 October 2012



Michael Crandon MP
Chair

Correspondence

FINANCE & ADMINISTRATION COMMITTEE

ANNASTACIA PALASZCZUK MP
LEADER OF THE OPPOSITION
MEMBER FOR INALA

8 October 2012

Mr Michael Crandon MP
Chair
Finance and Administration Committee
Parliament House
Cnr George and Alice Streets Brisbane Qld 4000

Dear Mr Crandon Michael

I write regarding the estimates hearing for the Finance and Administration Committee on 9 October 2012.

Pursuant to Standing Order 181 (e) I seek leave from the committee to attend the committee hearing and ask questions of the Premier and the Treasurer and Minister for Trade.

I look forward to hearing from you regarding this request.

Yours sincerely

Annastacia Palaszczuk MP
Leader of the Opposition