



# State Development, Infrastructure and Industry Committee

2014-15

## Volume of Additional Information

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Answers to Questions on Notice
Copy of Documents tabled at the hearing
<ul style="list-style-type: none"><li>- Supercharging the Queensland economy – Sharing some of our stories booklet - Department of State Development, Infrastructure and Planning (by Hon Jeffery Seeney MP, Deputy Premier with leave)</li></ul>
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- Gold Coast 2018 XXI Commonwealth Games Queensland Brand Protection Guide booklet (by Mrs Jo-Ann Miller MP, Shadow Minister for Health; Natural Resources and Mines; Housing)
- Southport Since 1918 – Towards Twenty 18 – CBD of the Gold Coast, Queensland, Australia (by Mrs Jo-Ann Miller MP, Shadow Minister for Health; Natural Resources and Mines; Housing)
- Document downloaded from <a href="http://www.tra.gov.au/document/nvs">www.tra.gov.au/document/nvs</a> - results of the National Visitor Survey - Overnight visitors by state (by Mrs Jo-Ann Miller MP, Shadow Minister for Health; Natural Resources and Mines; Housing)
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# Department of State Development, Infrastructure and Planning

# Questions on Notice



## State Development, Infrastructure and Industry Committee

### Questions on Notice

#### Deputy Premier and Minister for State Development, Infrastructure and Planning

1. Page 5 of the SDS mentions that in 2014-15 DSDIP will prepare a Total Asset Management Framework to assist public sector agencies in taking a more disciplined approach to asset lifecycle management. Can you please outline the benefits of the Total Asset Management Framework?
2. The SDS highlights that in 2013-14, the value of private sector capital investment leveraged through industry facilitation amounted to \$428m (page 12). Can you please outline the components of this figure?
3. Can you please outline any new statutory roles for the GasFields Commission for 2014-15?
4. What is being done by the Queensland Government to ensure that communities can benefit from Commonwealth Games infrastructure into the future?
5. The SDS refers to the Department of State Development, Infrastructure and Planning's key role in strengthening the property and construction sector by removing blockages and unnecessary growth constraints. Can you please outline what measures have been implemented to achieve this?
6. The SDS refers to job and growth creation in the Mary Valley through the implementation of the Mary Valley Economic Development Strategy. What achievements occurred in the financial year 2013-14 as a result of this strategy?
7. Can you please outline the Coordinator-General's achievements in reducing assessment timeframes for coordinated projects?
8. The SDS refers to the timely delivery of infrastructure, major and coordinated projects that drive economic growth and provide better value for money. What measures has the government taken to achieve this?
9. Can you please outline how the State Government will deliver confidence, capability and discretion for councils to better plan for their communities in the context of State priorities as outlined on page 8 of the SDS?



## State Development, Infrastructure and Industry Committee

### Questions on Notice

#### Deputy Premier and Minister for State Development, Infrastructure and Planning

10. Explain the benefits of developing a risk-based approach to terms of reference for environmental impact statements (EIS). How does that differ from previous methodologies?
11. I refer to page 3 of the Service Delivery Statement for State Development, Infrastructure and Planning which refers to the completion of the Property Asset Utilisation Review that identified surplus government land assets for divestment. Will the Deputy Premier release a list of all surplus land identified by location including the lot numbers for each parcel of land identified?
12. I refer to page 4 of the SDS which mentions the release of the Galilee Basin Development Strategy in November last year. In this document it states that the Galilee Basin State Development Area *"will be further defined when rail first movers are identified"* and that there are *"potentially multiple proposals to develop railways"*. Will the Government's primary consideration be based on which proponent is first able to finance the construction of a rail corridor or which proponent has the best technical rail alignment with minimal hydrological impacts on graziers?
13. I refer to page 3 of the SDS which details the finalisation of the EOI process for integrated resort developments. In the media statement of 27 May 2014 announcing the preferred proponents for gaming licences it states that *"a number of projects faced challenges such as lack of access to an international airport"*. Was a requirement for access to an international airport included in the terms of reference for this expression of interest process and if not were all participants advised during the competitive EOI process of this requirement?
14. I refer to page 4 of the SDS which mentions the Department's aim to incentivise councils to use a new 'fair value schedule of charges' to become eligible for co-investment in Priority Development Infrastructure. Can the Deputy Premier advise if the department has attempted to model the funds forgone by local government if it were to adopt the 'fair value schedule of charges' and if so, what were the results of such modelling?
15. I refer to page 3 of the SDS which references the 'Regional and Resource Towns Action Plan' which includes consideration of the royalty for regions funding bids from the Isaac Regional Council. Can the Deputy Premier advise why he has made funding





**State Development, Infrastructure and Industry Committee**

**Questions on Notice**

**Deputy Premier and Minister for State Development, Infrastructure and Planning**

for the Moranbah High Flood Immunity Access Project conditional on an agreement with the Council about the development of the Belyando estate?

16. I refer to page 3 of the SDS which advises of the launch of the second and third rounds of the so-called 'royalty for regions' program. Can the Deputy Premier provide a breakdown of the total funding allocated to date for 'royalty for regions' listed separately by local government area?
17. With reference to page 3 of the SDS and the Strategic Assessment of the Great Barrier Reef Coastal Zone, will the Deputy Premier:
  - a. Confirm whether funding for this assessment is a contribution towards the Government's \$175 million commitment to the Reef Water Quality Protection Plan 2013
  - b. Provide the amount of funding expended on the draft strategic assessment in each of the 2012-13 and 2013-14 financial years
  - c. Provide the number of staff working on the assessment in each of the 2012-13 and 2013-14 financial years
  - d. Detail the amount of funding expected to be expended on the assessment in the 2014-15 financial year
  - e. Provide the number of staff expected to be working on the assessment in the 2014-15 financial year
  - f. Detail any further expected expenditure in his department in the 2014-15, 2015-16, 2016-17 and 2017-18 under the Government's \$175 million contribution to the Reef Water Quality Protection Plan 2013?
18. I refer to page 9 of the SDS which mentions the Department's role on the development of Queens Wharf Brisbane. Considering that the Deputy Premier has outlined reasons for the rejection of proponents as part of the Regional Queensland Integrated Resort Development EOI process, will he also now provide an explanation for why Skycity and Lend Lease were not short-listed for the Queens Wharf development?
19. I refer to page 16 of the SDS which details that total capital purchases came in \$26.85 million under the adjusted budget in 2013-14 and footnote 2 which includes some explanation of variances. Can the Deputy Premier list the downward revision amounts from these variances separately, including from the finalisation of the Gold Coast Showgrounds relocation and Surat Basin Rail corridor projects, the reclassification to a capital grant for the Cairns Shipping Development project and



## **State Development, Infrastructure and Industry Committee**

### **Questions on Notice**

#### **Deputy Premier and Minister for State Development, Infrastructure and Planning**

the revised forecasts for land acquisitions for material and transport corridors in the Townsville and Gladstone State Development Areas?

20. I refer to page 14 of the SDS at footnote 3 which provides an explanation for why the 2014-15 target for the 'Value of private sector capital investment leveraged through industry facilitation' is \$151 million lower than the estimated actual in 2013-14 stating that it is due to a "one-off attraction project with high capital expenditure". Can the Deputy Premier advise what this 'one-off attraction project' is and why the Department is targeting a lower amount of private sector capital investment than that achieved in both 2011-12 and 2013-14?

# Answers to Questions on Notice

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 1**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

Page 5 of the SDS mentions that in 2014-15 DSDIP will prepare a Total Asset Management Framework to assist public sector agencies in taking a more disciplined approach to asset lifecycle management. Can you please outline the benefits of the Total Asset Management Framework?

**ANSWER:**

This government came to office committed to repairing the state's finances and driving economic growth.

Achieving economic growth and improving the state's finances requires management of how assets are used to deliver government services.

The Total Asset Management Plan (TAMP) Framework is the whole-of-government policy for managing the Queensland Government's assets. The TAMP Framework will ensure that government's assets best support its service delivery objectives in a responsible manner, and reflects an approach to asset planning that is transparent and consistent across the State Government.

The TAMP Framework will deliver the following benefits:

- Provides for a consistent and transparent whole-of-government reporting structure for asset management allowing for comparative analysis of asset treatment across agencies.
- Aligns capital works programs and asset management practices with government policies by providing greater clarity of how assets facilitate the delivery of services to the community.
- Encourages the consideration of non-asset based solutions for the delivery of services by considering efficient asset utilisation through transparent insight into maintenance, operational and disposal alternatives, not just investment in new assets.
- Supplements the case for investment in new assets through project evaluation processes, such as the Project Assurance Framework (PAF), by providing additional evidence to support the need for new or enhanced assets to deliver future service requirements.



- Informs the State Budget and the government's infrastructure strategies, including future state infrastructure plans.
- Assists the Department of State Development, Infrastructure and Planning's Government Land and Asset Management's objectives by providing information on the property requirements and related strategies in agencies.
- Assists in improving whole-of-government asset management practices across agencies by informing decision-makers about resource requirements necessary for a given service level.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 2**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

The SDS highlights that in 2013-14, the value of private sector capital investment leveraged through industry facilitation amounted to \$428m (page 12). Can you please outline the components of this figure?

**ANSWER:**

The estimated \$428 million worth of private sector capital investment leveraged through industry facilitation in 2013-14 has been exceeded, with a total investment of \$446.5 million achieved this year through various economic development initiatives.

DSDIP's case management unit provides dedicated assistance for investment projects. It provides information, advice and streamlines a proponent's interaction with the Queensland Government to ensure coordinated and effective engagement across government agencies. The unit provides high level facilitation for the establishment and expansion of projects, resulting in the retention and creation of employment opportunities. This service has resulted in new project expenditure of \$123 million in Queensland this financial year.

In addition, Queensland suppliers, supported by services delivered by procurement specialist Industry Capability Network Queensland (ICN) on behalf of the Queensland Government, reported winning approximately \$319 million worth of major project procurement contracts in 2013-14.

These services include assisting project proponents to unbundle projects to increase local supplier opportunity to tender, lifting local supplier awareness of major procurement opportunities and supporting proponents to identify capable local firms.

Moreover, under the Mary Valley Economic Development Strategy, eight development leases have been established with various private sector business ventures resulting in \$4.5 million worth of capital expenditure being invested into the local economy across a number of agribusiness, tourism, disability services and outdoor education facilities.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 3**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

Can you please outline any new statutory roles for the GasFields Commission for 2014-15?

**ANSWER:**

- The Gasfields Commission was recently given a new statutory role through the *Regional Planning Interests Act 2014* (RPI Act), which was passed by Parliament on 20 March 2014.
- The RPI Act identifies areas of regional interest for Queensland because they contribute, or are likely to contribute to, Queensland's economic, social and environmental prosperity. It seeks to manage the impact of resource activities and other regulated activities on these areas of regional interest.
- The Commission's new statutory role under the RPI Act is to provide advice on selected development applications which relate to a resource activity in three of the four areas of regional interest: a priority agriculture area; the strategic cropping area; or a priority living area.
- All notifiable applications which relate to a resource activity in these three areas of regional interest are to be referred to the GasFields Commission.
- Under the Regional Planning Interests Regulation 2014, an application for a resource activity proposed to be carried out in a priority living area is notifiable. An application may also become notifiable if the chief executive of DSDIP requires it to be notified.
- In addition, applications relating to a resource activity where the expected surface impacts of the resource activity are considered to be significant are to be referred to the Commission.

- While the Commission's advice is not binding, it must be taken into account in deciding an application. If the Commission has provided advice on an application, it must receive a copy of the decision notice and, if the decision is inconsistent with the Commission's advice, the notice must state the reasons for the inconsistency.
- This new statutory role for the Commission aligns with the purpose of the *Gasfields Commission Act 2013*. The Act established the Commission as an independent statutory body to manage and improve the sustainable coexistence of landholders, regional communities and the onshore gas industry in Queensland.
- The new role recognises the Commission as a third party advice agency and acknowledges its experience in understanding and managing coexistence issues.
- While the Commission's focus, under the Gasfields Commission Act, has been coexistence issues associated with the impacts of the onshore gas industry, the RPI Act extends its functions as they relate to the RPI Act to the broader scope of the resources industry.
- The Gasfields Commission Act, as amended by the RPI Act, now includes the function of providing advice about the ability of landholders, regional communities and the resources industry to coexist within an area of regional interest.



**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 4**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

What is being done by the Queensland Government to ensure that communities can benefit from Commonwealth Games infrastructure into the future?

**ANSWER:**

Delivering new and upgraded infrastructure will provide long-lasting benefits to Queensland for many years to come and all venues are being designed to fulfil the best possible legacy for the community.

The Queensland Government has undertaken detailed planning with key stakeholders and user groups to identify the best possible sport and community infrastructure outcomes for Queenslanders. This has resulted in some enhancements from the original GC2018 Bid with a number of temporary venues being replaced with permanent venues.

This \$320 million investment into sport and community infrastructure over the next four years will generate more than 1000 jobs during the design and construction phase and will drive long-term economic benefits by attracting elite athletes and world-class events to Queensland for decades to come.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 5**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

The SDS refers to the Department of State Development, Infrastructure and Planning's key role in strengthening the property and construction sector by removing blockages and unnecessary growth constraints. Can you please outline what measures have been implemented to achieve this?

**ANSWER:**

The government is delivering an extensive planning and development reform program including legislation, statutory instruments and administrative processes to position Queensland with the best planning and development assessment system in Australia.

Queensland will have a system characterised by clarity, consistency and simplicity and will be more streamlined and easier-to-use for customers across the state.

A state whole-of-government approach to planning and development assessment is being introduced by this reform program. The state is transitioning from setting the rules for regulating development, to providing the basis for facilitating development and promoting a positive and productive attitude towards economic development and prosperity.

Through minimising regulation, clearly articulating state interests and enabling discretionary decision-making, local governments will be able to better plan for and support their communities.

These reforms will provide the development industry with greater certainty regarding assessment time and outcomes for development applications across the state.

Communities will have confidence that the planning and development assessment system will promote their collective interests and minimise the risk of harmful development.

A significant part of the property and construction sector's ability to develop land relies on obtaining the necessary development approvals.

From early on, this government identified that there were unnecessary delays and complexity in how the state performed its development assessment role, due to multiple state agencies playing a part in the assessment process in an uncoordinated way.

This government has made a positive step towards fixing the problem through establishing the State Assessment and Referral Agency, referred to as SARA.

SARA commenced on 1 July 2013 and provides a single point of contact and state government co-ordination for assessment of matters of interest to the state. This now provides greater certainty and confidence to industry in the state's involvement in development assessment.

The lodgement and processing of applications and referrals has been streamlined by the introduction of MyDAS, a new online system developed to support SARA, and an integrated online mapping system which displays all available mapping layers that relate to matters of interest to the state in development assessment.

The new State development assessment provisions (SDAP) was prepared to set out the criteria for each matter of interest the state assesses a development application against — ensuring consistency and clear requirements for applicants.

SARA is regularly facilitating shorter assessment periods for development applications, saving applicants time and money.

The operation of SARA is resulting in the avoidance of unnecessary referrals, information requests, and unreasonable conditions.

In a true show of transparency in our government's operations, the Department of State Development, Infrastructure and Planning will be publishing a report on how SARA is performing against the set key performance indicators, for all applications the state has been involved with over the 2013/14 financial year. This report will be available on the department's website in late August this year. The department is also releasing the raw development application data at the same time as a part of this government's open data initiative.

In recognition of how well SARA has been performing, on 18 March 2014, SARA won the 2014 National Award for Improving Planning Processes and Practices at the Planning Institute of Australia's awards ceremony. This national award was preceded by SARA winning the Queensland award in the same category on 8 November 2013.

This government will continue to reform the way SARA operates to ensure ongoing improvement to the state's role in development assessment is achieved.



As part of the Property and Construction Strategy, and another step towards the best planning and development assessment system, the government also committed to reforming Queensland's local infrastructure planning and charging framework. The focus of this reform was to deliver an infrastructure charges framework that is certain, equitable, supports the sustainability of local governments and water distributor retailers (local authorities) and provides confidence to the development industry when planning and delivering projects. The long-term framework commenced on 4 July 2014.

Amendments to the *Sustainable Planning Act 2009* and the *South East Queensland Water (Distribution and Retail Restructuring) Act 2009* were passed by Parliament on 4 June 2014. These legislative reforms will give local authorities and the development industry the tools needed to deliver new development in a balanced and predictable manner and will also ensure a consistent approach is followed for levying infrastructure charges and conditioning development approvals for infrastructure. Applicants will therefore have one set of rules to follow, rather than two.

As part of the framework reforms, the government is also committed to supporting the delivery of local infrastructure through the Priority Development Infrastructure Co-investment Program (PDICIP). Local authorities that adopt charges at or below the fair value schedule of charges will have access to the co-investment program to assist in funding and delivering key infrastructure such as major roads, water and sewerage.

'Fair value' charges will generally be 10 per cent lower than the maximum for residential development and 15 per cent below the maximum for non-residential development.

The PDICIP will boost the development industry, while also providing the opportunity for local governments to gain investment in infrastructure from the State government.



**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 6**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

The SDS refers to job and growth creation in the Mary Valley through the implementation of the Mary Valley Economic Development Strategy. What achievements occurred in the financial year 2013-14 as a result of this strategy?

**ANSWER:**

- The Mary Valley economic development program is facilitating existing local enterprises to expand their operations, as well as encouraging new enterprises to relocate and buy in the Mary Valley. Six development leases have been signed in the 2013/14 financial year adding to the six that were signed in the previous financial year. Seven of these 12 transactions are with local enterprises seeking to expand their operations. These 12 enterprises have a projected annual operational expenditure of approximately \$8.6 million; will create 133 full-time jobs; and will invest \$10.6 million in capital expenditure. As these development leases proceed to purchase the value of this land is \$7.5 million. Three proponents have already chosen to exercise their option to purchase their leased properties and these have all now settled.
- In March, a *Heads of Agreement* with Australian Quarter Horse Racing Development Pty Ltd, to purchase approximately 1600 hectares in the Mary Valley, was announced by the Premier. The proposal for the development of quarter horse racing facilities and associated equine and leisure interests establishes a new industry in Queensland. This investment is estimated to be worth \$60 million, and has the potential to create up to 145 jobs and stimulate significant flow-on business in this area.
- The Mary Valley Economic Development Advisory Group has been in place since August 2012 to ensure the success of the strategy. This group is led by Mr David Gibson MP, Member for Gympie. The Director of the Mary Valley Project is part of this group along with representatives of the local council and business community. This group uses local knowledge in raising issues being faced by local business and industry and disseminating project information, opportunities and the project status to businesses and the wider community.

- Along with these strategies to expand commercial operations in the Mary Valley, 137 properties have been sold back to the community, compared with 57 in the previous financial year. This has been achieved through 11 property tranche releases and two auction events. This sales method mitigated negative effects on land values in the area with Tranche 11 properties receiving an average offer of 10 per cent above the list price recently, which clearly demonstrates a strengthening local property market.

## **State Development, Infrastructure and Industry Committee**

### **2014 Estimates Question on Notice**

**No. 7**

#### **Deputy Premier, Minister for State Development, Infrastructure and Planning**

##### **QUESTION:**

Can you please outline the Coordinator-General's achievements in reducing assessment timeframes for coordinated projects?

##### **ANSWER:**

##### **Record since taking office**

- Since taking up his position on 3 April 2012, the Coordinator-General has instituted a comprehensive reform program to streamline process, reduce red tape and deliver outcomes in a timely manner.
- These initiatives have delivered sustained strong results. As of 30 June 2014, the Coordinator-General has made 312 statutory decisions, an increase in decision-making 2.52 times greater than the rate for Coordinators-General over the previous five years. Furthermore, assessment timeframes have been cut by 55 per cent for coordinated project EISs and 42 per cent for material changes of use in State Development Areas. The rate of MCU and other statutory decisions in SDAs is three times greater than before.
- This reform, through a Fast Tracking Action Plan won the overall 2013 Premier's Award for Excellence in Public Service Delivery.
- The 55 per cent time reduction for EISs translates to a total Environmental Impact Statement (EIS) assessment time of less than two years from start to finish. Previously EISs took more than four years.
- Removing unnecessary regulatory burdens, simplifying processes, adopting standardised outcome-focussed conditions, using more streamlined standard TOR, and introducing more disciplined project management and quality control have reduced times while still ensuring environmental impacts are identified and properly managed.
- This record of improvement in both volume and efficiency has been achieved whilst improving the standard of environmental assessment.
- Over this same timeframe, the Coordinator-General has approved 12 major projects through an EIS evaluation report, including a number that have languished for up to seven years awaiting approval.
- These projects will add substantially to Queensland's four pillar economy, especially in the resources, tourism and construction sectors.



- The overall capital expenditure for these projects is \$59.1 billion, with the number of direct peak construction jobs estimated at over 21 500 and the number of direct operations jobs estimated at more than 15 500. Of these 12 projects:
  - six are resources projects with an estimated total capital expenditure value of approximately \$50 billion
  - four are tourism related projects with a total capital value of more than \$2.6 billion
  - two are other infrastructure-related projects with a total capital value of approximately \$6.6 billion.
- The initiatives that have delivered these results include the development and implementation of:
  - A 43 point Fast Tracking Action Plan to streamline the environmental impact statement process
  - December 2012 amendments to the *State Development and Public Works Organisation Act 1971* (SDPWO Act) to clarify the role and powers of the Coordinator-General and cut red tape
  - a risk-based generic terms of reference for environmental impact statements which has reduced its size from over 100 pages to around 20 pages
  - a new approach to social impact assessment and management which focuses on performance-based outcomes encouraging innovative solutions to the management of impacts rather than the previous detailed prescriptive requirements that added unnecessary cost, especially on compliance reporting
  - development and use of outcome-focussed conditions
  - signing in December 2013 of a new memorandum of understanding on environmental cooperation with the Australian government which subsequently resulted in a revised assessment bilateral agreement
  - amendments to a number of State Development Area development schemes, including the Gladstone and Abbot Point State Development Areas. These amendments, which have included streamlined administrative processes and improved functionality of the schemes, are providing more certainty to industry.

#### **New initiatives to improve future performance**

- New streamlining initiatives will assist further with the efficient assessment of the 26 coordinated projects under active assessment as of 30 June 2014. These projects have the potential to attract further investment of \$47.5 billion and offer the possibility of delivering more than 37 000 direct peak construction jobs and 37 500 permanent jobs at full scale operation of these projects.
- Future improved performance on these projects will be driven by planned implementation of:
  - outcome-focused standardised approval conditions for all projects and types of conditions

- an Efficiency and Quality Improvement Plan (EQIP) which targets new streamlining and process improvement actions across the Office of Coordinator-General
- Implementation of a 'one-stop-shop' for environmental assessments and approvals by finalisation of an approvals bilateral agreement with the Australian Government under the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999*
- a new streamlined impact assessment (IAR) report for less complex projects as an alternative to the comprehensive environmental impact statement (EIS) process
- introducing the ability for development schemes in State Development Areas to regulate more than land use to reduce duplication and streamline approvals processes.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 8**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

The SDS refers to the timely delivery of infrastructure, major and coordinated projects that drive economic growth and provide better value for money. What measures has the government taken to achieve this?

**ANSWER:**

For Coordinated Projects, the Office of the Coordinator-General has undertaken a range of initiatives to reduce approval timeframes for EIS assessments of coordinated projects and land use decisions in State Development Areas.

On his appointment in 2012, the Coordinator-General instigated a Fast Tracking Action Plan to improve project management procedures and to better coordinate inputs from State agencies and the Commonwealth. Simple but effective measures were introduced to schedule and monitor project assessment tasks to ensure open communication with proponents and avoid unnecessary delays.

One of the first initiatives of the Coordinator-General was to simplify the approach to social impact assessment. Previously, this had become overly long and complex to the point that proponents and communities were frustrated by unnecessary delays and cumbersome processes. A new social impact assessment guideline was published in July 2013 that outlines a streamlined and risk-based process and has substantially shortened project approval timeframes.

A significant effort has been made to streamline assessment processes with the Commonwealth Department of Environment for projects that are subject to approval under the *Environment Protection and Biodiversity Conservation Act 1999*.

A major milestone was reached in October 2013 when the 'one-stop-shop' Memorandum of Understanding was signed by the Premier and the Prime Minister. Soon after, a revised assessment bilateral agreement was signed. This has removed a number of unnecessary steps and encourages closer cooperation between assessment teams in the State and Commonwealth.

The new assessment bilateral approach is already showing results. Almost all the recent Commonwealth decisions have been made within the 30 day statutory timeframe from the completion of the Coordinator-General's evaluation report.



The Office of the Coordinator-General has adopted a risk-based approach to environmental assessments aimed at reducing timeframes but maintaining high environmental standards. A streamlined generic Terms of Reference for an environmental impact statement has seen its size reduced from over 100 pages down to about 25 pages. Additionally, the new approach separates the subject areas into critical matters and routine matters. This allows the proponents to focus time and resources on the most important issues in the project assessment. It also improves the useability and readability of the EIS without any reduction in the content needed for the assessment process.

The Office of the Coordinator-General is also making improvements to development schemes for State Development Areas and streamlining development assessment process. By including State and community interests up front in the schemes, project assessment times will be reduced by minimising the need for referrals and public consultation during the development assessment process. Additionally, the introduction of a voluntary pre-lodgement stage for development applications enables early discussion of issues that may delay timely decision making.

Recently, the Coordinator-General finalised and published a set of standardised outcome-focused conditions for coordinated projects. This followed extensive consultation with industry and state agencies. The intention of the standardised conditions is to provide clarity and certainty to industry and to help reduce approval timeframes by not 'reinventing the wheel' for each project assessment. The standardised conditions are to be used routinely, although project-specific variations may be necessary in some cases.

In a similar way, standard conditions for State Development Area land-use approvals have been developed to streamline project approvals.

The Government has also progressed legislative changes to the *State Development and Public Works Organisation Act 1971* to drive efficiencies in the assessment of coordinated projects. New provisions have been inserted into the Act and Regulation in preparation for an approvals bilateral agreement under the *Environment Protection and Biodiversity Conservation Act 1999*. This is a key initiative of the 'one-stop-shop' package designed to streamline assessments and reduce duplication.

Further amendments to the Act were introduced to the Parliament in June and are currently being considered by the State Development, Infrastructure and Industry Committee. Among the proposed changes is a new streamlined 'Impact Assessment Report (IAR)' assessment process for situations where the Coordinator-General decides that a declared coordinated project doesn't need a full EIS assessment process. This is anticipated to provide a much faster and simpler assessment pathway for the smaller and more straight-forward projects.

Other proposed amendments to the *State Development and Public Works Organisation Act 1971* are designed to provide more flexibility to the Coordinator-General when regulating development in State Development Areas, clarify when the Coordinator-General can step in on a declared prescribed project and strengthen the Coordinator-General's powers with respect to water course crossing and roads. These amendments are intended to ensure timely decision making.

For the next phase in reducing project assessment timeframes, the Coordinator-General has developed an Efficiency and Quality Improvement Plan (EQIP). The target is to reduce the EIS assessment times even further – to 60 per cent of historical averages and beyond – while improving the quality of output. The Plan identifies a range of detailed initiatives for all the process steps and is based on a clear set of operating principles. The intention is to use the learnings from the earlier Fast Track plan to further improve the capabilities of the Coordinator-General's assessment teams and to fine-tune project management systems and processes.

From a major project perspective, the Department's Mary Valley Economic Development Strategy has driven economic growth. The strategy has achieved this by returning land ownership to existing and new members of the Mary Valley community and by encouraging new enterprises to relocate, lease and buy in the Mary Valley.

There are now twelve enterprises that have taken up development leases in the Mary Valley. These organisations have started to revitalise the local community by creating 133 full-time jobs, investing \$10.6 million in capital expenditure and once operational, will have a projected annual operational expenditure of approximately \$8.6 million.

A *Heads of Agreement* with Australian Quarter Horse Racing Development Pty Ltd, to purchase approximately 1600 hectares in the Mary Valley, was announced by the Premier in March this year. Australian Quarter Horse Racing Development Pty Ltd propose to establish a new industry in Queensland, creating up to 145 jobs and an investment estimated to be worth \$60 million. This project will also stimulate significant flow-on business in the Mary Valley.

This strategy has also shown signs of strengthening the local property market. This financial year 137 properties have been sold back to the community. In a recent release of properties, eleven received an average offer of 10 per cent above the list price.



**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 9**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

Can you please outline how the State Government will deliver confidence, capability and discretion for councils to better plan for their communities in the context of State priorities as outlined on page 8 of the SDS?

**ANSWER:**

This Government is delivering an extensive planning and development reform program including legislation, statutory instruments and administrative processes to position Queensland with the best planning and development assessment system in Australia.

Queensland will have a system characterised by clarity, consistency and simplicity and will be more streamlined and easier-to-use for customers across the state.

A state whole-of-government approach to planning and development assessment is being introduced by this reform program. The state is transitioning from setting the rules for regulating development, to providing the basis for facilitating development and promoting a positive and productive attitude towards economic development and prosperity.

Through minimising regulation, clearly articulating state interests and enabling discretionary decision-making, local governments will be able to better plan for and support their communities.

Communities will have confidence that the planning and development assessment system will promote their collective interests and minimise the risk of harmful development.

An important element in this reform program has been the development of a single state planning policy (SPP) to articulate all the state's interests in planning and development.

The SPP provides clarity for local governments by identifying the state interests they must consider when preparing or amending local planning schemes and, in some cases, assessing development applications.

The policy assists local governments to reflect and balance state interests up front, ensuring the approval of the right development in the right location without undue delays.

The SPP provides the tools to empower and support local governments to make the right planning decisions for their community. Rather than mandate prescriptive processes, the SPP has a strong emphasis on finding solutions which are regionally, locally and site appropriate. It does this by outlining what outcomes must be achieved in relation to state interests, while enabling local government to determine how best to do this for their particular community.

Regional plans now play a new role in the reformed planning system. They only provide policy direction where it is necessary to address conflicts between state interests at the regional level or give regional context to the state's interests as expressed in the State Planning Policy. In most cases, the State Planning Policy is being reflected directly through local planning schemes without further intervention through a regional plan.

The review of the Wide Bay Burnett (WBB) and Mackay, Isaac and Whitsunday (MIW) regional plans will play an important part in this program by simplifying regulatory requirements and providing clarity for local governments in the preparation of their planning schemes which in turn shapes land use decision making.

When the regional plans for WBB and MIW were prepared by the previous Government they contained regulatory measures (State Planning Regulatory Provisions) to control where and what development could occur locally in the region. It constrained local government's ability to decide how and where their local communities should develop.

The role of a regional plan within the reformed planning and development system is to identify and interpret the State's interest in land use planning and development, where necessary, for a particular region. It is not necessary for a regional plan to provide regional policy about all state interests, unlike the existing WBB and MIW regional plans which are cluttered with detailed description of geographic areas, policies on a wide variety of non-land use matters and principles and policies that duplicate other regulatory instruments.

Reviews of these plans will shift the emphasis from detailed rule setting for managing growth to providing strategic direction to facilitate development and enable discretionary decision-making which allows local governments to better plan for and support their communities.

The reviews will allow areas of regional interest, as articulated in the *Regional Planning Interests Act 2014*, to be identified in the regional plans. Importantly for local government this may include 'priority living areas' – comprising areas necessary or desirable for the future growth of existing settled areas and a buffer between existing or a future settled area and resource activities. The identification of a PLA will safeguard the areas required for the growth of towns from incompatible resource activities. Local governments are assessing agencies for all applications for resource activities in a priority living area. This provides communities, through their local governments, with an opportunity to have input into decisions about the developments seeking to operate within proximity of their towns.



**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 10**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

Explain the benefits of developing a risk-based approach to terms of reference for environmental impact statements (EIS). How does that differ from previous methodologies?

**ANSWER:**

The Coordinator-General now uses risk-based, streamlined generic terms of reference for an environmental impact statement (EIS). The terms of reference set out the requirements that a proponent must address in an EIS.

The generic terms of reference document ensures a standard approach and saves time for proponents as well as give them certainty at the start of an EIS.

The new generic TOR are around 20 pages, in stark contrast to past practices where TOR were over 100 pages.

The new TOR are also more outcome-focussed, specifying the outcome required. The previous practice was overly prescriptive, telling proponents how to do something rather than the outcome required. This gives proponents clear guidance on the outcomes required at the beginning of the assessment process.

Extensive consultation on the risk-based terms of reference was undertaken by the Office of the Coordinator-General in conjunction with the Department of Environment and Heritage Protection. A workshop with industry was held in April 2013 to develop the document.

The previous terms of reference gave equal weight to all matters to be studied in an EIS. The new approach categorises matters into critical and routine. The approach is based on prioritising the highest risk impacts and ensuring they are comprehensively addressed. The categorisation of matters is based on risk and is determined by the Coordinator-General with input from the proponent and advisory agencies.

The new streamlined terms of reference have been used for three non-resource projects: the Aquis Resort at the Great Barrier Reef, the Capricorn Integrated Resort and the Etheridge Integrated Agricultural Project.

The Department of Environment and Heritage Protection has used the risk-based approach to terms of reference for two coal mining projects: New Hope Coal's Baralaba North Coal Project and Cockatoo Coal's New Lenten Coal Project.

The proponents have responded positively to the new approach of categorising matters into critical and routine. This approach gives proponents more flexibility to apportion EIS study effort accordingly—focusing the majority of effort (and project costs) on high-risk matters and developing innovative solutions to avoid, manage, mitigate and offset impacts.

Overall, the new format of the terms of reference is demonstrating results in producing an EIS that is clearer and in which the extent of impacts is more clearly articulated to the community. Proportioning risks will also allow proponents to better manage the costs of studies required to complete an EIS.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 11**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

I refer to page 3 of the Service Delivery Statement for State Development, Infrastructure and Planning which refers to the completion of the Property Asset Utilisation Review that identified surplus government land assets for divestment. Will the Deputy Premier release a list of all surplus land identified by location including the lot numbers for each parcel of land identified?

**ANSWER:**

The Property Asset Utilisation Review identified land and property which was surplus to government service delivery requirements at a point in time. Government has always bought and sold property assets to support core service delivery priorities and continues to review its asset holdings and divest property that is no longer required or is underutilised.

Properties which are deemed surplus to requirements may not be divested.

For these reasons a list will not be released.



**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 12**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

I refer to page 4 of the SDS which mentions the release of the Galilee Basin Development Strategy in November last year. In this document it states that the Galilee Basin State Development Area *"will be further defined when rail first movers are identified"* and that there are *"potentially multiple proposals to develop railways"*. Will the Government's primary consideration be based on which proponent is first able to finance the construction of a rail corridor or which proponent has the best technical rail alignment with minimal hydrological impacts on graziers?

**ANSWER:**

To consolidate the number of rail corridors in the Galilee Basin and correct the inappropriate decisions of the previous government which would have led to even greater negative impacts on landholders, I announced on 6 June 2012 the government's decision to support two common rail corridors from the Galilee Basin to the Port of Abbot Point: a west to east common rail corridor to connect the central and northern areas of the Galilee Basin to the existing Aurizon coal rail systems; and a south to north common rail corridor in the area studied by GVK/Hancock for the Alpha Coal Project Environmental Impact Statement. This was reaffirmed with the release of *the Galilee Basin Development Strategy* on 7 November 2013.

On 16 June 2014, I announced the declaration of the Galilee Basin State Development Area that will support the development of two multi-user rail corridors with the potential to service potential coal mines in the Galilee Basin. In declaring the Galilee Basin State Development Area, the government required a high degree of confidence that the projects underpinning the declaration of the State Development Area were likely to proceed to construction, would provide a mine to port infrastructure solution able to meet strict environmental conditions, and have minimal impact on landowners.

As a result of broad consultation, the independent Coordinator-General reduced the size of the proposed State Development Area by 94 per cent, making it one-tenth the size of the area originally proposed in the draft plan. There is expected to be a further reduction of the width from approximately 500 metres to between 60 and 100 metres once the final rail line designs are completed and approved by the Coordinator-General.

The government is aware of flooding and drainage concerns raised by landowners in the region. These issues have been fully considered in the Coordinator-General's evaluation of each proponent's Environmental Impact Statement. Strict environmental conditions set by the Coordinator-General include appropriate modelling of flooding and drainage impacts and the peer review of this modelling and proposed cross drainage structures designed to mitigate any flooding and drainage impacts.

The government's decision to support two common rail corridors and the declaration of the Galilee Basin State Development Area represents a common sense, coordinated approach that serves the best interests of everyone involved.



**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 13**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

I refer to page 3 of the SDS which details the finalisation of the EOI process for integrated resort developments. In the media statement of 27 May 2014 announcing the preferred proponents for gaming licences it states that "*a number of projects faced challenges such as lack of access to an international airport*". Was a requirement for access to an international airport included in the terms of reference for this expression of interest process and if not were all participants advised during the competitive EOI process of this requirement?

**ANSWER:**

The Invitation for Expressions of Interest document, provided to parties interested in the regional Integrated Resort Developments project and who satisfied the Queensland Government's Registration of Interest requirements, set out the government's objectives for, and expectations of, an Integrated Resort Development.

The government's objectives for the project include increasing economic development through increased tourism, employment and infrastructure, and tourist overnight stays and expenditure, amongst others. These objectives were set within the context of seeking to increase annual international tourism and visitor expenditure by ensuring the project delivers world class Integrated Resort Developments which cater for the increasing trend of tourism from Asia, particularly China.

In order to achieve the government's objectives, the Invitation for Expressions of Interest document set out the expectations of an Integrated Resort Development, including the requirement to be in close proximity to a major population centre with a major airport capable of handling high tourist volumes.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 14**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

I refer to page 4 of the SDS which mentions the Department's aim to incentivise councils to use a new 'fair value schedule of charges' to become eligible for co-investment in Priority Development Infrastructure. Can the Deputy Premier advise if the department has attempted to model the funds forgone by local government if it were to adopt the 'fair value schedule of charges' and if so, what were the results of such modelling?

**ANSWER:**

The Priority Development Infrastructure (PDI) co-investment program is a Queensland Government initiative to facilitate infrastructure that will unlock land to enable significant economic development.

Economic Development Queensland (EDQ) is managing the PDI co-investment program and working with local governments, developers and state agencies to identify potential PDI projects.

PDI is new catalytic infrastructure which can include road works, water supply, wastewater and stormwater.

The funding of a PDI project will be via a co-investment program by EDQ (in conjunction with another party or parties) which will be repaid over an agreed period.

To be eligible for co-investment, the relevant local government must either intend to, or already have infrastructure charges at or below the Fair Value Charges Schedule (FVCS).

The department has completed some preliminary modelling to assess the revenue forgone by a local government if it were to adopt the FVCS. The likely annual impact is estimated to be less than \$40 million in total for all local government areas currently with charges above the FVCS.

The PDI co-investment program will have a number of benefits to those local governments with infrastructure charges above fair value, including:

1. the amount invested may exceed the revenue foregone in infrastructure charges
2. EDQ will fund PDI which means that council's immediate funds are freed up for other projects

3. the investment encourages development bringing infrastructure charges forward
4. the amount invested by EDQ is interest free
5. there is a flexible repayment program.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 15**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

I refer to page 3 of the SDS which references the 'Regional and Resource Towns Action Plan' which includes consideration of the Royalty for Regions funding bids from the Isaac Regional Council. Can the Deputy Premier advise why he has made funding for the Moranbah High Flood Immunity Access Project conditional on an agreement with the Council about the development of the Belyando Estate?

**ANSWER:**

- The State Government has worked hard to assist Isaac Regional Council in addressing land and housing issues, including affordable housing developments in Moranbah to cater for resource sector and other key workers.
- The Department of State Development, Infrastructure and Planning assisted Council to develop the Belyando Estate by approving council's development applications for the project.
- Economic Development Queensland (EDQ) also sought to partner with council to guarantee timing of delivery of the Belyando Estate to ensure land supply and normalise land pricing, to support current and future residents of the region.
- As part of its proposal to make the land and houses more affordable, EDQ recommended that any development profits received by council should be minimised, with EDQ itself seeking only to recover the costs associated with developing the first 200 lots.
- It was suggested that council could then undertake the development of the remaining 800 lots, with a preference for council to minimise profits to provide affordable land to the community.
- To date, Isaac Regional Council has been unwilling to reach agreement on the approach for providing this affordable housing solution and it has confirmed it does not wish to partner with EDQ to deliver the estate.
- Given the finite funding for the *Royalties for the Regions* program and the intense competition from 68 Councils bidding for projects, we have to ensure we make best value for money decisions.



- Funding for the Moranbah High Flood Immunity Access Project does not present best value for money for the state, in a situation where the council is intending to profit from its development, but seeking to rely on state funding to offset costs associated with the development.
- The Department of State Development, Infrastructure and Planning is open to renewing discussions with Isaac Regional Council with the aim of reaching an agreement for the development of the Belyando Estate and possible funding for the Bridge.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 16**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

I refer to page 3 of the SDS which advises of the launch of the second and third rounds of the so-called 'royalty for regions' program. Can the Deputy Premier provide a breakdown of the total funding allocated to date for 'royalty for regions' listed separately by local government area?

**ANSWER:**

- This government continues to deliver on its commitment to regional communities and through the Royalties for the Regions program we are delivering better infrastructure and planning for regional Queensland.
- To date 39 councils across Queensland have received almost \$310 million in funding under the program, delivering much needed roads, community infrastructure and flood mitigation projects.
- Through Royalties for the Regions we are ensuring that long-term royalty benefits flow back to Queensland's regions and by investing resource sector royalties into priority infrastructure, we are ensuring these communities are on a sound footing into the future.
- During the most recent round of the program, the Department of State Development, Infrastructure and Planning received 150 submissions from 50 councils, with the total value of projects in excess of \$1 billion.
- Funding has been approved in this round for 27 projects totalling about \$55 million across 20 councils.
- In total, 98 infrastructure projects have been funded and are being realised because of this program.
- Funding has been distributed right across the state, as far west as Mount Isa and as far north as Napranum.
- The program has invested in a diverse range of infrastructure projects including road and regional airport upgrades, medical and childcare centres and critical flood mitigation and waste and water infrastructure, which I will take you through by region, starting in the far north of Queensland.

- The **Far North region** of Queensland has seven Royalties for the Regions projects approved in the local government areas of Aurukun, with total funding of \$0.4 million, Carpentaria, with total funding of \$1 million, Cook, with total funding of \$3.5 million, Napranum, with total funding of \$2.5 million, Tablelands with total funding of \$0.4 million, and Marceba, which has received total funding of \$0.3 million.
- One of these projects is the Bitumen Surfacing of the Barge Landing to the Airport Road in Aurukun.
- Aurukun is located on the remote north-west coast of Cape York Peninsula and has a population of around 1200 people. With roads outside the township cut off during the wet season, the barge landing provides the principal wet season freight route for food and other essential goods. The project will upgrade 1.2 kilometres of the Barge Landing to Airport Road to all-weather standard, with gravel pavement and a double coat bitumen chip seal. This section of the road has experienced increased heavy traffic servicing the Rio Tinto South of Embley project.
- The **North region** has five Royalties for the Regions projects, with two of these located in Burdekin Shire – improving drainage infrastructure in Home Hill and redeveloping a community centre in Ayr. A combined total of \$2.3 million in Royalties for the Regions funding will be invested in these projects. The remaining three projects are located in Townsville, with \$35.1 million being provided in funding. Announced as election commitments; two of these projects will reduce bottlenecks in the city. The third project will improve drainage.
- One of these projects is the Blakey's Crossing upgrade on Ingham Road which is often closed during the wet season causing delays and considerable frustration. Royalties for the Regions funding will construct flood mitigation works which will realign and raise about 800 metres of roadway and includes two new bridges, and significant earth and drainage works. The upgrade will ensure the link between Townsville's CBD and port and one of the city's major industrial hubs is maintained during the wet season, improving efficiency, capacity and traffic flow.
- The **North West region** will see the delivery of six Royalties for the Regions projects located in the local government areas of Cloncurry with total funding of \$6.1 million, Flinders with total funding of \$0.3 million, McKinlay, with total funding of \$1 million and Mount Isa, which has received total funding of \$0.5 million.
- These projects include the Cloncurry Regional Airport – Stage 1, Terminal Facility upgrade.



- It is estimated that in two years, passenger movements at Cloncurry Regional Airport will have increased to approximately 100,000. At the current facility, space constraints have led to major delays. The Cloncurry Regional Airport Terminal Facility Upgrade – Stage 1 will allow for an increase in passenger numbers that will cater for the already substantial growth rate the airport is experiencing, 94 per cent of which has been identified as fly-in fly-out traffic. Beyond the benefits for the resource sector and their employees, are the broader economic benefits for the community. The attraction of major airlines increases opportunities for direct flights to Brisbane and other major centres. This offers residents greater options for recreation, access to medical services, opens up the tourism market and increases employment opportunities stimulating economic and employment growth in Cloncurry.
- The **Mackay Isaac Whitsunday region** has eight Royalties for the Regions projects approved in the local government areas of Isaac, with total funding of \$1 million, Mackay, with total funding of \$12.5 million and Whitsunday, which has received total funding of \$10.1 million.
- One of these important projects is the Dysart Medical Centre located in Isaac Regional Council.
- Dysart is in critical need of a well-equipped medical centre and a new general practice is being built on the same grounds as the local hospital. This purpose-built medical centre will accommodate general practitioners and visiting allied health specialists, and will provide local residents with greater access to quality medical and healthcare services. This centre will deliver long term benefits to the community.
- In the neighbouring **region of Fitzroy**, communities are benefitting from 12 Royalties for the Regions projects, in the local government areas of Banana, with total funding of \$20.5 million, Central Highlands, with total funding of \$13 million, Gladstone, which has received total funding of \$14 million, Rockhampton with total funding of \$1 million, Woorabinda with total funding of \$0.3 million and Livingstone, where we are funding 50 per cent of the total cost for the Northern Strategic Link Road – Panorama Drive (costs are yet to be finalised).
- One of these projects is the Eidsvold-Theodore Road Upgrading and Sealing.
- Resource sector activity is contributing to rapid growth in Banana Shire, causing pressure on infrastructure such as the Eidsvold-Theodore Road which links the Leichhardt Highway to the Burnett Highway. The road is an access and haulage route used by coal seam gas companies, providing service industries, contractors and employees access to a number of current and proposed resource industry projects. This project focusses on a 14 kilometre section of road, upgrading drainage to improve flood immunity and completing the sealing of the road which will increase road safety.
- The **Central West region** will see ten Royalties for the Regions projects delivered in their communities. These projects are located in the local government areas of Barcaldine, with total funding of \$5.2 million, Barcoo, with total funding of \$5.3 million, Blackall-Tambo, with total funding of \$2 million, Boulia, with total funding of \$0.4 million and Diamantina, which has received total funding of \$0.8 million.



- One of these important projects is the Blackall Child Care Centre.
- The community of Blackall is poised to experience significant growth as a result of resource sector activity. The community is faced with a shortage of child care facilities to cater for the region's working families or people looking to relocate to the town. The Blackall Child Care Centre, funded by the Royalties for the Regions program, Blackall-Tambo Regional Council and the Blackall Kindergarten and Limited Hours Day Care Association, will provide the community with an up-to-date facility that will increase the number of available long day care placements from 8 to 30 and enable the provision of quality early childhood education programs. The centre will increase affordability of child care through access to child care subsidies; improve educational outcomes for children; increase confidence, stability and security for residents with a long day care service; improve liveability of this remote township, and offer potential residents important infrastructure that will attract settlement, providing regional economic stimulus.
- In the region of **Wide Bay Burnett**, communities are benefiting from ten Royalties for the Regions projects, in the local government areas of Bundaberg, with total funding of \$3.4 million, Fraser Coast, with total funding of \$4.8 million, Gympie, which has received total funding of \$2.7 million, South Burnett, with total funding of \$15.3 million and North Burnett, which has received funding of \$1 million and will also receive funding for the majority of the total cost for the Monto-Mount Perry Road Upgrade Project (costs are yet to be finalised).
- One of these important projects is the Burnett Riverbank Stabilisation in Bundaberg.
- The Queensland Government is helping communities affected by flooding to increase their future resilience to flood events. The city of Bundaberg suffered major flood events in 2011 and 2013. Both floods had significant impacts on the city, particularly business owners along the riverbank. Following the 2013 flood, the riverbank was at risk of slippage endangering the livelihoods of business, as well as losing the timber boardwalk which is an important piece of community infrastructure. The Burnett Riverbank Stabilisation project will construct a 75 metre long retaining wall to stem further flood erosion and protect a vital section of the Burnett riverbank adjacent to the Bundaberg CBD.
- In the region of **Darling Downs and Surat**, communities are reaping benefits from 33 Royalties for the Regions projects in the local government areas of Balonne, which has received total funding of \$0.9 million, Goondiwindi, which has received total funding of \$0.8 million, Maranoa, which has received total funding of \$25.1 million, Toowoomba, which has received total funding of \$64.5 million and Western Downs, which has received total funding of \$17.6 million.
- Located in the Western Downs Regional Council, the Chinchilla Washdown Bay was recently completed and is now fully operational.



- Chinchilla is recognised for its rural-based economy, relying heavily on grain crops. The Chinchilla Washdown Bay provides a facility where industrial and agricultural vehicles can be washed to remove weed seeds, reducing the spread of weeds and protecting the region's biodiversity and the agricultural sector more broadly.
- The O'Mara Road Upgrade Stage 1A in the Charlton Wellcamp Enterprise area in Toowoomba is also being funded through the program. The O'Mara Road project will upgrade the connection to the Warrego Highway, improving safety and enabling this route to support a larger volume of traffic. It will improve access to the Charlton Wellcamp Enterprise Area, which will be a major service hub for the Surat Basin.
- The **South West region** will see the delivery of three important Royalties for the Regions projects, located in the Quilpie Shire Council area, which received total funding of \$1.9 million.
- One of these is the mobile phone service to key resource activity area project.
- Where towns are isolated by distance, telecommunications facilities become of paramount importance to maintain livelihoods, allow access to health and education providers and provide social interaction. The town of Eromanga and the surrounding region in South West Queensland currently has no mobile phone coverage and landline communications are frequently affected by power outages and brown-outs. The Royalties for the Regions program will upgrade existing telecommunications infrastructure to provide the Eromanga community and surrounding area with a mobile phone communication service. This will improve industry and economic development and help local communities become resource industry support hubs. It will also improve disaster management communications and will assist road and community safety issues.
- Due to extensive flooding experienced in the Lockyer Valley in recent years, Lockyer Valley regional Council is eligible to apply for flood mitigation funding. I am pleased to say that the government has supported three projects in this local government area, in the township of Laidley.
- The Laidley flood mitigation projects, which are receiving \$0.9 million in total Royalties for the Regions funding, when completed, will reduce flood levels and help protect the town of Laidley from future flooding events. There are 664 houses and 56 commercial properties at risk of flooding during a 1-in-100 year flood event. This work will help reduce that to 58 houses and no commercial properties, reducing stress to residents and business owners, and save Council millions of dollars in repairs. The projects include the construction of a levee along the eastern edge of Narda Lagoon; utility adjustments, minor drainage and work on retaining walls to accommodate the construction of the Laidley CBD Levee; and construction of a drainage system that will connect the Storr Street drain to the Laidley main drainage system.
- The Royalties for the Regions program has also funded the Government's \$4.8 million election commitment to upgrade the Brisbane Valley Highway in the Somerset Regional Council area.

- This government made a commitment to invest a total of \$495 million over four years, through the Royalties for the Regions program, to help rapidly-expanding resource communities cope with growth pressures and address critical infrastructure, and we are doing just that.
- There is still \$210 million available for funding under the program. These funds will be directed to projects that focus on providing economic outcomes and a sustainable future for regional communities.
- Economic growth in our regions is vital. It is about providing jobs and business opportunities for all Queenslanders, not just now, but in the years ahead.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 17**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

With reference to page 3 of the SDS and the Strategic Assessment of the Great Barrier Reef Coastal Zone, will the Deputy Premier:

- a. Confirm whether funding for this assessment is a contribution towards the Government's \$175 million commitment to the Reef Water Quality Protection Plan 2013
- b. Provide the amount of funding expended on the draft strategic assessment in each of the 2012-13 and 2013-14 financial years
- c. Provide the number of staff working on the assessment in each of the 2012-13 and 2013-14 financial years
- d. Detail the amount of funding expected to be expended on the assessment in the 2014-15 financial year
- e. Provide the number of staff expected to be working on the assessment in the 2014-15 financial year
- f. Detail any further expected expenditure in his department in the 2014-15, 2015-16, 2016-17 and 2017-18 under the Government's \$175 million contribution to the Reef Water Quality Protection Plan 2013?

**ANSWER:**

- a. Funding for the Strategic Assessment of the Great Barrier Reef Coastal Zone is additional to the Government's \$175 million commitment to the Reef Water Quality Protection Plan 2013.
- b. Details of expenditure for the 2012-13 and 2013-14 financial years are:

**2012-13**

Expenditure of \$218 968 including costs for:

- Engagement of contractors to provide specific technical skills and knowledge to assist the preparation and publishing of draft Strategic Assessment Reports.
- Printing, consumables and other miscellaneous support costs associated with the preparation of the strategic assessment.



## 2013-14

Expenditure of \$165 051 including costs for:

- Engagement of contractors to provide specific technical skills in the preparation a joint report on the outcomes of public consultation for the comprehensive strategic assessment with the Great Barrier Reef Marine Park Authority.
  - Advertising, travel and other costs to support an extended 13 week joint public consultation process with the Great Barrier Reef Marine Park Authority which included a series of regional briefings and community information sessions held in Airlie Beach, Townsville, Cairns, Mackay, Rockhampton and Gladstone.
  - Printing, consumables and other miscellaneous support costs associated with the preparation of the strategic assessment.
- c. Whilst led by DSDIP, the preparation of the Strategic Assessment has been a collaborative whole-of-Government effort with input from:
- Department of the Premier and Cabinet
  - Department of Environment and Heritage Protection
  - Department of Transport and Main Roads
  - Department of Agriculture, Fisheries and Forestry
  - Department of National Parks, Recreation, Sport and Racing
  - Department of Natural Resources and Mines
  - Department of Aboriginal and Torres Strait Islander and Multicultural Affairs

In 2012-13, there were on average six full time equivalents (FTEs) working on the strategic assessment from DSDIP, supported by other officers across the other Queensland government departments as listed above.

In 2013-14, there were on average five FTEs working on the strategic assessment from DSDIP supported by other officers across the other Queensland government departments.

- d. The Strategic Assessment is expected to be finalised early in the 2014-15 financial year. As such it is forecasted that only minor costs of less than \$10,000 will be expended.
- e. The Strategic Assessment is expected to be finalised early in the 2014-15 financial year as such approximately one FTE is expected to work on the assessment.
- f. Expenditure for the strategic assessment is additional to the government's \$175 million contribution to the Reef Water Quality Protection Plan 2013. As such, there is no expected expenditure in the 2014-15, 2015-16, 2016-17 and 2017-18 under Reef Water Quality Protection Plan 2013.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 18**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

I refer to page 9 of the SDS which mentions the Department's role in the development of Queens Wharf Brisbane. Considering that the Deputy Premier has outlined reasons for the rejection of proponents as part of the Regional Queensland Integrated Resort Development EOI process, will he also now provide an explanation for why Skycity and Lend Lease were not short-listed for the Queens Wharf development?

**ANSWER:**

Upon close of tender for Expressions of Interest for Queens Wharf Brisbane, the State received six well-prepared and competitive proposals for evaluation in accordance with the Queens Wharf Brisbane's Project Evaluation and Probity Plans. As is consistent with multiple stage competitive bidding processes, a shortlisting must be derived to progress proponents to the Request for Detailed Proposals stage. As you can appreciate, the contents of proponents' bids are highly sensitive and are submitted to the state as commercial-in-confidence for the purpose of evaluation only. To provide any detail as to the merits of SKYCITY's or Lend Lease's proposals would breach the state's legal confidentiality obligations to proponents. Both SKYCITY and Lend Lease submitted high quality proposals; however these proposals were not as strong as those submitted by the shortlisted parties. I do, however, encourage SKYCITY and Lend Lease to continue to pursue investment opportunities in Queensland.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No.19**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

I refer to page 16 of the SDS which details that total capital purchases came in \$26.85 million under the adjusted budget in 2013-14 and footnote 2 which includes some explanation of variances. Can the Deputy Premier list the downward revision amounts from these variances separately, including from the finalisation of the Gold Coast Showgrounds relocation and Surat Basin Rail corridor projects, the reclassification to a capital grant for the Cairns Shipping Development project and the revised forecasts for land acquisitions for material and transport corridors in the Townsville and Gladstone State Development Areas?

**ANSWER:**

**Table 1 - Capital program variance**

<b>Capital purchases</b>	<b>2013-14 Adjusted Budget \$'000</b>	<b>2013-14 Est. Actual \$'000</b>	<b>Variance \$'000</b>
Callide to Gladstone LNG Land Corridor	2,760	340	-2,420
Stanwell to Gladstone Infrastructure Corridor	200	445	245
Targinie Precinct	5,782	2,490	-3,292
Townsville Eastern Access Corridor	3,831	86	-3,745
<b>Total Land Acquisition Projects</b>	<b>12,573</b>	<b>3,361</b>	<b>-9,212</b>
Material Transport and Services Corridor	5,000	4,800	-200
Cairns Shipping Development Project	4,200	-	-4,200
Surat Basin Rail Corridor	4,180	-	-4,180
Gold Coast Showgrounds Relocation	10,910	2,050	-8,860
Other plant and equipment	2,066	1,873	-193
<b>Total</b>	<b>38,929</b>	<b>12,084</b>	<b>-26,845</b>

**Land Acquisition Projects**

Land Acquisition Projects include Stanwell to Gladstone Infrastructure Corridor, Targinie Precinct, Townsville Eastern Access Corridor and Callide to Gladstone LNG Corridor.



The purpose of the capital funding for these projects is to acquire land and easements for large scale infrastructure projects and the development of multi-user infrastructure corridors including road, rail and services.

Under the provisions of the *Acquisition of Land Act 1967*, the Coordinator-General is obligated to pay compensation where land or easements have been acquired.

Whilst the majority of acquisitions have been finalised the compensation process is dependent on a number of factors, including:

- the time taken for interest holders to submit claims for compensation
- the time needed to reach final agreement with the claimant.

The time taken to reach settlement of compensation with landowners for these projects is consistent with the historical and normal six to seven year project lifecycle.

Budget estimates for 2013-14 have been revised down in the Targinie Precinct, Townsville Eastern Access Corridor and the Callide to Gladstone LNG Corridor, whilst the Stanwell to Gladstone Infrastructure Corridor has been revised up. This reflects the outcomes of the compensation process, actual payments made to landowners and capital costs incurred in the acquisition process during 2013-14 year.

These projects are at the final stages of settling compensation with three matters in the Land Court and other matters involving complex negotiations. Due to the uncertain timing of when interest holders' negotiations reach settlement, the capital funding for these projects has been deferred. Total project forecasts are detailed in Table 2.

**Table 2 - Land Acquisition Projects – Forecast budget**

<b>Land Acquisition Capital Projects</b>	<b>Project Allocation \$'000</b>	<b>Est. Exp. to 30.6.2014 \$'000</b>	<b>Forecast remaining \$'000</b>
Stanwell to Gladstone Infrastructure Corridor (LADD)	1,200	1,074	126
Targinie Precinct (LADD)	67,868	59,990	7,878
Townsville Eastern Access Corridor (LADD)	17,567	11,395	6,172
Callide to Gladstone LNG Corridor (SDA)	9,847	3,609	6,238

#### **Material Transport and Services Corridor**

\$5.0 million represented the initial allocation for the purchase of Stage 1a of the Material Transport and Services Corridor (MTSC). Adjustments informed by further valuations reduced the budget to \$4.8 million. Negotiations between Economic Development Queensland and the Office of the Coordinator-General for Stage 1a resulted in the purchase of the property for the amount of \$4.25 million this year. The balance funding for the project (\$15.249 million) is for the purchase of other land within the MTSC which is dependent on future demand for the balance corridor and has been allocated in the 2015-16 financial year.



**Cairns Shipping Development project**

The \$40 million election commitment (Commitment No. 12/255) was initially recorded as a capital acquisition for the department but has subsequently been reclassified as a capital grant since a grant payment will be made to Ports North to cover the cost of the EIS and widening of Trinity Inlet.

**Surat Basin Rail**

\$4.18 million was allocated to finance potential hardship acquisitions in the Surat Basin Rail corridor following the discontinuation of the acquisition program in December 2012. No requests for hardship acquisitions were received and none of the allocation was used.

**Gold Coast Showgrounds**

The land acquisition at Carrara has been finalised and there will be no development on this site by the department. The funding balance has been deferred to 2015-16 for other Commonwealth Games purposes.

**State Development, Infrastructure and Industry Committee**

**2014 Estimates Question on Notice**

**No. 20**

**Deputy Premier, Minister for State Development, Infrastructure and Planning**

**QUESTION:**

I refer to page 14 of the SDS at footnote 3 which provides an explanation for why the 2014-15 target for the 'Value of private sector capital investment leveraged through industry facilitation' is \$151 million lower than the estimated actual in 2013-14 stating that it is due to a "one-off attraction project with high capital expenditure". Can the Deputy Premier advise what this 'one-off attraction project' is and why the Department is targeting a lower amount of private sector capital investment than that achieved in both 2011-12 and 2013-14?

**ANSWER:**

The 2014-15 target acknowledges that projects of this nature are reliant on an individual company's ability to secure financing to undertake the project, which is reflective of the prevailing investment climate. The target also takes into account the transfer of responsibility for the international investment attraction role from the Department of State Development, Infrastructure and Planning to the new statutory body of Trade and Investment Queensland. As the department does not have any direct influence in relation to the prevailing investment environment, our involvement occurs once a project has raised the required capital and is seeking facilitation assistance.

The department works with companies as a one-stop-shop by providing advice, information, facilitation support and assisting in removing impediments. The department's provision of this facilitation contributed to secure four projects with a combined value of \$123 million in 2013-14 for the state and is continuing to work with a number of projects. The figure mentioned for the 2014-15 target is a best estimate of what is achievable given the projects currently being assisted.

# Documents Tabled at the Hearing



# Supercharging the Queensland economy

Sharing some  
of our stories



Tabled Paper No. i

Date: 15-7-14

Member: SEENEY

Tabled

Tabled, by leave ☒

Meeting: SDIC Estimates Hearing

Clerk at the Table: EP 9:07am



The Department of State Development, Infrastructure and Planning is responsible for driving the economic development of Queensland.

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# FOREWORD

## DEPUTY PREMIER'S MESSAGE



Supercharging the Queensland economy is a key priority for our government.

A thriving economy is the foundation for jobs, prosperity and wellbeing for Queenslanders for generations to come.

Our government has a strong plan for a brighter future for Queensland. We are accelerating economic development through our signature *Governing for Growth* strategy, an economic framework that is complementing our fiscal strategy and shaping our government's effort to supercharge the Queensland economy through more

than 300 reforms and new programs across all departments.

This work is already paying dividends. In 2014–15 Queensland is forecast to be the fastest growing state in Australia in terms of Gross State Product.

More than a quarter of all business investment in 2012–13 happened in Queensland, worth some \$60 billion, and more jobs were created in our state over the last 12 months than in any other Australian state.

We are also delivering smarter, more efficient infrastructure and providing certainty for businesses and investors by cutting red tape, reducing costs and streamlining planning and approvals.

Our government's strong plan will see more success stories emerge right across the state.

### The Honourable Jeff Seeney MP

*Deputy Premier and Minister for State Development, Infrastructure and Planning*

# ABOUT US

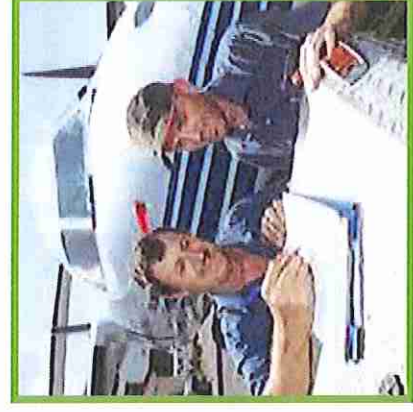
## AT THE DEPARTMENT OF STATE DEVELOPMENT, INFRASTRUCTURE AND PLANNING (DSDIP) WE ARE:

- supporting economic prosperity and championing the interests of business and industry
- bringing major projects and infrastructure, economic development and planning services to communities right across the state
- delivering innovative and responsible outcomes—getting the balance right between economic opportunities and the impacts of development on the environment—and improving the quality of life.

Since 2012, we've created better links with regional communities, simplified planning systems, and streamlined major project approval processes to make a major difference in Queensland.

This publication shares some of our work and achievements over the past two years.

For more information visit [www.dsdip.qld.gov.au](http://www.dsdip.qld.gov.au) and subscribe to our e-news.





# GOVERNING FOR GROWTH



*We are creating an environment where business and industry can invest, innovate, grow and create new jobs for the next decade.*

*The Governing for Growth framework identifies ways to revitalise the state's economy.*

*These reforms and actions will unlock productivity and facilitate economic growth. The benefits of Governing for Growth are already being seen in improved economic performance and increased business confidence.*

Key achievements include:

- More than 9400 regulatory requirements slashed
- Released the State Planning Policy, a single consolidated document which streamlines Queensland's planning and development system
- Devised a one-stop-shop for environmental approvals, through the signing of the Memorandum of Understanding with Australian Government
- Finalised the Darling Downs and Central Queensland Regional Plans
- Released the Economic Directions Statement for Queensland Airports to drive the expansion of strategic airports
- Reviewed infrastructure charges to facilitate a prosperous development industry
- Delivered the Royalties for the Regions (R4R) program, which is investing in critical infrastructure to build thriving regions
- Leading trade missions to key growth markets such as South America and Asia.

## R4R delivers infrastructure to regional Queensland

Royalties for the Regions (R4R) is supporting regional Queensland's development through investing in critical new infrastructure.

R4R ensures regional communities receive real long-term benefits through better planning and infrastructure investment. To date the program has supported 93 infrastructure projects across 38 regional and shire councils delivering:

- more than 35 road projects, totalling more than 232 kilometres and including eight bridge and intersection upgrades
- flood protection of around 500 businesses and residences in Roma and for 978 homes and 37 businesses in Toowoomba
- an increase in waste recycling from 5 per cent to 45 per cent in the Western Downs local government area
- 700 kilometres of fibre optics connecting five remote communities
- increase airport security screening and seating capacity from 34 to 140 in Cloncurry.





A total of 19 regional councils were successful in securing R4R Round 3 funding to upgrade 22 infrastructure projects.

Projects include:

- \$3.5 million to revitalise the Cooktown esplanade
- \$300 000 to upgrade Injune's sewerage treatment plant
- \$432 500 to reseal Birdsville Airport's runway, and
- \$500 000 to build stage one of a natural history museum at Eromanga.

Partnering with industry is an important part of R4R and shows strong support for the growth of regional Queensland. By contributing to projects, companies make a positive contribution to residents, workers and their families.

For more projects and information visit: [www.dsdlp.qld.gov.au/r4r](http://www.dsdlp.qld.gov.au/r4r)



## Duplication of road makes way for business

Toowoomba offers a doorway to the resource rich Surat Basin and has a diverse economic base with strengths in retail, manufacturing, agriculture, education, health and community sectors. The region aims to capture opportunities that support diversity, enabling it to continue to grow and prosper.

The O'Mara Road Upgrade Stage 1A is one such opportunity to benefit the region's economy. The project will upgrade the connection to the Warrego Highway, improving safety and enabling it to support a larger volume of traffic. It will also improve access to the Charlton Wellcamp Enterprise Area (CWEA), which is being established as a major service hub for the Surat Basin.

The CWEA is important in supporting a diverse region. When the area is fully developed, it

is estimated to provide employment for up to 15 000 people. CWEA benefits to both the community and industry is well recognised and \$3.86 million of the total \$21.06 million project cost has been contributed by industry.

In addition to the R4R \$10 million commitment, Toowoomba Regional Council will fund \$7.2 million, demonstrating community support and helping to ensure a successful project.

*"The CWEA plays a vital role in creating an ongoing vibrant and sustainable region. Royalties for the Regions funding to upgrade O'Mara Road improves the investment potential of the CWEA which will benefit the entire community."*

**Councillor Carol Taylor**  
Chair, Toowoomba Regional Council  
Infrastructure Committee



GC Vice President of Sustainability Brett Smith and Western Downs Regional Council Mayor Ray Brown test the facility's equipment.

## Premium washdown bay opens in Chinchilla

The Western Downs is recognised for its rural-based economy, relying mainly on grain crops. Weeds that could endanger the viability of the agricultural sector are readily spread by machinery movement, which has increased substantially as a result of resource sector activity. The spread of weeds throughout the Chinchilla area has the potential to devastate local primary production and hamper resource development.

The Chinchilla Washdown Bay provides a facility to remove weed seeds from industrial and agricultural vehicles. It replaces an existing facility in disrepair due to overuse from resource industry growth. The facility is funded by the Royalties for the Regions program with contributions from QGC, Powerlink and Western Downs Regional Council.

*"The Washdown Bay will help protect both the region's biodiversity and agriculture sector, helping to ensure the rich and diverse community life in Chinchilla will continue well into the future," Western Downs Regional Council Mayor Ray Brown said.*



*"Powerlink is committed to communities that may be impacted by our projects and understands that weed management is a priority for landowners and the wider community. We are proud to have worked with the Western Downs Regional Council and the Royalties for the Regions program to contribute to the Chinchilla Washdown Bay and help to address the issue of weed management in the region."*

**Terry Miller**  
Manager Investment and Regulatory  
Services, Powerlink





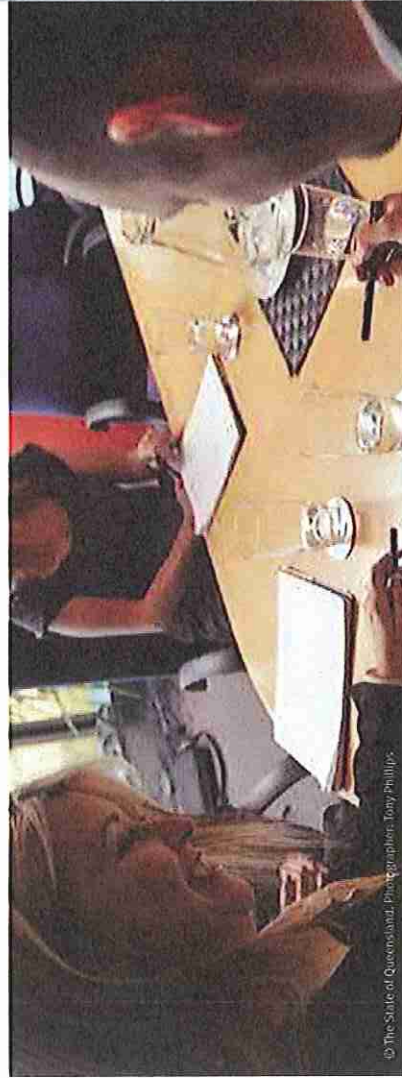
## Workshops a winning recipe for business

We are helping hundreds of Queensland businesses become better equipped to tender for lucrative local, state and federal contracts.

In the last year more than 500 people from 480 businesses have attended our Tendering for Government Business workshops. These half-day interactive sessions held across Queensland help regional businesses update their procurement skills and realise supply opportunities.

In 2012–13, approximately \$40 billion was spent on the procurement of goods and services across all levels of government. We help companies maximise their chances of tapping into this multi-billion-dollar pool of work, as well as private sector contracts.

Through this program the department is strengthening regional economies and helping firms win contracts and tenders.



© The State of Queensland, Photo: Graham, Tony Phillips

## Thursday Island company gains public works contract

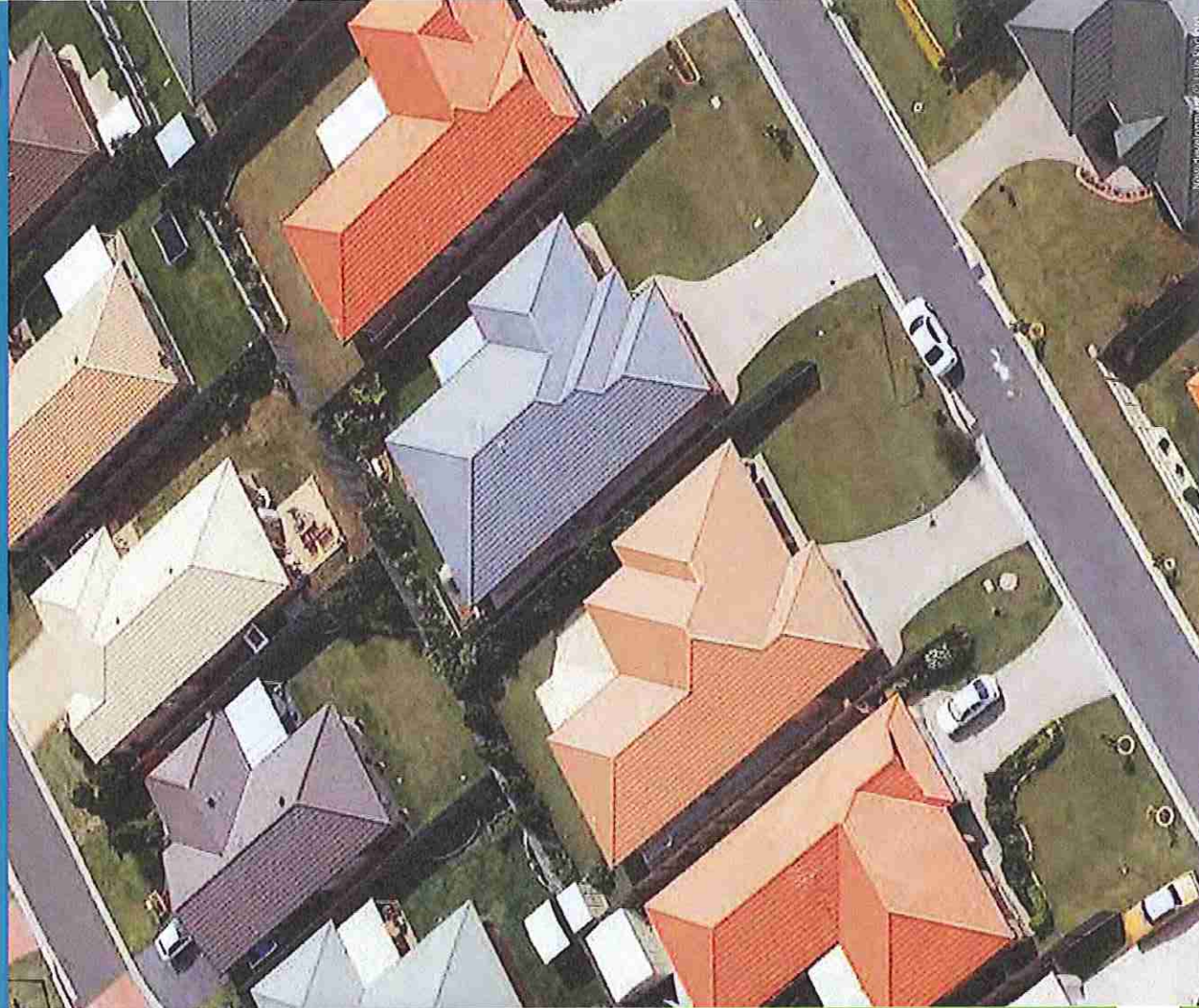
Robert Clarke Builders Pty Ltd, a locally owned and operated building construction business on Thursday Island, won a \$4 million Queensland Government contract to install air conditioning and undertake an electrical upgrade for the local State High School.

Owners Robert and Debra Clarke were delighted to be awarded the local Department of Housing and Public Works contract.

*"Picking up extra tips and hints from attending the Tendering for Government Business workshop, increased our chances of winning the contract. We are grateful that Michael Lee from the Department of State Development, Infrastructure and Planning, came to Thursday Island to deliver the workshop," Debra said.*

The business employed local residents through Construction Skills Queensland to complete the project.

# BETTER PLANNING







*We are reforming the state's land use planning and development assessment system to make it the best in Australia. Central to these reforms is empowering local governments to better plan for their communities.*

## New development assessment system brings benefits

The State Assessment and Referral Agency (SARA) was created in July 2013 to help simplify and improve Queensland's planning and development system. Prior to the introduction of SARA, the state's development assessment process was shared across eight different departments. SARA means applications only need to go to one department, cutting red tape and waiting times for approvals for developments which contribute to employment generation, construction and stimulate economic activity.

SARA was recognised at the Planning Institute of Australia's (PIA) National Awards for 2014, winning the Improving Planning Processes and Practices category. This follows SARA's win in the same category at PIA Queensland's 2013 awards, where it also took out the overall prize for Excellence in Planning. Success stories from across the state include:

- Previously individuals on waterfront lots had to wait months for approval to construct a private pontoon. SARA now provides councils with responses within 24 hours, a crucial step in their overall approval process.
- Drought-affected farmers previously faced with a complex approval system can now receive SARA approvals for water bores on their property within one day of lodging their applications.



■ Reinstating the platform at the lifesaving tower on Mooloolaba Beach required an operational works permit; this application was expedited through SARA in time for the 2013–14 summer season.

■ SARA coordinated a complex assessment and issued approvals for the regeneration of the Queen Victoria Jubilee Technical College in Ipswich, which will preserve the site's heritage values while avoiding time-consuming disputes.

■ The proponents of a Balonne grain silo saved \$30 000 in application and consultancy fees by using SARA.

■ Brisbane Airport Corporation received approval to commence operational works for the construction of the new parallel runway in record time. The approval process was reduced by several weeks representing savings of hundreds of thousands of dollars.

While SARA is one of the most efficient and effective planning and development assessment systems in Australia, it will continue to evolve and improve. To read more go to: [www.dsdp.qld.gov.au/sara](http://www.dsdp.qld.gov.au/sara)

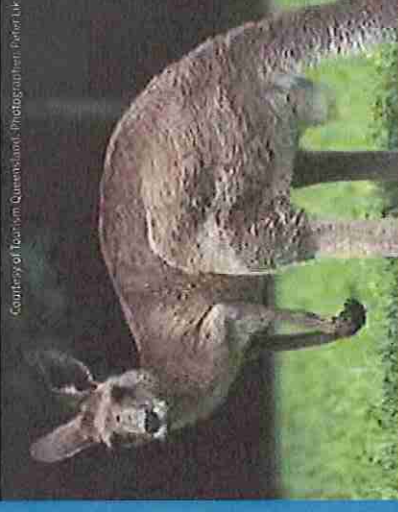
## Brisbane Airport Corporation



*"What an absolutely marvellous outcome for our project. With the certainty of this approval change decision, the mooring construction contractors can now safely plan their deployment for as early as next week and allow the project to maintain its program on this vital component in preparing for the dredge to arrive mid-year. Thank you so much for your assistance in this matter."*

Karyn Rains

Communications and Approvals Manager  
New Parallel Runway Project  
Brisbane Airport Corporation Pty Limited



Courtesy of Tourism Queensland. Photographed by Peter Luk

## SARA facilitates smooth move for Alma Park Zoo

SARA was recently praised for its role in facilitating the move of Alma Park Zoo to Logan, bringing with it 160 jobs and \$48 million in investment during construction.

Planning and Development Committee chair Councillor Cherie Dalley said: "Council has collaborated with the State Assessment Referral Agency to ensure a great outcome for the city. This collaboration helped address the key planning considerations including hours of operation, earthworks, floodplain and wetland management, parking and a range of other issues."

Note: Alma Park Zoo is currently closed until the construction of the new zoo in Logan is complete. The animals are being looked after by Queensland Zoo near Nambour.





## Economic Development Queensland

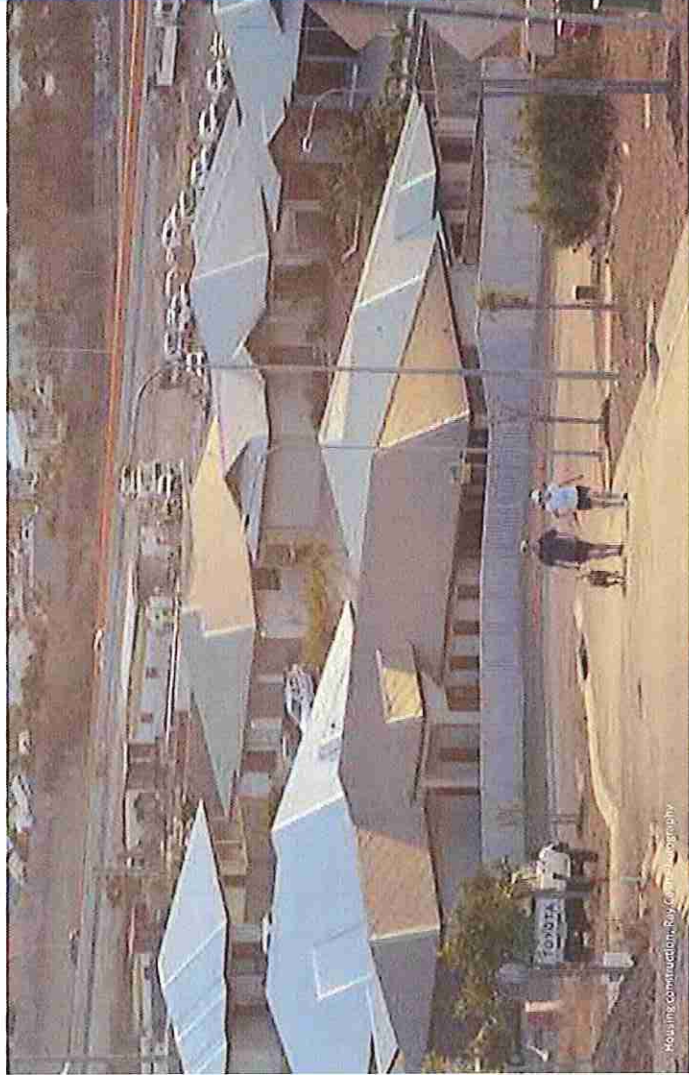
Economic Development Queensland (EDQ) is continuing to streamline and fast-track developments and undertake strategic planning for priority development areas. We are achieving this by:

- developing over 30 industrial and residential projects throughout the state
- fast-tracking four large master planned residential communities in South East Queensland
- assisting local authorities utilise the provisions of the *Economic Development Act 2012* to unlock projects for private investment
- delivering catalyst infrastructure by overcoming development constraints.

EDQ is also responsible for delivering key projects including the Commonwealth Games Village, and the Northshore Hamilton and Yeerongpilly urban villages.

EDQ will roll out the government's new co-investment infrastructure program with industry and local authorities, to identify priority development infrastructure that will unlock land and lead to increased economic development outcomes.

For more information about these projects visit us online at: [www.edq.qld.gov.au](http://www.edq.qld.gov.au)



Housing construction, Rydges, Brisbane, Queensland

## Bells Reach provides a great lifestyle near Caloundra

Stockland, Queensland's largest residential developer, has been working with DSDIP to secure the required development approvals for its award-winning Bells Reach and future Caloundra South communities.

Caloundra South is a true 'city building project'—a network of inter-connected villages with a thriving urban city centre as its central focus and the future home to 50 000 people.

Bells Reach is essentially the first village or stage of Caloundra South. It was launched, after EDQ nominated the site as an early release area and fast-tracked the delivery of affordable housing to the Sunshine Coast market.

Without EDQ's ongoing support for Stockland's vision for Bells Reach, the outcomes would not have materialised. The key outcomes delivered include the:

- approval and development of over 400 home sites
- the completion and opening of the award-winning Blue Park and adventure playground which recently received the Best New Children's Playground Award from Landscape Queensland
- the delivery of the Bower Series urban terraces, winner of the UDIA State and National Affordable Housing Awards
- the ongoing delivery and evolution of the Bower Series and other affordable, high quality housing options.

*"Stockland's experience with EDQ on all projects, including Bells Reach, has been extremely positive. They have not only reduced traditional approval timeframes, but have also simplified the process and been a true partner with us in developing innovative and commercially viable development outcomes that meet and exceed market expectations."*

**Ben Simpson**

Regional Manager - Sunshine Coast, Stockland







## Technology park suits industry

*"Brisbane and Technology Precincts (BTP) was appointed by EDQ to establish a state-of-the-art Business and Technology Precinct within Northshore Hamilton to set new standards for office accommodation in Brisbane. The Precinct—BTP Northshore—is strategically located between the CBD, Australia Trade Coast and Brisbane Airport."*

*"EDQ has assisted with the delivery of the Precinct through the implementation of a streamlined and efficient town planning process, and offered additional support through inclusion in marketing activities which have provided BTP Northshore with exposure on an international scale."*

*"Our strategic partnership with EDQ is expected to encourage new and existing biotech, health and medical, mining, communications, electronics and software development, and other companies to establish themselves within the Precinct. The Precinct's relationship with EDQ helps provide companies with the confidence and support through a stable platform encouraging growth and innovation."*

Chris Slack  
Director, Alceon QLD Pty Ltd



BTP Northshore Hamilton conceptual drawing

## Creating a stronger South East Queensland

Southport, Toondah Harbour and Weinam Creek are three of six priority development areas (PDAs) declared by the Deputy Premier and Minister for State Development, Infrastructure and Planning Jeff Seeney since 1 February 2013 to streamline planning and fast-track development in key areas in Queensland.

### Southport CBD

The Southport CBD was announced as the future centre for commerce for the city when the 196 hectare Southport PDA was declared, following a request from the City of Gold Coast.

The PDA declaration has significantly boosted council's plans to revitalise Southport, by enabling it to cut red tape and streamline development decisions, as well as create capacity for jobs and developer confidence in the CBD.

This PDA is located over the existing Southport CBD and includes the former Gold Coast hospital site, Broadwater Parklands and existing residential, retail and commercial areas.

In keeping with the government's commitment to re-empower local government, the City of Gold Coast is leading this project, with support from EDQ, to deliver a dynamic and unique CBD, capitalising on Southport's strong economic future and building on the International (Chinatown) Zone, which is a hub of innovative business, economic activity, employment, entertainment and leisure.

EDQ worked with council to prepare an interim land use plan to guide development while the development scheme, the overarching planning document for the area, was finalised.

### Redland City

Families in the Redland Shire will enjoy vibrant new waterfront communities with the development of two key sites. Toondah Harbour and Weinam Creek were declared PDAs at the request of Redland City Council (RCC) in June 2013.

Since this declaration RCC and EDQ have been working collaboratively on the project, including undertaking a range of community engagement activities. They have now consulted with industry to assist in realising the vision for these sites to create dynamic waterfront precincts for families to enjoy and to help grow the local tourism industry.

Desired outcomes for Toondah Harbour include enhancing the site as the gateway to Moreton Bay and North Stradbroke Island by creating a new plaza and passenger ferry terminal, marina precinct and mixed use urban village.

At Weinam Creek, as the gateway to the Southern Moreton Bay islands, there is potential for a new waterfront esplanade and public space with cafes and apartments to attract locals and tourists, as well as a marina.

*"These are the two most exciting projects to ever take place in the Redlands. This is our chance to sell the Redlands to the world to secure the investors needed to make these projects a reality. All of this will be balanced with community open space and parks that will enhance the bayside location."*

Karen Williams  
Redland City Mayor  
Visit [www.edq.qld.gov.au](http://www.edq.qld.gov.au) for more information



# ENCOURAGING DEVELOPMENT



*In championing the needs of business we look for creative, innovative and sustainable solutions to continue to drive growth and development.*

## Taking care of business

DSDIP works proactively with companies looking to establish or expand in Queensland.

Our industry case managers are a 'one-stop-shop' to address issues inhibiting establishment or expansion. They provide support to ensure that project establishment approvals are achieved and potential delays and costs are minimised. They also offer site-specific assistance and a range of other services including cultural heritage and native title matters.

Where relevant, the case managers can liaise across state government agencies to fast-track projects and propose regulatory improvements for government consideration.



© The State of Queensland. Photographer: Tony Phillips and Gold Coast Tourism

## Brisbane now home to OHL's Asia-Pacific Head Office

OHL is one of the world's leading infrastructure construction and concession businesses and operates in 20 countries. OHL ranks in the world's top 40 concession operators and is the 28<sup>th</sup> largest international contractor. The company monitored activity in Australia and saw there was an opportunity for Australia to become the Asia-Pacific Regional Headquarters for the group.

OHL has specific interests in projects related to civil infrastructure, particularly transport infrastructure (roads, rail, airports, ports) where OHL is a world leader as well as in hospital design and construction. OHL considered Queensland, NSW and Victoria potential locations to set up its Australian presence. The department's industry case managers provided a business case, investigated and shortlisted several potential office locations (based on client specifications) and made industry introductions.

Consequently Brisbane is now home to its Asia-Pacific Head Office with 45 employees in Brisbane plus 150 employed on current project sites, and actively recruiting for more. OHL's Manager for Southern Hemisphere operations, Antonio Jane, relocated to Brisbane from Santiago.

The Brisbane office is delivering projects in Mackay, Sydney and New Zealand and the company is considering a future office in Central Queensland and pursuing public private partnerships.





## Southern Oil Refining sets up shop in Gladstone

Southern Oil Refining services the mining, agriculture and automotive sectors by recycling waste lubricant oil. Southern Oil formed a joint venture with waste management firm JJ Richards to build a business case for a new lubricant oil refinery in Northern Australia, either in Queensland or Western Australia.

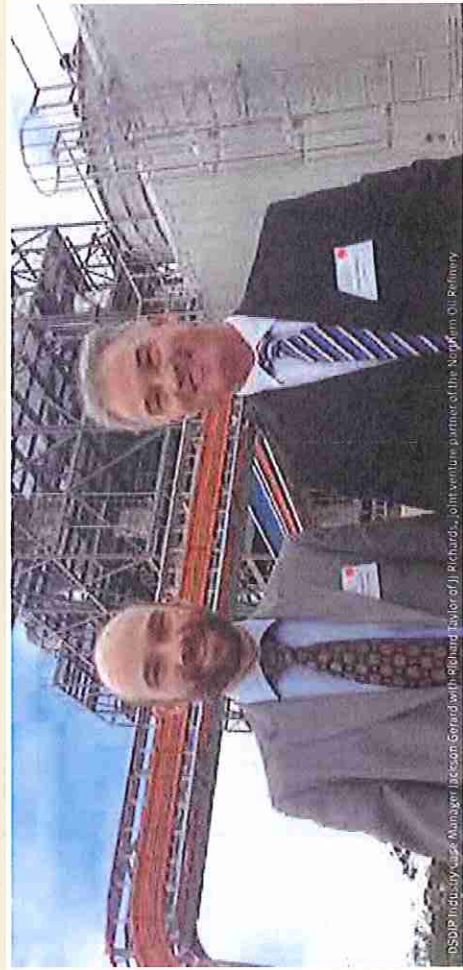
Following DSDIP's assistance, the proponents decided to build their new refinery, the Northern Oil Refinery, in the Gladstone State Development Area.

Assistance included preparing a tailored business case; visits to three regional centres (Mackay, Emerald and Gladstone); introduction to regional agencies; development approvals; resolving land purchase issues, and helping to reduce trunk infrastructure costs.

*"We started the process of looking for sites to build a new refinery in Australia. DSDIP made the decision an easy one for us. They reviewed a number of sites meeting our requirements, took us to those potential sites and organised meetings with the local authorities and other stakeholders. Once we had decided on a site in Gladstone they shepherded us through the planning and approvals process making certain that the process was as painless as possible at every step. I cannot speak highly enough of their assistance in this regard and do not hesitate in recommending them for anyone considering investing in Australia."*

### Tim Rose

Managing Director, Southern Oil Refining Pty Ltd



DSOIP Project Case Manager Jackson Grounds with Tim Rose of JJ Richards, a joint venture partner of the Northern Oil Refinery

## Coordinator-General delivers winning assessments

The Office of the Coordinator-General (OCG) has streamlined assessment processes to improve the planning, delivery and coordination of the large-scale infrastructure projects that drive the economic growth of Queensland.

From April 2012 to early June 2014, 300 statutory decisions were made—a decision rate 2.5 times greater than before. This reform, through a Fast Tracking Action Plan, has seen a 55 per cent reduction in environmental assessment times in the past two years.

This translates to a total Environmental Impact Statement (EIS) assessment time of less than two years from start to finish. Previously EISs took more than four years.

Since April 2012, the Coordinator-General approved 12 projects worth almost \$60 billion and with the potential to create more than 37 000 construction and operational jobs.

Project	Capital expenditure \$B	Construction jobs	Operational jobs
Alpha Coal	6.4	3600	990
Carmichael Coal Mine and Rail	16.5	2475	3920
Cross River Rail <sup>1</sup>	6.4	2200	230
Ella Bay Integrated Resort	1.4	404	802
Galilee Coal	6.4	3500	2325
Gold Coast International Marine Precinct	0.390	2353	2700
Gold Coast Quarry	0.160	246	24
Great Keppel Island Resort	0.592	427	1055
Kevin's Corner	4.2	1800	1600
Shell Australia LNG (Arrow LNG Plant)	15	3715	450
Shute Harbour Marina	0.252	107	245
South of the Embley	1.45	950	1275
<b>Total</b>	<b>59.144</b>	<b>21 777</b>	<b>15 616</b>

<sup>1</sup>Note: This CRR project assessed was the previous government's rail proposal. The current government's Bus and Train (BAT) project is a separate proposal currently going through an EIS

For project updates go to: [www.dsdiq.qld.gov.au/coordinator-general/](http://www.dsdiq.qld.gov.au/coordinator-general/)





## Defence Industries Queensland

Defence Industries Queensland (DIQld) created by the current state government and spearheaded by Queensland's first defence envoy Lindsay Pears, is the state's focal point for defence industry support.

DIQld is lifting the strategic profile of the state's defence capability, boosting growth in the local defence sector, and driving defence investment in Queensland. It will also build capabilities and connect those within the industry to take advantage of national and international supply chain opportunities.

The unit will support Queensland-based companies and facilitate opportunities and investment in the following areas:

- land, sea and air defence
- border protection (patrol boats, planes and unmanned aircraft systems)
- national/international security (communications, protective armour, uniforms and vehicles)
- company engagement with the Defence Materiel Organisation, Australian Defence Force, other related Commonwealth agencies and international in-market partners.

Through DIQld, we are continuing to proactively engage with defence to ensure the state continues to play a strategic role in supporting Australia's defence force.

For more information visit [www.defenceindustries.qld.gov.au](http://www.defenceindustries.qld.gov.au)

## Aluminium Boats Australia (ABA) scores hit with defence contracts

Aluminium Boats Australia (ABA), based at Hemmant, Brisbane, has almost doubled its workforce in the past year as it has secured a number of Australian Defence Force contracts. The shipbuilder employs 160 people and has been working on Armidale Class patrol boats. It also has a contract to supply three command and control boats for the Queensland Police Service.

*"DS DIP's Defence Industries Queensland (DIQld) has played an invaluable role in supporting the company over the past year. Our growing reputation and credibility in the defence space can largely be put down to DIQld."*

*"From the outset there has been genuine interest shown in us."*

*"At the Pacific 2013 conference in Sydney, the DS DIP team facilitated some excellent meetings with key defence players, and subsequently has helped further develop those contacts."*

**Andrew Lawson**

Chief Executive, Aluminium Boats Australia

## Wundies to take on the world

Loganholme based Merino Country has delivered more than 120 000 garments—mainly woollen underwear marketed as Wundies—to the Australian Department of Defence, as well as supplying more than 10 000 retail customers. Merino Country uses Australian Merino wool, with all garments produced in its Queensland factory, where it employs up to 15 people.

*"DS DIP, through Defence Industries Queensland, has actively assisted us with networking and linking our small business with defence-related industries."*

*"They have also assisted us in attending defence conferences, trade shows and forums, while keeping us up-to-date with the latest industry news."*

*"Merino Country and Wundies are often mentioned by Queensland Government representatives in relation to niche products and manufacturing in Australia that provides quality products while employing local people."*

*"This support has helped raise our profile, and expand our networks, knowledge and markets."*

**Kerrie Richards**

Managing Director, Merino Country







## Mary Valley: economic and community renewal

A sense of community, jobs and a revitalised economy are returning to the Mary Valley as the state government delivers on its commitment to return government-owned land to private ownership following the cancellation of the Traveston Crossing Dam proposal.

DSDIP's Mary Valley Economic Development Strategy, launched in July 2012, has seen the staged release of properties to the market through auctions and open listings, and the creation of jobs through economic development projects.

With more than 300 properties sold or under development lease valued at \$92.7 million (as of 30 June 2014), the valley is back on track to once again become a thriving community.

To keep up to date on the valley's revitalisation visit [www.maryvalleyproperty.com](http://www.maryvalleyproperty.com) or like us on [www.facebook.com/growwiththefarmvalley](http://www.facebook.com/growwiththefarmvalley)

## Chamber of Commerce sees sustainable recovery

*"I have been working closely with DSDIP over the past 18 months to return economic prosperity to businesses and the broader Mary Valley community. Shortly after the economic redevelopment project commenced, quick results were achieved and the feeling within the community shifted from pessimism to optimism."*

*The short-term approach to the Mary Valley problem would have been to sell state-owned land to anyone who had the resources to purchase it. But the department recognised there was an opportunity for positive change and proposed a more strategic approach where the outcome would be a long-term sustainable economic base.*

*To diversify the land use is more difficult however the process undertaken, in my opinion, has been an inclusive one, well planned and ethically applied. As a representative of the Chamber of Commerce representing the Mary Valley business community, DSDIP have worked well with us and we feel that there is a long-term sustainable recovery just around the corner."*

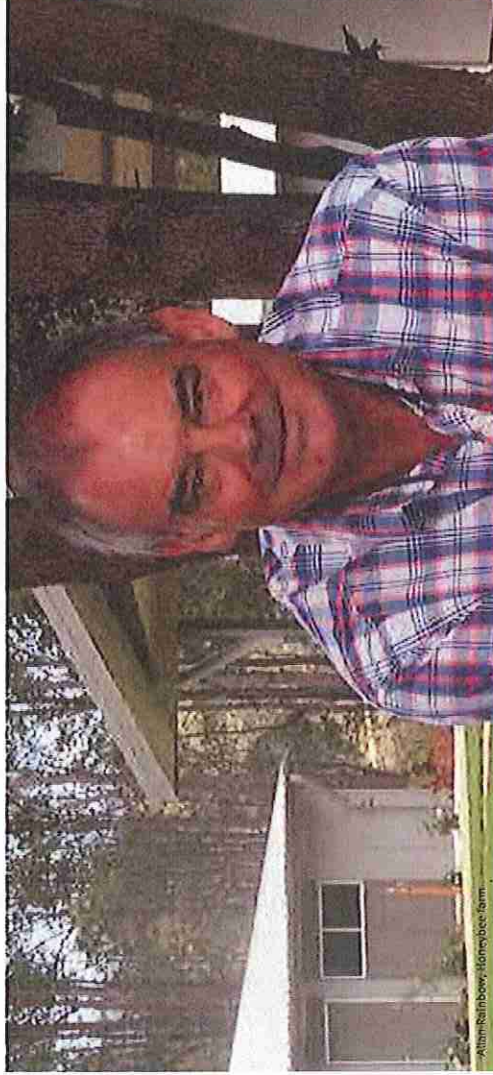
**Les Fleet**

President, Mary Valley Chamber of Commerce





# MAJOR PROJECTS



Allan Rainbow, Honeybee Farm

## Honeybee Farm provides welcome respite

Honey Bee Farm, a facility providing farm stay accommodation for people with a disability and their carers, opened its doors to its first guests just nine months after taking up a development lease from the Queensland Government.

The facility boasts nine cabins with a capacity for 24 people, along with a central communal area with kitchen, dining and laundry facilities. It has a capital spend of more than \$1.5 million and will directly employ five people. It is a tribute to the energy of the founders—Allan Rainbow and Phil Browne.

The farm makes the most of the valley's peaceful, natural environment and recreation opportunities. Activities include tending to farm animals, bird watching, gardening and sporting activities nearby such as sailing, horse riding, bowls and golf.

Gympie Regional Council was granted a material change of use and the farm was converted to freehold tenure in January 2014. Allan and his team have poured enormous energy into construction, painting and landscaping the property and he is confident the demand for respite care for people with a disability will attract guests from across Queensland.

*"We're not trying to make a huge profit but this business does survive without subsidy, and we have no doubt from the initial interest that the business will go well," Allan said.*



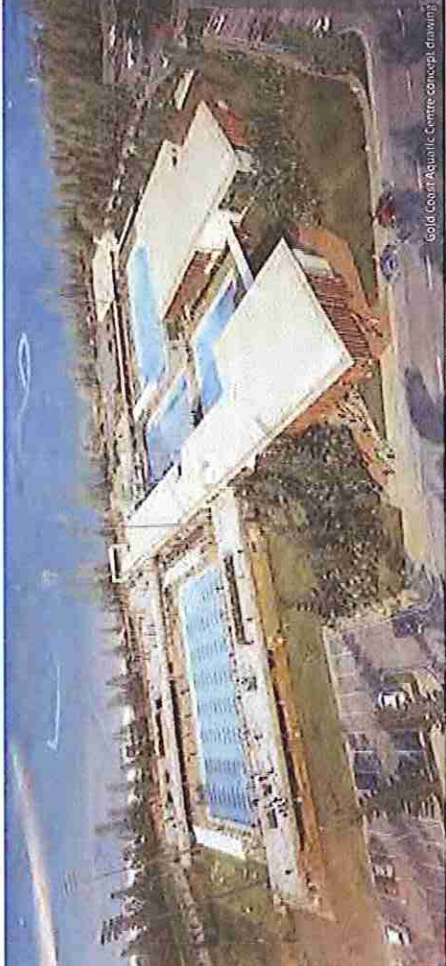


*The Major Projects Office facilitates, manages and delivers high priority and complex infrastructure and property projects, and collaborates with the private sector to deliver government objectives through private sector investment and development.*



Some projects at a glance

Hotspots		Current total budget
Integrated Resort Developments		Private industry funded
Mission Beach Safe Boating Infrastructure		\$16 million
Queen's Wharf Brisbane		Private industry funded
Gold Coast 2018 Commonwealth Games™ venues	– Gold Coast Aquatic Centre	\$41.39 million
	– Queensland State Velodrome	\$55.30 million
	– Carrara Sports and Leisure Centre	\$97.37 million
	– Coomera Sports and Leisure Centre	\$38.87 million
Gold Coast Hospital Demolition		\$17.12 million
Kurilpa Riverfront Renewal		\$200 000
Mary Valley Heritage Railway		\$2 million
Mary Valley Economic Development Strategy		Sale of properties
Queensland Fluoridation Capital Assistance Program		\$58.65 million



Gold Coast Aquatic Centre concept drawing

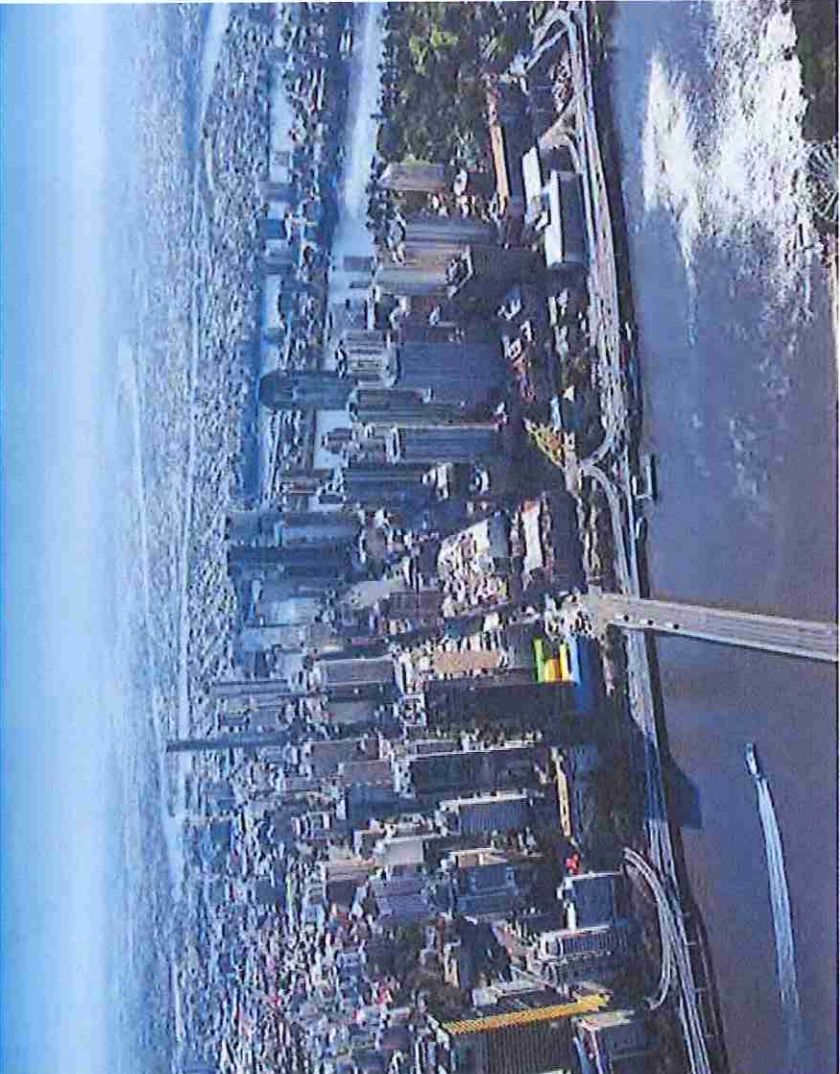
Queen's Wharf Brisbane: a vibrant riverfront precinct

Queensland's construction and tourism industries will be boosted as the state government transforms state-owned land in the Brisbane CBD into a unique and vibrant world-class precinct.

DSDIP is overseeing the development of Queen's Wharf Brisbane—the area between the Brisbane River and George, Alice and Queen streets—into an internationally recognised precinct which may include six-star hotels, retail, restaurant and entertainment zones, theatre and convention facilities, and new open spaces.

The precinct will be a drawcard for international and domestic visitors, as well as providing employment for Queenslanders.

Visit [www.dsdiq.qld.gov.au/qwb](http://www.dsdiq.qld.gov.au/qwb) or like us on [www.facebook.com/queenswharfb Brisbane](https://www.facebook.com/queenswharfb Brisbane)







## Gold Coast 2018 Commonwealth Games™

### Full speed ahead for venues

In preparation for Gold Coast 2018 Commonwealth Games™ (GC2018), DSDIP is responsible for delivering three new world-class competition venues and major upgrades to a further eight venues that will provide world-class sport and community facilities for South East Queensland.

This \$320 million investment into sport and community infrastructure over the next four years will generate more than 1000 jobs during design and construction and will drive long-term economic benefits by attracting elite athletes and events to Queensland for decades to come.

The Gold Coast Aquatic Centre redevelopment was the first GC2018 venue to be completed

in June 2014. Local industry participation in this \$41 million project was high, with more than 90 per cent representation from South East Queensland.

DSDIP has released a venue delivery program that provides a road map for how new and upgraded venues will be delivered well ahead of GC2018.

Construction of three new venues including the Carrara Sports and Leisure Centre, Coomera Sports and Leisure Centre and the new Queensland State Velodrome is scheduled to commence in late 2014.

Early planning for venues including the hockey centre, mountain bike track, bowls club and shooting range is now underway.

More information is available at [www.dsdiq.qld.gov.au/gc2018](http://www.dsdiq.qld.gov.au/gc2018)

## Milestones stack up for Village

On 1 February 2013, the Queensland Government declared its first priority development area (PDA) at Parklands and established the Commonwealth Games Infrastructure Authority to oversee the planning, development and delivery of facilities for GC2018.

The 29 hectare Parklands PDA is state-owned freehold land selected as the site for the Commonwealth Games Village (CGV) and earmarked for future mixed-used development and master planned residential community.

On 1 October 2013, the land at Parklands was transferred to EDQ for redevelopment—beginning with the construction of the CGV.

As well as facilitating the delivery of sporting venues for GC2018, DSDIP is responsible for planning and overseeing the delivery of the CGV which will accommodate 6500 athletes and team officials.

A development scheme for the Parklands PDA was finalised by the State in December 2013 following extensive consultation with the City of Gold Coast. This development scheme will guide future development of the site and was the first to be approved under the *Economic Development Queensland Act 2012*. On 27 June 2014, the master plan for the Parklands redevelopment was approved by the State.

The redevelopment of Parklands is one of the most significant urban renewal projects ever undertaken on the Gold Coast.

The CGV, which is to be delivered by Grocon, will inject an estimated \$500 million into the local economy and generate more than 1500 jobs during construction. Work on this project starts in 2015.

The project is expected to deliver economic benefits, industry stimulus and generate employment for the community.

## BDA Architecture plans a prime sports precinct for Coomera

*"As a long-established Gold Coast architectural practice, BDA Architecture has been excited to have the opportunity to help deliver a key part of the Commonwealth Games facilities for our city."*

*"Our commission, the Coomera Sports and Leisure Centre, will be an important part of the Commonwealth Games legacy for the Gold Coast community. It will provide significant 'grass roots' recreational facilities in the growing Coomera area to complement existing playing fields and local sporting clubs."*

*"The project is still in the early design stages. However, working with our specialist sporting facilities design partner, Peddle Thorpe Architects from Melbourne, we have already seen a knowledge transfer, which will assist our team of Gold Coast consultants to pursue future opportunities for design of significant sporting facilities - both locally and internationally."*

*"We look forward to ongoing documentation and construction phases of the project."*

*"Importantly, we understand that locally based builders and suppliers will be given opportunities to help deliver the project, and I am sure that the delivery of this project will provide a great boost for the local construction industry."*

**Peter Devenport**  
Managing Director, BDA Architecture

Coomera Sports and Leisure Centre concept drawing



## Major Projects Conference

The Major Projects Conference Queensland is the state's premier infrastructure and resource industry event. Now in its 13th year, the conference is a highlight on Queensland's events calendar.

Each year distinguished speakers share their insights about current and future infrastructure projects that are under study, committed or under construction, and discuss industry trends and government initiatives. It brings together more than 800 delegates from a range of industry sectors and government.

Conference details are available at [www.mpc.qld.gov.au](http://www.mpc.qld.gov.au)



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## Bowen Basin population report, 2013

### Introduction

The *Bowen Basin Population Report, 2013* (the report) provides estimates of the non-resident population of fly-in/fly-out and drive-in/drive-out (FIFO/DIDO) workers who were on-shift in the region during the last week of June 2013. Information regarding the supply and take-up of commercial accommodation utilised by these workers is also summarised. The report is supplemented by detailed data tables, including time series data, which are available on the Queensland Government Statistician's Office (QGSO) website ([www.qesr.qld.gov.au](http://www.qesr.qld.gov.au)).

The Bowen Basin's non-resident population comprises people working in the mining and gas industries, construction workers, and associated sub-contractors.

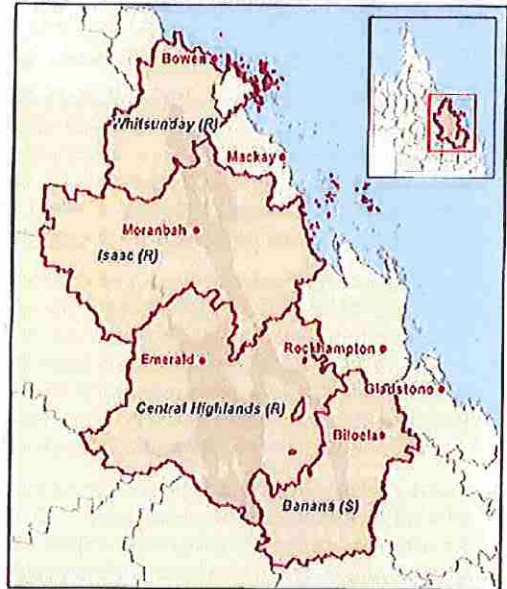
Non-resident workers are not included in estimated resident population (ERP) data released annually by the Australian Bureau of Statistics (ABS). As a result, the full-time equivalent (FTE) population estimates presented in this report, which combine the resident and non-resident populations, provide a more complete indicator of total demand for certain services than either measure used alone.

### Key findings

Key findings of this report include:

- Around 22,900 non-resident workers on-shift were counted in the Bowen Basin at the end of June 2013, an estimated 2,135 persons (or 9%) fewer than in June 2012.
- Completion of construction projects, mine closures and workforce restructuring contributed to this decline. Job losses in coal mining and construction were balanced to some extent by a growing coal seam gas (CSG) industry workforce in the southern Bowen Basin.
- Banana (S) was the only LGA in the Bowen Basin to record an increase in its non-resident population, growing from 1,590 persons in 2012 to 2,750 in 2013.
- The number of non-resident workers on-shift accommodated in towns fell by 3,780 persons across all LGAs in the Bowen Basin. Losses were highest in Isaac (R) at 2,185 and Central Highlands (R) at 1,220, while Whitsunday (R) (Bowen only) fell by 275 persons. In contrast, the non-resident population living in rural areas increased by 1,645 persons, largely in Banana (S) (1,260) and Central Highlands (R) (375). Most of these were crews engaged in the CSG industry and road works.
- Non-resident workers on-shift were estimated to make up more than one-fifth (21%) of the Bowen Basin's FTE population of 106,975 persons at the end of June 2013.
- An estimated 21,205 non-resident workers on-shift (or 93% of the total) were accommodated in worker accommodation villages (WAVs) across the Bowen Basin in June 2013, compared with 88% in 2012.
- Increased usage of WAV accommodation and reduced numbers of non-resident workers accommodated in towns led to a marked increase in the number of vacant and available hotel/motel rooms in 2013, most notably in Central Highlands (R) and Isaac (R).

Figure 1: Bowen Basin region



#### The Bowen Basin — at a glance

The Bowen Basin (Figure 1) is Queensland's most important source of export coal, with 41 mines in production in late June 2013. The region comprises the local government areas (LGAs) of Banana (S), Central Highlands (R), Isaac (R) and Whitsunday (R) (Bowen only)<sup>1</sup>.

#### Population at June 2013:

Non-resident workers on-shift.....	22,900
Resident population estimate .....	84,080
Full-time equivalent population .....	106,975

<sup>1</sup> Whitsunday (R) (Bowen only) comprises the Statistical Areas Level 2 (SA2s) of Bowen and Collinsville, which cover the area of former Bowen Shire.



**Bowen Basin update, 2012-13**

As at June 2013, a total of 41 surface and underground coal mines were in production across the Bowen Basin (DNR, 2013c). These included the new Daunia mine (BHP Billiton Mitsubishi Alliance (BMA)), which commenced production in early 2013. Significant expansions were fully completed or almost completed at Ensham mine (Ensham Resources), Curragh mine (Wesfarmers Curragh), Kestrel mine (Rio Tinto Coal Australia), and Lake Vermont mine (Jellinbah Group). Construction of two coal projects was well advanced by June 2013 (Caval Ridge mine (BMA) and Grosvenor mine (Anglo American)), while early works on a third (Eagle Downs mine (Eagle Downs Coal Management)) slowed in response to perceived softness in the coal price environment (Aquila Resources, 2013).

Saleable coal production in the Bowen Basin, particularly metallurgical coal, improved over the year, with Queensland's largest producer reporting 2012-13 production of 37,650,000 tonnes, 13% higher than the preceding year (BHP Billiton, 2013). A number of mining operations in the Bowen Basin made workforce adjustments in 2012-13, with a focus on lowering input costs to production. Along with job shedding, these adjustments included transitioning production workforces from contractor-operated to owner-operated modes (Leighton Holdings, 2013; The Australian, 2012). Two mines (Gregory mine (BMA) and Blair Athol mine (Rio Tinto Coal)), ceased production and were placed in care and maintenance in October 2012 and November 2012 respectively.

Total reported workforces for operating coal mines and coal projects in the Bowen Basin decreased from 39,690 in June 2012 to 34,890 in June 2013 (DNR, 2013a and 2013b)<sup>2</sup>. This net decline of 4,800 jobs takes into account the substantial completion of construction for Daunia mine, and winding down of construction workforces for mine expansions listed above. It also reflects changes that occurred in the production workforces of operating mines between years, including jobs lost to mine closures and workforce restructuring, as well as those gained through commencement of new mines and expansions. The workforce data reported by Department of Natural Resources and Mines (DNR) in June 2013 include the operating workforce of Collinsville mine (NCA Joint Venture), which subsequently closed in late August 2013 (Leighton Holdings, 2013).

Industry sources confirm that losses of production staff from workforce restructuring across the Bowen Basin were more likely to have affected contractors than permanent staff (QRC, 2012). As contractor workforces are more likely to be non-resident rather than resident, it is likely that many of the coal production jobs lost across the Bowen Basin during the year were held by non-resident workers. Similarly, any downturn in construction jobs would also have impacted more on the non-resident worker population, given the predominantly FIFO/DIDO nature of construction workforces. These patterns are consistent with the key finding of this report, namely that the size of the non-resident workforce on-shift in the Bowen Basin declined by 2,135 from the previous year.

Other changes to the Bowen Basin's non-resident population occurred between 2012 and 2013 that were not directly related to the coal industry. A substantial non-resident workforce was engaged in exploration, drilling and pipeline construction activities associated with CSG projects emanating from the adjoining Surat Basin. These workers were housed in temporary WAV accommodation constructed outside of Thangool and Theodore in Banana (S) and in the Arcadia Valley in Central Highlands (R), and in smaller mobile camps. Announcements from project proponents indicate that pipeline construction will be completed before mid-2014, so the majority of these non-resident CSG workers will not be present in the Bowen Basin next year.

The non-resident population of the Bowen Basin in 2013 was also boosted by sizeable numbers of workers engaged in road and infrastructure construction, many of whom were accommodated in temporary WAVs in Central Highlands (R).

**Non-resident workers on-shift**

QGSO's Survey of Accommodation Providers counted 22,900 non-resident workers on-shift in the Bowen Basin in late June 2013 (Table 1). Close to two-thirds of these (14,950 persons, or 65% of the regional total) were counted in the LGA of Isaac (R), with the remainder located in Central Highlands (R) (4,740 persons), Banana (S) (2,750 persons) and Whitsunday (R) (Bowen only) (460 persons).

The region's population of non-resident workers on-shift declined by 2,135 persons (or 9%) between June 2012 and June 2013. With the exception of Banana (S), all Bowen Basin LGAs recorded a fall in the number of non-resident workers on-shift. Completion of construction projects, mine closures and workforce restructuring contributed to losses in Isaac (R) (-2,180 persons, or -13%), Central Highlands (R) (-840, -15%) and Whitsunday (R) (Bowen only) (-275, -38%). Losses in the larger LGAs were moderated by new CSG industry workforces in Central Highlands (R) and growth in the construction workforce of Caval Ridge mine in Isaac (R).

In contrast to the other LGAs, the non-resident population of Banana (S) increased significantly in the year to June 2013 (1,160 persons, or 73%). This growth was predominantly due to the construction of CSG pipelines that link the Surat Basin

**Non-resident workers on-shift**

Non-resident workers are people who fly-in/fly-out or drive-in/driver-out (FIFO/DIDO) to work and live in the area temporarily while rostered on, and who have their usual place of residence elsewhere.

Due to shift arrangements, not all members of the non-resident workforce are present in the local area at one time. For that reason, figures given in this report refer to the number of non-resident workers on-shift, rather than total non-resident workforce numbers.

<sup>2</sup> Totals for both years exclude construction workforces for the Caval Ridge mine project, which were not reported by DNR in 2012.



gas fields to export facilities in Gladstone. The non-resident workforces of these pipeline projects are expected to decline with the completion of construction in the forthcoming year.

**Table 1: Non-resident workers on-shift, Bowen Basin LGAs**

LGA	2012	2013	Change, 2012 to 2013	
	— number —		— number —	— % —
Banana (S)	1,590	2,760	1,160	73
Central Highlands (R)	5,585	4,740	-840	-15
Isaac (R)	17,125	14,950	-2,160	-13
Whitsunday (R) (Bowen only)	735	460	-275	-38
<b>BOWEN BASIN TOTAL</b>	<b>25,035</b>	<b>22,900</b>	<b>-2,135</b>	<b>-9</b>

Figures in all tables have been rounded to the nearest five; see notes for details.

Source: QGSO, Survey of Accommodation Providers, 2012 and 2013

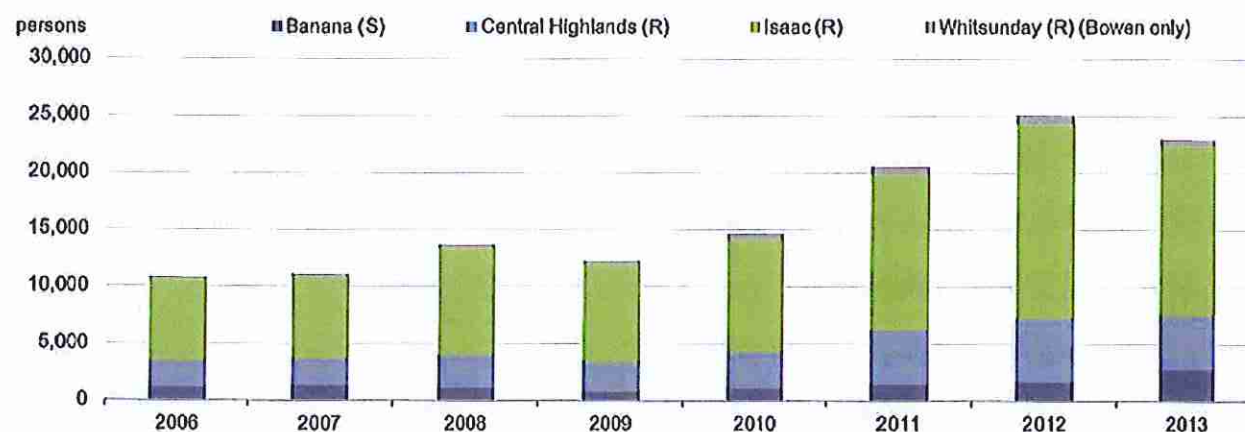
Time series data illustrate that the number of non-resident workers on-shift in the Bowen Basin has progressively grown since monitoring began in 2006 (Figure 2), reflecting the rapid expansion of coal mining operations in the region and increased utilisation of FIFO/DIDO workforces. These data provide a useful context for evaluating annual fluctuations in the size of the non-resident population, which is more volatile and subject to rapid change than the resident population.

Although the number of non-resident workers on-shift (22,900 persons) in 2013 was lower than the preceding year, it was higher than the figure recorded in 2011 (20,520 persons), and more than double that recorded in 2006 (10,765 persons). The steep increase in the non-resident population between 2010 and 2012 can be largely attributed to substantial numbers of short-term workers engaged in the construction of new mines, mine expansions and related infrastructure projects, as well as flood recovery and reconstruction work.

As Figure 2 shows, most of this growth occurred in the LGAs of Isaac (R) and Central Highlands (R). Notwithstanding the substantial impacts of workforce restructuring and mine closures, much of the decline in the non-resident population of those two LGAs in 2013 may be attributed to completion of this construction activity. Similarly, growth in the non-resident population of Banana (S) between 2012 and 2013 is largely due to the temporary construction workforces of CSG projects.

In this context, the decline in the Bowen Basin's non-resident population between 2012 and 2013 can be interpreted as being more consistent with a return to trend rather than a significant departure from previous estimates.

**Figure 2: Non-resident workers on-shift, Bowen Basin LGAs**



Non-resident workers on-shift time series data are available at <http://www.qcsr.qld.gov.au/products/tables/bowen-basin-non-resident-workers-onshift-lga/index.php>.

Source: QGSO, Survey of Accommodation Providers, 2006 to 2013



## Full-time equivalent population estimates

In June 2013, the Bowen Basin had an estimated FTE population of 106,975 persons, comprising an estimated 84,080 residents and 22,900 non-resident workers on-shift (Table 2). Non-resident workers made up more than one-fifth (21%) of the region's FTE population.

At the LGA level, Isaac (R) had the largest FTE population (39,165 persons), with 14,950 non-resident workers on-shift accounting for 38% of its total population. Five urban centres and localities (UC/Ls) (Figure 3) had non-resident populations of 1,000 or more in 2013 — Moranbah (3,745 persons), Coppabella (2,380), Dysart (2,205), Blackwater (1,715) and Middlesbrough (1,515).

In 2012–13, the FTE populations of rural areas in Banana (S) and Central Highlands (R) were boosted by non-resident workers engaged in CSG pipeline, exploration and drilling activities (1,915 and 2,015 persons respectively). Non-resident workers made up close to half of the rural FTE population of Isaac (R) (4,280 of 9,125 persons).

### Full-time equivalent (FTE) population

The FTE population measure is the sum of the resident population estimate (people who live in the area permanently) and the number of non-resident workers on-shift.

The FTE population provides a better measure of total demand for certain services and infrastructure in regions with a high incidence of FIFO/DIDO workers.

Table 2: FTE population estimates, Bowen Basin LGAs and selected UC/Ls, June 2013

LGA	Location <sup>(a)</sup>	UC/L	Resident population <sup>(b)</sup>	Non-resident workers on-shift	FTE population estimate
Banana (S)	In town	Baralaba	270	65	335
		Biloela	6,050	285	6,335
		Moura	1,785	460	2,230
		Other towns <sup>(c)</sup>	1,375	30	1,410
	Rural areas		5,535	1,915	7,450
<b>Banana (S) total</b>			<b>15,010</b>	<b>2,750</b>	<b>17,760</b>
Central Highlands (R)	In town	Blackwater	5,150	1,715	6,865
		Bluff	390	140	530
		Capella	985	85	1,070
		Duaringa	275	35	310
		Emerald	14,285	425	14,710
		Tieri	1,625	320	1,945
		Other towns <sup>(c)</sup>	2,255	10	2,265
	Rural areas		6,205	2,015	8,220
<b>Central Highlands (R) total</b>			<b>31,175</b>	<b>4,740</b>	<b>35,915</b>
Isaac (R)	In town	Clermont	2,415	60	2,470
		Coppabella <sup>(d)</sup>	660	2,380	3,040
		Dysart	3,180	2,205	5,385
		Glenden	1,400	295	1,695
		Middlesbrough	2,105	1,515	3,620
		Moranbah	9,120	3,745	12,865
		Nebo	490	475	965
	Rural areas		4,845	4,280	9,125
<b>Isaac (R) total</b>			<b>24,215</b>	<b>14,950</b>	<b>39,165</b>
Whitsunday (R) (Bowen only)	In town	Collinsville	1,565	460	2,020
		Other towns <sup>(c)</sup>	9,820	0	9,820
	Rural areas		2,295	0	2,295
<b>Whitsunday (R) (Bowen only) total</b>			<b>13,680</b>	<b>460</b>	<b>14,136</b>
<b>BOWEN BASIN TOTAL</b>			<b>84,080</b>	<b>22,900</b>	<b>106,975</b>

(a) Refer to notes for explanation of 'in town' and 'rural areas'.

(b) Queensland Treasury and Trade estimate.

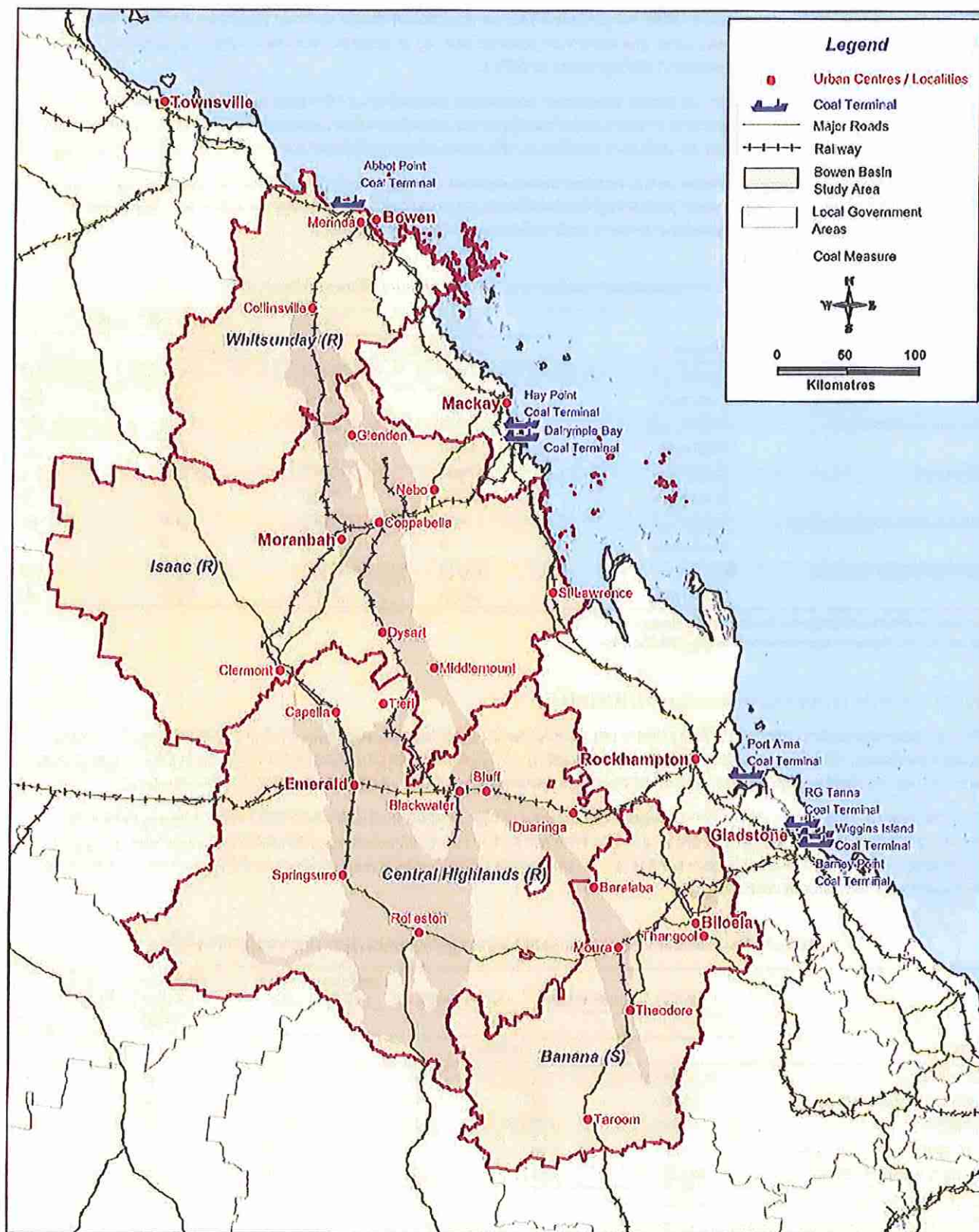
(c) UC/Ls with only one accommodation provider or fewer than 20 non-resident workers are aggregated in 'other towns'.

(d) Coppabella is not a designated UC/L. Resident population estimate is based on SA1 31201133810, which includes population outside of Coppabella village.

FTE population estimates for 2012 and 2013 are available at <http://www.oesr.qld.gov.au/products/tables/bowen-basin-fte-pop-estimates-ga-uc-l/index.php>.

Source: QGSO, Survey of Accommodation Providers, 2013.

Figure 3: Bowen Basin LGAs and selected UC/Ls



Source: QGSO, 2012



The number of non-resident workers on-shift living in towns across the Bowen Basin declined between 2012 and 2013 (-3,780 persons, or -20%), with decreases apparent in all LGAs (Table 3). In contrast, the non-resident population of rural areas grew substantially over this period (1,645 persons, or 25%).

Losses in the non-resident population of towns were most apparent in Isaac (R) (-2,185 persons) and Central Highlands (R) (-1,220 persons). Larger dormitory towns in both LGAs lost significant numbers of non-resident workers as a result of mine closures and workforce restructuring, as well as a winding up of construction workforces associated with mine expansions.

Banana (S) recorded a notable increase in the number of non-resident workers on-shift in rural areas between 2012 and 2013 (1,260 persons, or 193%), as did Central Highlands (R) to a lesser extent (375 persons, or 23%). The presence of large CSG pipeline, drilling and exploration crews in both LGAs boosted these numbers.

LGA	Location <sup>(a)</sup>	2012	2013	Change, 2012 to 2013	
		— number —		— number —	— % —
Banana (S)	In town	935	835	-105	-11
	Rural areas	655	1,915	1,260	193
Central Highlands (R)	In town	3,945	2,725	-1,220	-31
	Rural areas	1,640	2,015	375	23
Isaac (R)	In town	12,855	10,670	-2,185	-17
	Rural areas	4,275	4,280	5	0
Whitsunday (R) (Bowen only)	In town	735	460	-275	-38
	Rural areas	0	0	0	0
BOWEN BASIN TOTAL	In town	18,470	14,690	-3,780	-20
	Rural areas	6,565	8,210	1,645	25

Source: QGSO, Survey of Accommodation Providers, 2012 and 2013.

Worker accommodation villages (WAVs) remain the predominant type of accommodation utilised by non-resident workers across the Bowen Basin, housing 21,205 workers on-shift (or 93% of the total) in June 2013 (Table 4). Hotels/motels (1,040 persons, or 5%) and caravan parks and other accommodation (655 persons, or 3%) accounted for the remainder.

Over the year to June 2013, there was a substantial increase in the proportion of non-resident workers staying in WAVs across the Bowen Basin, rising from 88% in 2012 to 93% in 2013. The most notable growth occurred in Banana (S) (up 15 percentage points) and Central Highlands (R) (up 11 percentage points), reflecting the large numbers of CSG workers living in temporary WAV accommodation.

LGA	WAVs	Hotels/motels <sup>(a)</sup>	Caravan parks	Total non-resident workers on-shift	Non-resident workers on-shift in WAVs	
	2013				2012	2013
	— number —				— % —	
Banana (S)	2,395	170	180	2,760	72	87
Central Highlands (R)	4,300	325	115	4,740	80	91
Isaac (R)	14,285	305	360	14,950	94	96
Whitsunday (R) (Bowen only)	225	235	0	460	63	49
<b>BOWEN BASIN TOTAL</b>	<b>21,205</b>	<b>1,040</b>	<b>655</b>	<b>22,900</b>	<b>88</b>	<b>93</b>

Source: QGSO, Survey of Accommodation Providers, 2012 and 2013

## Queensland Government Statistician's Office

There were 79 WAVs in operation across the Bowen Basin in June 2013, a net gain of 10 WAVs from June 2012. Two facilities closed in Central Highlands (R) and Whitsunday (R) (Bowen only), while 12 new WAVs opened across the region.

The total capacity of WAVs across the Bowen Basin in June 2013 was 32,495 beds, an increase of 4,930 or 18% from 2012 (27,565 beds) (Figure 4). Of all LGAs, Isaac (R) recorded the largest increase in WAV capacity (2,230 beds), followed by Banana (S) and Central Highlands (R) (1,705 beds and 1,350 beds respectively). The number of WAV beds in Whitsunday (R) (Bowen only) fell by 355.

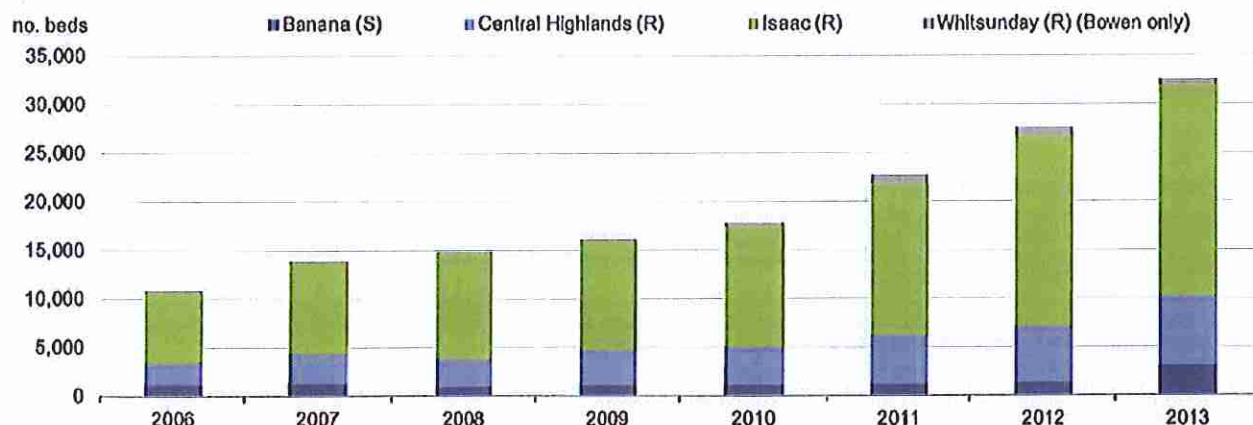
The total number of WAV beds in the Bowen Basin has increased by 21,705 since 2006, with more than two-thirds of this growth occurring since 2010 (14,700 additional beds).

**Worker accommodation villages (WAVs)**

WAVs, also known as single person quarters (SPQs) or worker camps, are commonly used to house unaccompanied non-resident workers. WAVs typically consist of demountable dwellings arranged in a village, with common messing, laundry and recreational facilities.

WAVs range from small, mobile drilling and exploration camps and temporary construction camps, to major, well-established villages of up to several thousand beds with a high standard of services and facilities.

Figure 4: WAV bed capacity, Bowen Basin LGAs



WAV bed capacity time series data are available at <http://www.cesr.qld.gov.au/products/tables/bowen-basin-wav-bed-capacity-lga/index.php>.

Source: QGSO, Survey of Accommodation Providers, 2006 to 2013

Of the 32,495 WAV beds in the Bowen Basin at the end of June 2013, 21,205 (or 65%) were occupied by non-resident workers, while 9,175 beds (28%) were vacant and available<sup>3</sup> (Table 5). The proportion of vacant and available WAV beds in the region rose sharply from 7% in 2012 to 28% in 2013. In Central Highlands (R) and Isaac (R) this increase reflects a combination of growth in WAV bed capacity and reduced numbers of non-resident workers on-shift. Availability increased in Banana (S) despite rapid growth in the number of non-resident workers on-shift in WAVs, demonstrating the magnitude of worker accommodation growth in this area. Conversely, reduced WAV bed capacity in Whitsunday (R) (Bowen only) did not lead to lower availability, due to the fall in non-resident workers on-shift.

Table 5: Vacant and available WAV beds, Bowen Basin LGAs

LGA	Occupied by non-resident workers	Vacant and available <sup>(a)</sup>	Balance <sup>(a)</sup>	Total WAV beds	Vacant and available WAV beds	
					2012	2013
					— % —	— % —
Banana (S)	2,395	560	65	3,020	3	19
Central Highlands (R)	4,300	2,395	515	7,210	9	33
Isaac (R)	14,285	5,960	1,500	21,745	6	27
Whitsunday (R) (Bowen only)	225	260	40	520	23	50
<b>BOWEN BASIN TOTAL</b>	<b>21,205</b>	<b>9,175</b>	<b>2,115</b>	<b>32,495</b>	<b>7</b>	<b>28</b>

(a) Refer to notes for explanation of 'vacant and available' and 'balance'.

Source: QGSO, Survey of Accommodation Providers, 2012 and 2013

<sup>3</sup> 'Vacant and available' refers to WAV beds and hotel/motel rooms that were not occupied by non-resident workers on-shift or other guests, and were vacant and available on the night of the survey. Refer to notes for further explanation.



## Queensland Government Statistician's Office

With a higher proportion of workers living in WAVs between 2012 and 2013 (88% and 93% respectively), the share of non-resident workers living in other forms of commercial accommodation fell across all LGAs in the Bowen Basin except Whitsunday (R) (Bowen only). As Table 6 shows, this decline was most apparent in the increased proportion of hotel/motel rooms that were vacant and available in June 2013, relative to the preceding year. Of particular note were the changes that occurred in Central Highlands (R) and Isaac (R), where the proportion of vacant and available hotel/motel rooms increased by 37 percentage points and 32 percentage points respectively.

Table 6: Vacant and available hotel/motel rooms, Bowen Basin LGAs

LGA	Occupied by non-resident workers	Vacant and available <sup>(a)</sup>	Balance <sup>(a)</sup>	Total hotel/motel rooms <sup>(a)</sup>	Vacant and available hotel/motel rooms	
					2012	2013
					— % —	— number —
Banana (S)	170	85	200	455	4	19
Central Highlands (R)	325	510	310	1,145	7	44
Isaac (R)	305	350	105	760	14	46
Whitsunday (R) (Bowen only)	235	40	0	275	6	14
<b>BOWEN BASIN TOTAL</b>	<b>1,040</b>	<b>985</b>	<b>615</b>	<b>2,635</b>	<b>8</b>	<b>37</b>

(a) Refer to notes for additional information on hotels/motels and explanation of 'vacant and available' and 'balance'.

Source: QGSO, Survey of Accommodation Providers, 2012 and 2013

## Notes

(S) – Shire (R) – Regional Council UC/L – Urban Centre/Locality

Data in this report are sourced from QGSO's Survey of Accommodation Providers. This collection counted non-resident workers staying in worker accommodation villages (WAVs), hotels, motels, caravan parks and other commercial accommodation on a medium to long-term basis during the last week of June 2013. Non-resident workers counted in the survey include FIFO/DIDO mining and gas industry employees and contractors, construction workers and associated subcontractors. Short-term and overnight visitors are not regarded as non-resident workers.

Data for non-resident workers on-shift presented in this report are a point in time measure, based on best information available at the time of survey. Non-resident worker numbers may vary in response to changing production demands, prevailing weather and industrial disputes. At the time of the 2013 survey, the number of non-resident workers on-shift in the Bowen Basin was unaffected by adverse weather events or industrial actions.

Resident population estimates for 2013 are Queensland Treasury and Trade estimates.

'In town' includes populations counted in defined urban centres and localities (UC/Ls) and non-resident workers on-shift within 5km of town. 'Rural areas' include populations outside of defined UC/Ls, including non-resident workers more than 5km from town.

Hotels/motels include serviced apartments and other rental accommodation occupied by non-resident workers.

'Vacant and available' refers to WAV beds and hotel/motel rooms that were not occupied by non-resident workers on-shift or other guests, and were vacant and available on the night of the survey. 'Balance' includes WAV beds and hotel/motel rooms occupied by short-term visitors, held for non-resident workers under permanent booking arrangements but not actually occupied on the night of the survey, or otherwise unavailable to prospective guests. Not all WAV beds are occupied by non-resident workers at any given point in time, due to shift patterns and tenancy arrangements. Some WAV operators share rooms between shifts, while others hold rooms vacant for designated workers rather than reallocating them to other occupants. As such, rooms may be vacant but not necessarily available for use by other occupants. Hotel/motel rooms may also be held vacant for non-resident workers under permanent booking arrangements.

Figures in tables have been rounded to the nearest five. As a result of rounding, discrepancies may occur between sums of the component items and totals. Percentages and other calculations are made prior to rounding of figures and discrepancies might therefore exist between these calculations and those that could be derived from the rounded figures.

Detailed data tables, including time series data, are available online at <http://www.qesr.qld.gov.au/products/tables/index.php>.

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# Bowen and Galilee Basins non-resident population projections, 2014 to 2020

## Introduction

With the increasing use of fly-in/fly-out and drive-in/drive-out (FIFO/DIDO) work practices, it is now common for resource regions to have a large population of non-resident workers who live in the area only while on-shift. This non-resident population is not included in the Australian Bureau of Statistics' (ABS) official resident population estimates for these areas.

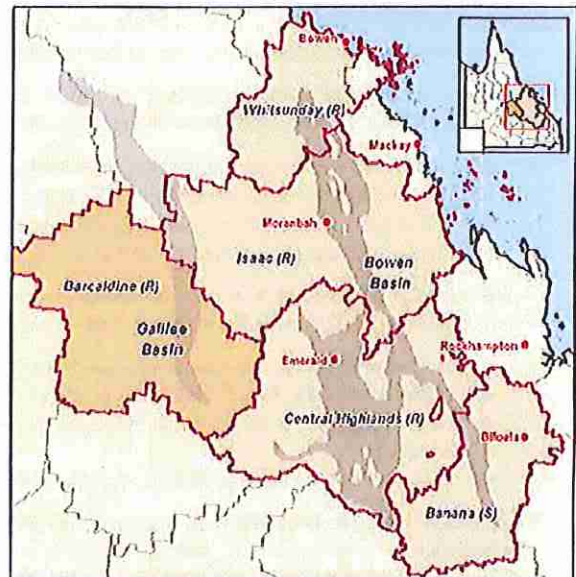
To bridge this information gap, *Bowen and Galilee Basins non-resident population projections, 2014 to 2020* provides projected numbers of non-resident workers on-shift for local government areas (LGAs) in the Bowen and Galilee Basin regions (Figure 1). The report presents four projection series, based on information provided by industry regarding existing operations and future projects. Data tables to supplement the report are available on the Queensland Government Statistician's Office (QGSO) website ([www.qgso.qld.gov.au](http://www.qgso.qld.gov.au)).

## Key points

Key points of this report include:

- The non-resident population of the Bowen Basin was 22,900 persons in June 2013, down from a peak of 25,040 in June 2012. Completion of mine construction and expansion projects, mine closures and workforce restructuring contributed to this fall.
- Four projection series expect the Bowen Basin's non-resident population to continue decreasing to between 17,720 and 17,830 persons by June 2014. The Series A projection, which includes existing resource operations plus projects that have passed final investment decision (FID), anticipates that the region's non-resident population will continue to decline to 14,240 persons by 2020.
- Series B, C and D projections for the Bowen Basin include elements of proposed Galilee Basin mine, railway and port projects that would occur within the LGAs of Isaac (R) and Whitsunday (R). Series B, which takes account of projects that have been approved but are yet to reach FID, projects the Bowen Basin's non-resident population to increase to 18,740 persons in 2016, before tapering off to 15,820 by 2020.
- Larger non-resident population growth for the Bowen Basin is expected under Series C and Series D projections. Series C anticipates an increase to 22,930 persons by 2017, falling to 21,700 persons in 2020. Series D projects a peak of 25,500 persons in 2017, settling to 23,770 persons by 2020.
- The LGA of Isaac (R) will continue to have the largest number of non-resident workers on-shift in the Bowen Basin. Series A and B project the LGA's non-resident population to decline to 9,460 and 10,260 persons respectively by 2020, approximating levels previously seen in 2010 (9,900 persons). By contrast, the Series C projection, which includes the Carmichael coal project and the Arrow LNG Bowen gas project, anticipates that Isaac (R)'s non-resident population will increase to over 16,000 persons by 2019.
- Development of large greenfield mining projects, rail and power infrastructure in the Galilee Basin would see the non-resident population of Barcaldine (R) increase substantially between 2014 and 2020, peaking at 3,460 persons in 2019 under Series B, and increasing to 3,930 persons by 2020 according to Series C and D.

Figure 1: Bowen and Galilee Basins



In this publication, the Bowen Basin is defined as the LGAs of Banana (S), Central Highlands (R), Isaac (R) and Whitsunday (R) (Bowen only). The Galilee Basin comprises the LGA of Barcaldine (R).

See endnotes for further details on statistical geography.



### Bowen and Galilee Basins future influences

The Bowen Basin is Queensland's major coal mining region, with 40 operating mines as at June 2013 (Table 7, pages 10–12). These include Daunla mine (BHP Billiton Mitsubishi Alliance (BMA)), which commenced production in early 2013. Two Bowen Basin mines ceased production in 2013. Aquila (Anglo American) was placed into care and maintenance in July 2013 (Anglo American, 2013), while Collinsville (NCA Joint Venture) closed between September 2013 and January 2014, but is expected to return to full production in late 2014 (Glencore, 2014).

The non-resident population of the Bowen Basin was 22,900 persons in June 2013, a fall of 2,140 over the preceding year<sup>1</sup>. This downturn in the non-resident population, which was largely due to completion of construction work on new mines and mine expansions, mine closures and workforce restructuring, is likely to continue into 2014.

Balanced against these losses, a number of proposed resource projects and related infrastructure developments could influence growth in the Bowen Basin's non-resident population out to 2020, including:

- new coal mines, such as the large Carmichael coal project, as well as expansions of existing mines
- new coal terminals and port expansions to be built at Abbot Point, which are associated with Galilee Basin projects
- Arrow Energy's proposed Bowen Basin gas field development and gas pipeline to Gladstone
- construction of associated rail, roads, power and water infrastructure.

The Galilee Basin is an extensive coal resource in central western Queensland, extending north from the LGA of Barcaldine (R) through the LGA of Isaac (R) (Figure 2). Several large coal mines and associated infrastructure are proposed for the Galilee Basin, including:

- three mines proposed for Barcaldine (R), which have been approved but are awaiting FID — Alpha (GVK Hancock Coal), Kevin's Corner (Hancock Galilee) and China First (Waratah Coal)
- rail and port proposals linked to these mines, which will occur in Barcaldine (R) as well as the Bowen Basin LGAs of Isaac (R) and Whitsunday (R)
- six other mine, rail, and power projects, which are in the early stages of planning.

While several rail projects have been proposed for the Galilee Basin, it is unlikely that all will eventuate. The Queensland Government is offering incentives to identified 'first movers' in order to encourage open access arrangements to rail infrastructure, so that later projects may also utilise these networks on a shared, multi-use basis (DSDIP, 2013).

The mines proposed for the Galilee Basin are large, both in terms of coal production and workforces required. All project proponents have announced that they intend to utilise predominantly FIFO workforces during construction and operational phases.

## Projection methodology

QGSO's 2014 to 2020 non-resident population projections contain four different series, which represent a range of possible outcomes arising from the future development of resource projects and operations in the Bowen and Galilee Basins. Each series estimates the cumulative non-resident population that would be present in each LGA at 30 June of each year to 2020, should the operations and projects listed in each category proceed according to advised timeframes and workforce numbers.

Users of these projections should note that there is a degree of uncertainty about the likelihood of these projects proceeding as assumed, and as such the projections should be regarded as being indicative scenarios rather than probabilistic predictions. QGSO does not advocate any of these four projection series as being the most likely or favoured outcome. See caveats on page 12 of this report for further details.

The four projection series are based on the workforces of operations and projects at the time of preparation. Projects are categorised and included in each scenario according to their standing in the Environmental Impact Statement (EIS) process<sup>2</sup>.

- **Series A** projection is based on the number of non-resident workers on-shift who were engaged in existing resource operations and associated infrastructure activities in the area at June 2013. The projection takes into account future changes to those operational workforces as advised by resource company sources, as well as the estimated non-resident construction and operational workforces of Category A projects (i.e. those that had reached FID) at the time of preparation.
- **Series B** projection includes the Series A projection plus projected growth in the non-resident population arising from Category B projects (those that have an EIS approved but have yet to reach FID).
- **Series C** projection includes the Series A and B projections, plus the projected growth in the non-resident population arising from Category C projects (those that have lodged an EIS, but have yet to proceed through to final approval).
- **Series D** projection includes Series A, B and C projections, plus the projected growth in the non-resident population from Category D projects (those that have yet to publish an EIS, including projects that have lodged an Initial Advice Statement as well as projects that have yet to begin the approvals process).

<sup>1</sup> See the *Bowen Basin population report, 2013* <http://www.qgso.qld.gov.au/products/publications/bowen-basin-pop-report/index.php>.

<sup>2</sup> The projections also include some projects where a mandatory EIS is not or may not be required.

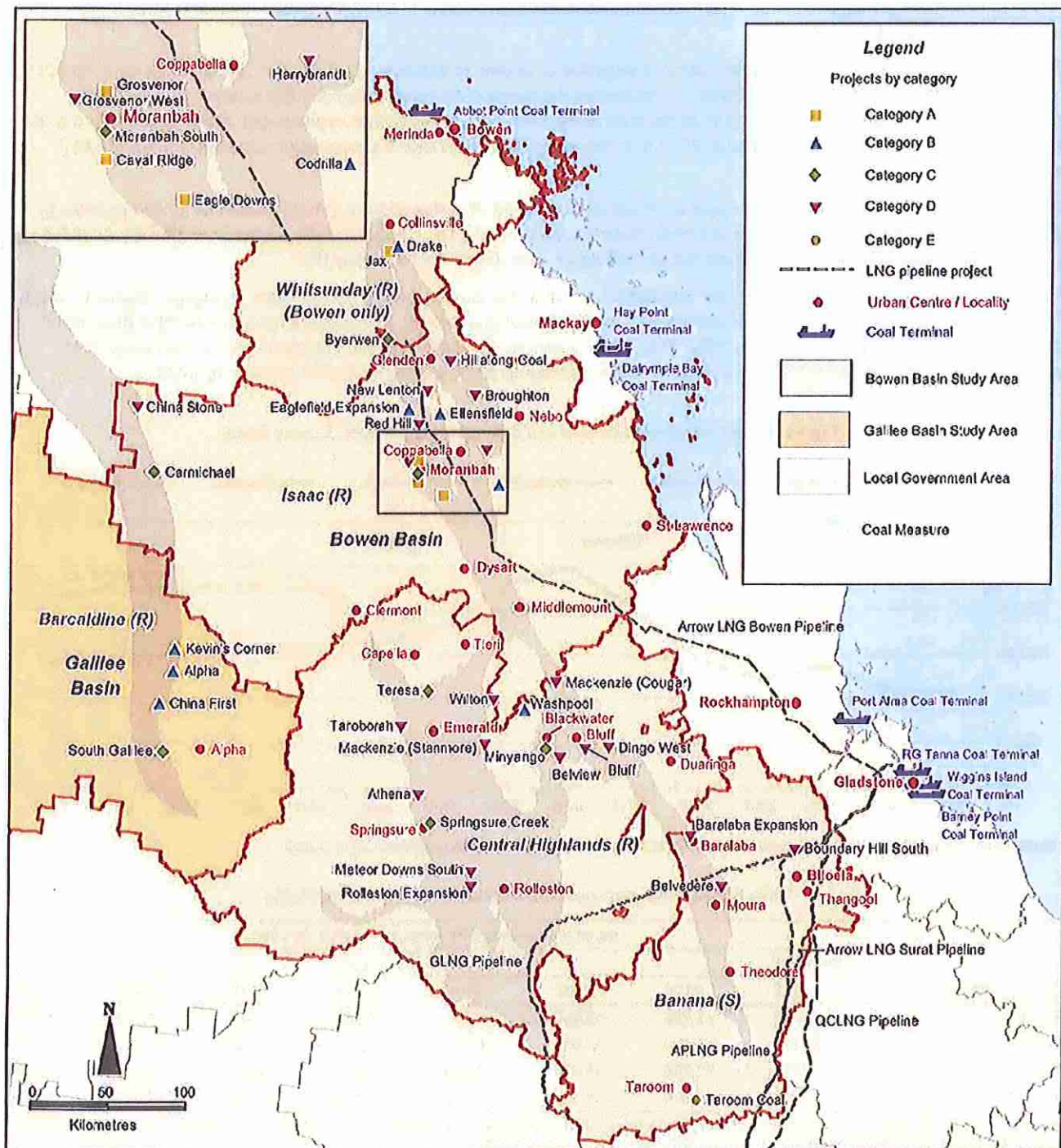


## Queensland Government Statistician's Office

Where FID for an approved project has been delayed indefinitely by the proponent, it is not possible to give consideration to its indicative workforce data or project sequencing in the QGSO projection model. Such projects, along with other projects that are dependent on them in order to commence, are designated as **Category E** and are not included in any of the four projection series.

A full list of existing operations and projects included in each of the five categories is available in Table 7 (pages 10–12), and a map of future projects in the Bowen and Galilee Basins is shown in Figure 2.

Figure 2: Selected future projects<sup>(a)</sup>, Bowen and Galilee Basins



(R) – Regional Council (S) – Shire

(a) Includes coal projects and LNG pipelines. Does not include rail, water, gas field and other infrastructure projects. Does not include existing operations. Future project status is current as at March 2014. See Table 7 (pages 10–12) for a full list of existing operations and future projects by project category.

Source: Queensland Government Statistician's Office, 2014

Bowen and Galilee Basins non-resident population projections, 2014 to 2020



## Projected non-resident workers on-shift, Bowen Basin

The non-resident population of the Bowen Basin grew from 10,760 in 2006 to a peak of 25,040 persons in 2012 (Figure 3)<sup>3</sup>, reflecting strong growth in coal mining activity as well as the increasing use of FIFO/DIDO workforces. Particularly strong growth in the non-resident population occurred between 2010 and 2012, which included a sizeable number of workers involved in construction of new mines and mine expansions, infrastructure development and flood recovery work.

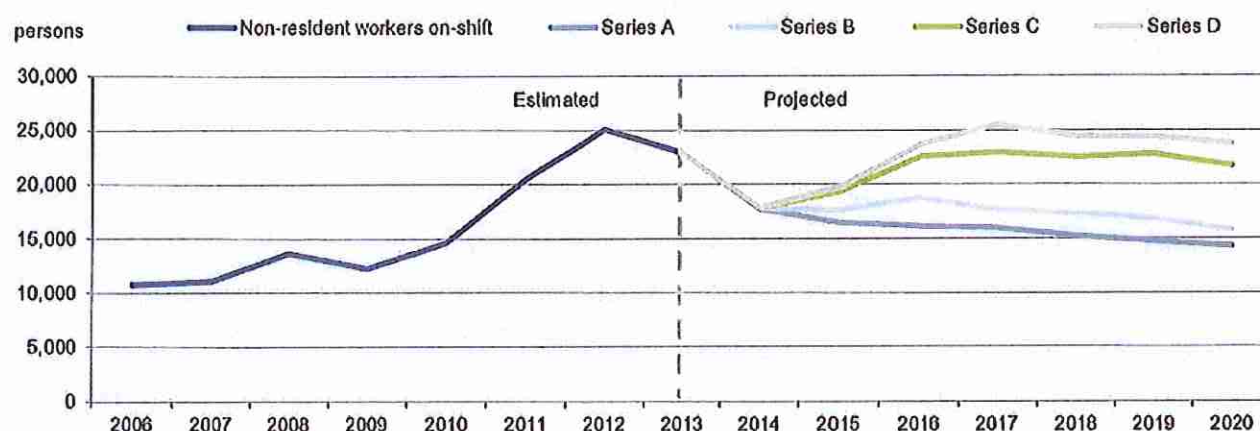
Completion of construction projects, mine closures and workforce restructuring saw the Bowen Basin's non-resident population fall to 22,900 persons in June 2013. The full extent of the decline in the non-resident coal mining workforces over 2012–13 was offset to some degree by the presence of large coal seam gas (CSG) pipeline and road construction crews in the southern end of the Bowen Basin during this period. Following completion of these projects in 2014, these non-resident construction workforces will leave the region.

The non-resident population of the Bowen Basin is projected to decline to between 17,720 and 17,830 persons by June 2014 according to all four projection series (Table 1). The Series A projection then anticipates that the number of non-resident workers on-shift would fall further to 14,240 persons by 2020. While this projected non-resident population represents a sizeable decline from the peak of 25,040 reached in 2012, it is only marginally lower than the population recorded in 2010 (14,610 persons).

Projection Series B projects a small increase to 18,740 persons in 2016, followed by a gradual decline to 15,820 persons in 2020. This series takes account of several Bowen Basin mines that have been approved but are yet to reach FID, as well as rail and port elements of Galilee Basin projects that will influence Isaac (R) and Whitsunday (R).

From 2014 on, Series C and D project more substantial growth in the Bowen Basin's non-resident population. Series C, which includes the large Carmichael coal mine and the Arrow LNG Bowen gas project, anticipates an increase to 22,930 by 2017, before tapering off to 21,700 persons in 2020. The Series D projection, which includes a large number of coal projects in preliminary planning stages, would see a peak of 25,500 persons in 2017, settling to 23,770 persons by 2020.

Figure 3: Past and projected non-resident workers on-shift, Bowen Basin



Source: QGSO, Survey of accommodation providers, 2006 to 2013; QGSO, Non-resident population projections, 2014 to 2020

Table 1: Projected non-resident workers on-shift, Bowen Basin

Projection series	Number of non-resident workers on-shift at 30 June							
	Estimated			Projected				
	2013	2014	2015	2016	2017	2018	2019	2020
Series A	22,900	17,720	16,460	16,130	16,000	15,230	14,720	14,240
Series B	22,900	17,750	17,610	18,740	17,630	17,310	16,810	15,820
Series C	22,900	17,780	19,330	22,530	22,930	22,510	22,760	21,700
Series D	22,900	17,830	19,700	23,630	25,500	24,400	24,360	23,770

The total number of non-resident workers on-shift for the Bowen Basin represents the aggregate non-resident populations of all LGAs in the region. This total may include a small number of non-resident workers in each LGA who live elsewhere within the Bowen Basin.

Figures in this table have been rounded to the nearest 10; any internal discrepancies are due to rounding.

Source: QGSO, Survey of accommodation providers, 2013; QGSO, Non-resident population projections, 2014 to 2020

<sup>3</sup> Time series data are available at <http://www.qgso.qld.gov.au/products/tables/bowen-basin-non-resident-workers-onshift-lga/index.php>.



### Banana (S)

The LGA of Banana (S) had three coal mines operating in June 2013, in addition to three CSG pipeline projects and a water pipeline project under construction (Table 7, pages 10–12). The large temporary construction workforces of the pipeline projects saw the non-resident population grow from 1,590 persons in June 2012 to 2,750 in June 2013 (Figure 4). This peak is expected to decline rapidly in 2014, when construction of the pipelines in Banana (S) reaches completion.

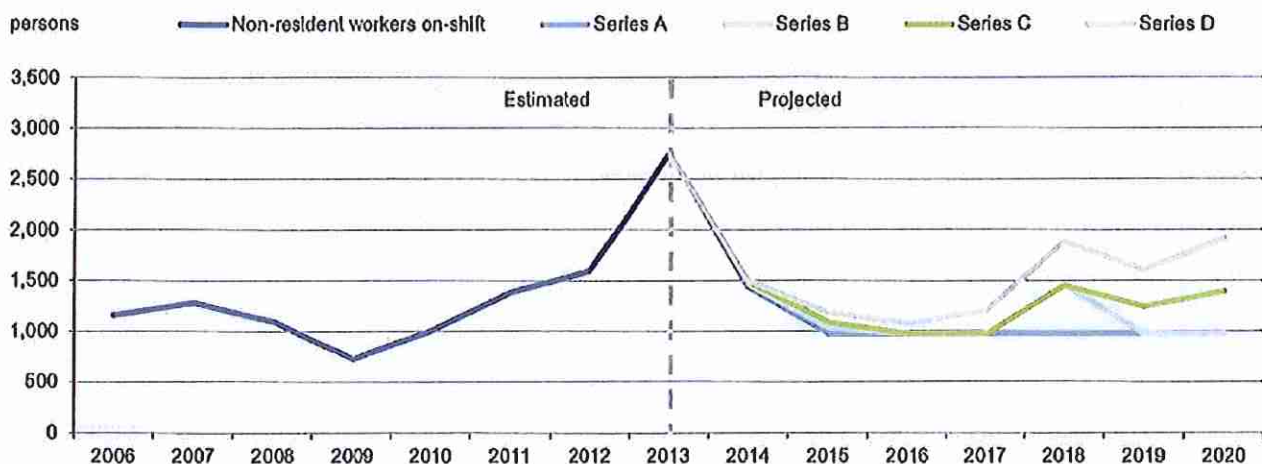
Four projection series are presented for Banana (S), which see the non-resident population declining to between 1,430 and 1,500 persons in 2014 (Table 2). Series A projects the non-resident population of Banana (S) to decline further in 2015, before stabilising at 970 persons. This series largely reflects the non-resident workforces associated with ongoing coal mining operations in the LGA, and marks a return to a similar non-resident population to that experienced in 2010 (1,010 persons).

The Series B projection also expects the number of non-resident workers on-shift to decline to 970 persons by 2016, increasing to 1,450 persons in 2018, before returning to 970 persons thereafter. This series is largely influenced by the non-resident construction workforce of Arrow LNG's Surat pipeline, as well as minor transmission network and rail upgrade projects. Series C follows a similar trajectory to Series B until 2018. The Nathan Dam, Nathan Dam to Dalby Pipeline, and Powerlink transmission projects are likely to maintain the non-resident population above 1,200 persons after 2018.

According to Series D, the non-resident population of Banana (S) will fall to 1,080 in 2016, before growing to reach 1,880 persons in 2018 and 1,920 persons in 2020. This series reflects the additional impact of coal projects that are currently in early stages of planning. None of these proposed mines would be reliant upon construction of the Surat Basin Rail Infrastructure.

None of the four projection series for Banana (S) include consideration of the Surat Basin Rail Project, which is on hold indefinitely, or the Taroom Coal Project, which is dependent upon this infrastructure. These projects are classified as Category E (refer Table 7, pages 10–12).

Figure 4: Past and projected non-resident workers on-shift, Banana (S)



(S) – Shire

Source: QGSO, Survey of accommodation providers, 2006 to 2013; QGSO, Non-resident population projections, 2014 to 2020

Table 2: Projected non-resident workers on-shift, Banana (S)

Projection series	Number of non-resident workers on-shift at 30 June							
	Estimated			Projected				
	2013	2014	2015	2016	2017	2018	2019	2020
Series A	2,750	1,430	970	970	970	970	970	970
Series B	2,750	1,460	1,030	970	970	1,450	970	970
Series C	2,750	1,490	1,090	970	970	1,450	1,240	1,390
Series D	2,750	1,500	1,180	1,080	1,200	1,880	1,610	1,920

(S) – Shire

Figures in this table have been rounded to the nearest 10; any internal discrepancies are due to rounding.

Source: QGSO, Survey of accommodation providers, 2013; QGSO, Non-resident population projections, 2014 to 2020



### Central Highlands (R)

The LGA of Central Highlands (R) contained 11 coal mining operations as at June 2013 (Table 7, pages 10–12), with rail, pipeline and gas fields expansion projects also underway in the LGA. The number of non-resident workers on-shift increased notably from 3,230 persons in June 2010 to 5,580 persons in June 2012 (Figure 5), largely due to construction workforces associated with mine expansion projects and post-flood reconstruction work. The non-resident population then fell to 4,740 persons in June 2013 as these projects reached completion. The impacts of mine closures and workforce restructuring also contributed to this decline, which was somewhat moderated by CSG exploration, drilling and pipeline construction activities.

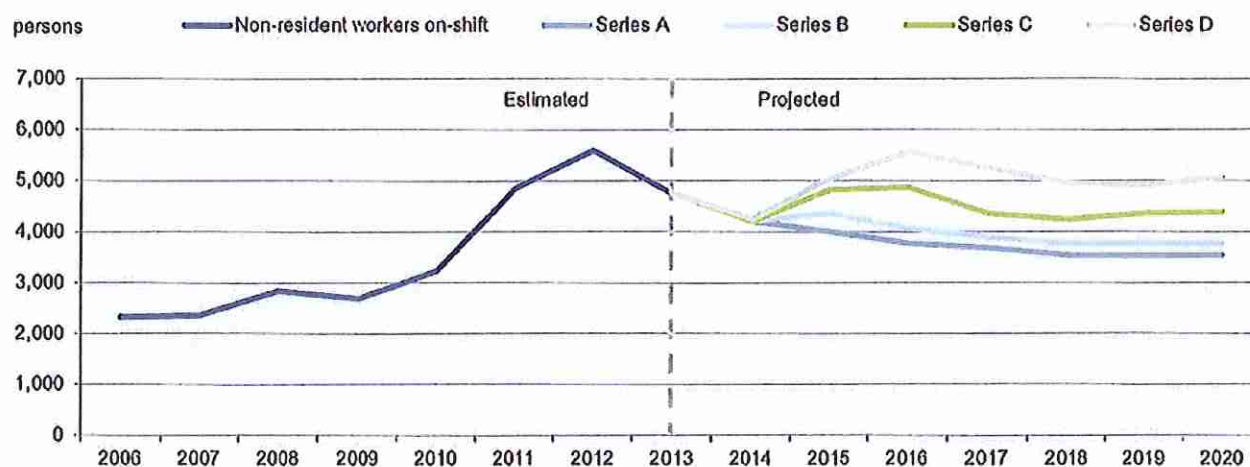
Four projection series are presented for Central Highlands (R). All anticipate that the non-resident population will fall to around 4,200 persons by June 2014 (Table 3), influenced largely by completion of the Kestrel South expansion in late 2013. The Series A projection, which accounts largely for existing operational and construction workforces, shows a gradual decline in the non-resident population extending beyond 2014, with the number of non-resident workers on-shift reaching 3,530 persons by 2018 and beyond.

The Series B, C and D projections mainly reflect the growth influences of new coal mine and CSG proposals. The Series B projection, which includes a power transmission project as well as one coal project that has been approved but yet to reach FID, anticipates a small increase to 4,360 persons in 2015, before declining to 3,760 persons by 2018.

Series C projects more notable growth associated with three coal projects and Arrow LNG's Bowen gas project. Under this scenario, the non-resident population of Central Highlands (R) is expected to grow to 4,870 persons in 2016, before stabilising at between 4,200 and 4,400 persons over the remainder of the period to 2020.

Ten proposed coal projects and the GLNG gas fields development project are further taken into account under the Series D projection. According to this series, the number of non-resident workers on-shift in Central Highlands (R) would grow from 4,240 persons in 2014 to 5,560 persons in 2016, before declining to around 5,000 persons between 2018 and 2020.

Figure 5: Past and projected non-resident workers on-shift, Central Highlands (R)



(R) – Regional Council

Source: QGSO, Survey of accommodation providers, 2006 to 2013; QGSO, Non-resident population projections, 2014 to 2020

Table 3: Projected non-resident workers on-shift, Central Highlands (R)

Projection series	Number of non-resident workers on-shift at 30 June							
	Estimated		Projected					
	2013	2014	2015	2016	2017	2018	2019	2020
Series A	4,740	4,200	4,000	3,770	3,690	3,530	3,530	3,530
Series B	4,740	4,200	4,360	4,080	3,890	3,760	3,760	3,760
Series C	4,740	4,200	4,810	4,870	4,360	4,240	4,360	4,390
Series D	4,740	4,240	5,040	5,560	5,250	4,950	4,920	5,050

(R) – Regional Council

Figures in this table have been rounded to the nearest 10; any internal discrepancies are due to rounding.

Source: QGSO, Survey of accommodation providers, 2013; QGSO, Non-resident population projections, 2014 to 2020



**Isaac (R)**

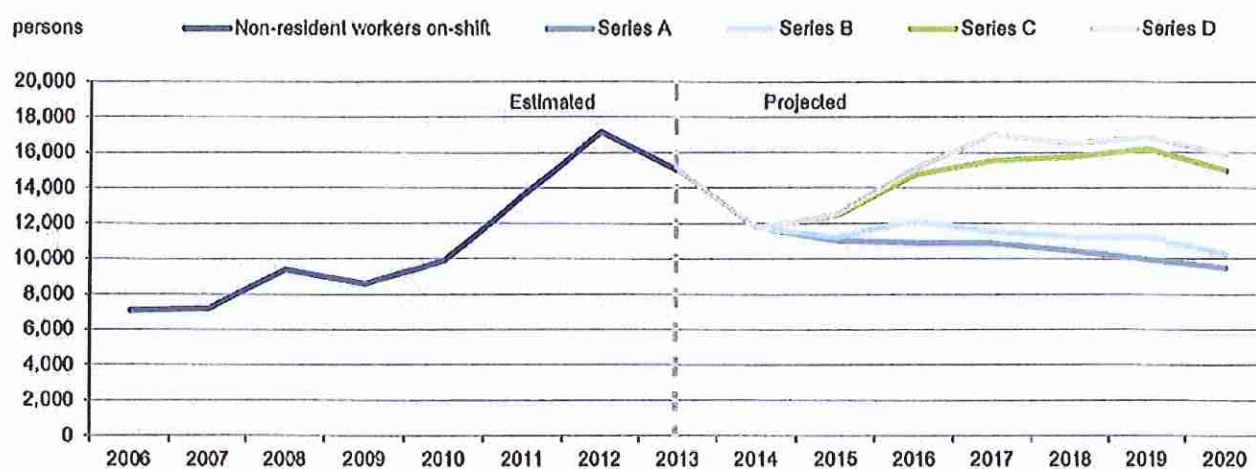
With 26 coal mining operations as at June 2013 (Table 7, pages 10–12), the LGA of Isaac (R) had a non-resident population of 14,950 in June 2013. Time series data show that the number of non-resident workers on-shift in Isaac (R) increased steeply from 9,900 persons in June 2010 to a peak of 17,130 persons in June 2012 (Figure 6), largely as a result of new mining projects and expansions to existing mine operations. Numbers declined to 14,950 persons by June 2013, in line with completion of construction projects and the impacts of mine closures and workforce restructuring.

Four projection series are presented for Isaac (R), all of which expect the non-resident population to continue falling to 11,740 persons by June 2014 (Table 4). Factors influencing this decline include the finalisation of construction for the Caval Ridge and Grosvenor mine projects, as well as implementation of productivity improvements.

The Series A projection, which includes consideration of existing operations as well as projects that have commenced, anticipates that the non-resident population of Isaac (R) will gradually decline to 9,460 persons in 2020. The Series B projection, which includes construction of new coal mines, rail lines and a power transmission project, expects the non-resident population to reach 12,120 persons in 2016, before declining to 10,260 persons by 2020. Both the Series A and Series B projections for Isaac (R) indicate an eventual return to non-resident population levels approximating those last seen in 2010 (9,900 people).

Countering the downward trend of the Series A and B projections, the construction workforces of proposed coal mine and rail projects associated with development of the Galilee Basin could make a significant difference to the size of Isaac (R)'s non-resident population over the period to 2020. The Series C projection, which includes the large Carmichael coal mine project, rail construction components of Galilee Basin coal projects, and Arrow's Bowen gas and pipeline projects, would see the future non-resident population of Isaac (R) peak at 16,190 persons in 2019. The Series D projection, representing the cumulative growth of all projects in the development pipeline, anticipates that the non-resident population of Isaac (R) would reach a peak of 17,010 persons in 2017, before declining to 15,880 persons by 2020.

Figure 6: Past and projected non-resident workers on-shift, Isaac (R)



(R) – Regional Council

Source: QGSO, Survey of accommodation providers, 2006 to 2013; QGSO, Non-resident population projections, 2014 to 2020

Table 4: Projected non-resident workers on-shift, Isaac (R)

Projection series	Number of non-resident workers on-shift at 30 June							
	Estimated		Projected					
	2013	2014	2015	2016	2017	2018	2019	2020
Series A	14,950	11,740	11,010	10,920	10,880	10,460	9,950	9,460
Series B	14,950	11,740	11,220	12,120	11,530	11,280	11,250	10,260
Series C	14,950	11,740	12,440	14,750	15,560	15,760	16,190	14,990
Series D	14,950	11,740	12,490	15,070	17,010	16,520	16,860	15,880

(R) – Regional Council

Figures in this table have been rounded to the nearest 10; any internal discrepancies are due to rounding.

Source: QGSO, Survey of accommodation providers, 2013; QGSO, Non-resident population projections, 2014 to 2020



**Whitsunday (R) (Bowen only)**

As at June 2013 there were three operating coal mines in Whitsunday (R) (Bowen only), along with the Port of Abbot Point (Table 7, pages 10–12). The area's non-resident population reached a peak of just over 700 persons in 2011 and 2012, boosted by the temporary presence of FIFO/DIDO construction workers in the area, before declining to 460 persons in June 2013 (Figure 7). These data preceded the temporary closure of Collinsville coal mine, which occurred in September 2013.

Three projection series are presented for Whitsunday (R) (Bowen only). Under all three series, the non-resident population is expected to further decline to 350 persons in June 2014 (Table 5). From 2014, Series A projects the number of non-resident workers on-shift to increase to around 480 in 2015, before settling at 270 persons from 2018. This series includes the influences of the Jax coal project and ongoing operations in the area, including the re-opened Collinsville mine.

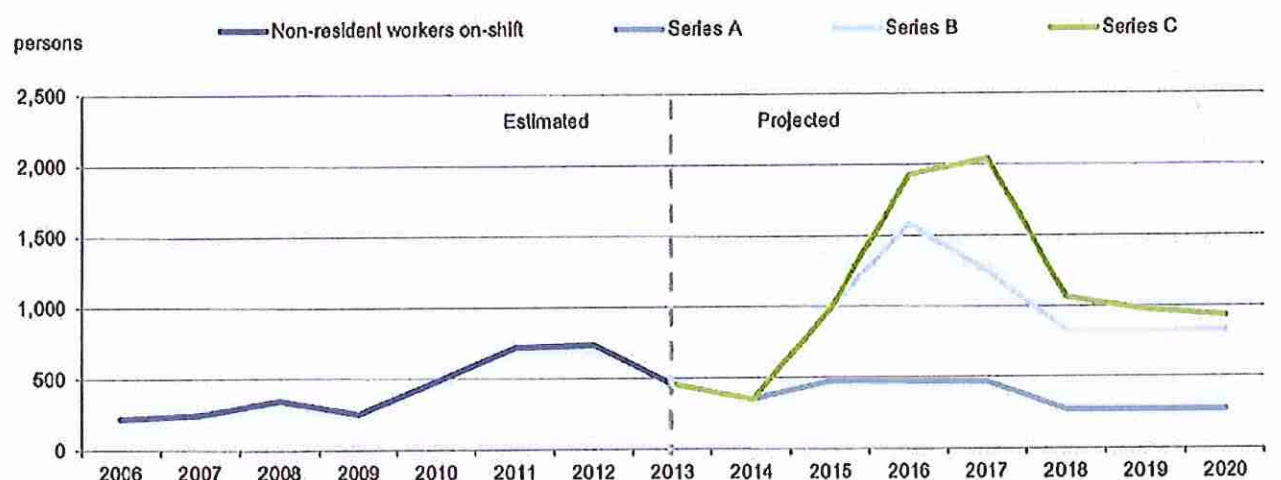
Substantially higher growth is predicted under the Series B and Series C projections, which reflect the influence of FIFO/DIDO construction workforces associated with the rail and port components of proposed Galilee Basin coal projects. Given the temporary nature of construction workforces and the relatively small operational workforces of these projects, the non-resident population impacts of these projects are expected to be short-lived rather than sustained.

The Series B projection, which includes the Abbot Point Coal Terminal projects (T0 and T3), Alpha Coal and China First railways, and the Drake Coal project near Collinsville, anticipates that the non-resident population of Whitsunday (R) (Bowen only) will increase sharply to 1,580 persons in 2016, before falling back to 830 persons in 2018.

The Series C projection, which includes the additional influences of Arrow LNG's Bowen gas project and North Galilee Basin Rail, projects the non-resident population to grow to 1,930 persons in 2016 then peak at just over 2,000 persons in 2017, before falling back to 1,060 persons in 2018 as construction is completed.

The non-resident population levels projected for 2018 and beyond under Series B and Series C also include consideration of operational workforces for the listed projects as construction nears completion.

**Figure 7: Past and projected non-resident workers on-shift, Whitsunday (R) (Bowen only)**



(R) – Regional Council

There is no Series D projection for Whitsunday (R) (Bowen only).

Source: QGSO, Survey of accommodation providers, 2006 to 2013; QGSO, Non-resident population projections, 2014 to 2020

**Table 5: Projected non-resident workers on-shift, Whitsunday (R) (Bowen only)**

Projection series <sup>(a)</sup>	Number of non-resident workers on-shift at 30 June							
	Estimated		Projected					
	2013	2014	2015	2016	2017	2018	2019	2020
Series A	460	350	480	470	470	270	270	270
Series B	460	350	990	1,580	1,240	830	830	830
Series C	460	350	990	1,930	2,040	1,060	970	930

(R) – Regional Council

(a) There is no Series D projection for Whitsunday (R) (Bowen only), as there are no Category D projects planned for the region.

Figures in this table have been rounded to the nearest 10; any internal discrepancies are due to rounding.

Source: QGSO, Survey of accommodation providers, 2013; QGSO, Non-resident population projections, 2014 to 2020



## Projected non-resident workers on-shift, Galilee Basin

The Galilee Basin coal measure spans a number of LGAs, including Barcaldine (R) to the south and the Bowen Basin LGA of Isaac (R)<sup>4</sup>. While there are no coal mines currently operating or under construction in the Galilee Basin, several large mines and associated rail projects are planned for the area covered by both LGAs. The following projections refer only to the non-resident population of the Galilee Basin projects that will occur in Barcaldine (R).

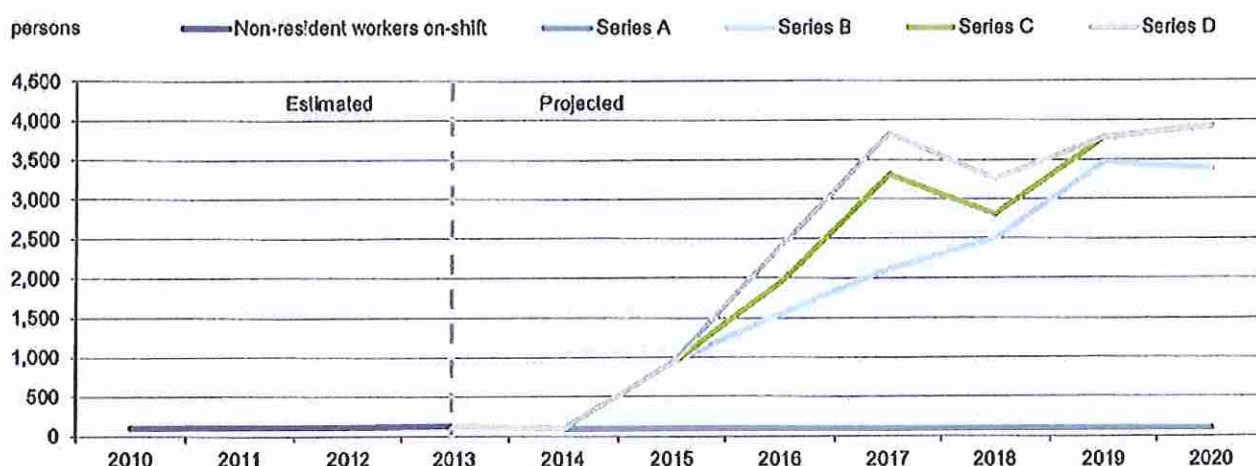
Four projection series are provided for Barcaldine (R). The Series A projection (Table 6) reflects the baseline non-resident population that has been counted in the area each year since 2010 (Figure 8). This small population, which largely comprises crews involved in mine exploration and testing, is not expected to increase prior to commencement of any major projects.

The Series B projection includes projects that have an EIS approved but have yet to reach FID. These include GVK Hancock Coal's Alpha Coal mine and railway; Hancock Galilee's Kevin's Corner project; and Waratah Coal's China First mine and railway. It also includes Stage One of Powerlink's Galilee Basin Transmission Project. Under this series Barcaldine (R)'s non-resident population would increase rapidly to a peak at almost 3,500 persons in 2019.

The Series C projection includes AMCI's South Galilee Coal project and Stage Two of Powerlink's transmission project, which have lodged an EIS but have yet to proceed through to final approval. According to this scenario the number of non-resident workers on-shift in Barcaldine (R) would grow rapidly to reach 3,310 persons in 2017, decrease by around 500 persons over the year to 2018, then grow to 3,930 persons by 2020.

Series D projects a steeper increase to 3,830 persons in 2017, with a subsequent drop mirroring Series C followed by further growth to reach 3,930 persons in 2020. This series includes the additional influences of Waratah Coal's Galilee Basin Power Station and Aurizon's Central Queensland Integrated Rail projects, which have yet to publish an EIS.

Figure 8: Past and projected non-resident workers on-shift, Barcaldine (R)



(R) – Regional Council

Source: QGSO, Survey of accommodation providers, 2010 to 2013; QGSO, Non-resident population projections, 2014 to 2020

Table 6: Projected non-resident workers on-shift, Barcaldine (R)

Projection series	Number of non-resident workers on-shift at 30 June							
	Estimated		Projected					
	2013	2014	2015	2016	2017	2018	2019	2020
Series A	130	100	100	100	100	100	100	100
Series B	130	100	940	1,550	2,120	2,490	3,460	3,370
Series C	130	100	940	1,950	3,310	2,810	3,780	3,930
Series D	130	100	940	2,390	3,830	3,260	3,780	3,930

(R) – Regional Council

Figures in this table have been rounded to the nearest 10; any internal discrepancies are due to rounding.

Source: QGSO, Survey of accommodation providers, 2013; QGSO, Non-resident population projections, 2014 to 2020

<sup>4</sup> For the purposes of this publication and population projections, the Galilee Basin is defined as Barcaldine (R). Where the population impacts of Galilee Basin projects will occur in Isaac (R) and Whitsunday (R) (Bowen only), they are included in projections for the Bowen Basin.



Table 7: Resource operations and future projects, Bowen and Galilee Basins

Category <sup>(a)</sup>	Project / operation name	Company name	LGA
<i>Existing operations</i>			
A	Abbot Point Coal Terminal (T1)	Abbot Point Bulk Coal	Whitsunday (R) (Bowen only)
A	Baralaba	Cockatoo Coal	Banana (S)
A	Blackwater	BMA	Central Highlands (R)
A	Broadmeadow	BMA	Isaac (R)
A	Burton	Peabody Energy	Isaac (R)
A	Callide	Anglo American	Banana (S)
A	Capcoal Surface Management	Anglo American	Isaac (R)
A	Carborough Downs	Vale Australia	Isaac (R)
A	Clermont <sup>(b)</sup>	GlencoreXstrata, Sumitomo	Isaac (R)
A	Collinsville	GlencoreXstrata	Whitsunday (R) (Bowen only)
A	Cook	Caledon Resources	Central Highlands (R)
A	Coppabella	Peabody Energy	Isaac (R)
A	Cows Coal	QCoal	Whitsunday (R) (Bowen only)
A	Crinum	BMA	Central Highlands (R)
A	Curragh	Wesfarmers Resources	Central Highlands (R)
A	Daunia	BMA	Isaac (R)
A	Dawson	Anglo American	Banana (S)
A	Eaglefield / North Goonyella	Peabody Energy	Isaac (R)
A	Ensham	Ensham Resources	Central Highlands (R)
A	Foxleigh	Anglo American	Isaac (R)
A	Goonyella Riverside	BMA	Isaac (R)
A	Grasstree	Anglo American	Isaac (R)
A	Hall Creek	Rio Tinto	Isaac (R)
A	Isaac Plains	Vale Australia, Sumitomo	Isaac (R)
A	Jellinbah	Jellinbah Group	Central Highlands (R)
A	Kestrel	Rio Tinto	Central Highlands (R)
A	Lake Vermont	Jellinbah Group	Isaac (R)
A	Middlemount	Middlemount Coal	Isaac (R)
A	Millennium	Peabody Energy	Isaac (R)
A	Minerva	Sqiltz Coal Mining	Central Highlands (R)
A	Moorvale	Peabody Energy	Isaac (R)
A	Moranbah Explosives Plant	Indtec Pivot	Isaac (R)
A	Moranbah Gas Project	Arrow Energy	Isaac (R)
A	Moranbah North	Anglo American	Isaac (R)
A	Newlands	GlencoreXstrata	Isaac (R)
A	Oaky Creek	GlencoreXstrata	Central Highlands (R)
A	Peak Downs	BMA	Isaac (R)
A	Poltrel	BMC	Isaac (R)
A	Rolleston	GlencoreXstrata	Central Highlands (R)
A	Saraji	BMA	Isaac (R)
A	Sonoma	QCoal	Whitsunday (R) (Bowen only)
A	South Walker Creek	BMC	Isaac (R)
A	Yarrabee	Yancoal Australia	Central Highlands (R)
<i>Future projects</i>			
A	APLNG – pipeline	APLNG	Banana (S), Gladstone (R), Maranoa (R), Western Downs (R)
A	Bauhinia Electrification	Aurizon	Central Highlands (R)
A	Caval Ridge	BMA	Isaac (R)
A	Eagle Downs	Eagle Downs Coal Management	Isaac (R)
A	GLNG – gas fields expansion	Santos GLNG	Central Highlands (R), Maranoa (R), Western Downs (R)

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Category <sup>(a)</sup>	Project / operation name	Company name	LGA
A	GLNG – pipeline	Santos GLNG	Banana (S), Central Highlands (R), Gladstone (R), Maranoa (R)
A	Grosvenor	Anglo American	Isaac (R)
A	Jax	QCoal	Whitsunday (R) (Bowen only)
A	Nebo Rail Maintenance Facility Expansion	Pacific National	Isaac (R)
A	QCLNG – pipeline	QGC (BG Group)	Banana (S), Gladstone (R), Western Downs (R)
A	Wiggins Island Rail Project, Stage One – sub-projects 4 and 5	Aurizon	Central Highlands (R), Rockhampton (R)
A	Woolabee Creek to Glebe Weir Water Pipeline	SunWater	Banana (S), Western Downs (R)
B	Abbot Point Coal Terminal (T0)	Adani	Whitsunday (R) (Bowen only)
B	Abbot Point Coal Terminal (T3)	GVK Hancock Coal	Whitsunday (R) (Bowen only)
B	Alpha Coal – mine	GVK Hancock Coal	Barcaldine (R)
B	Alpha Coal – railway	GVK Hancock Coal	Barcaldine (R), Isaac (R), Whitsunday (R) (Bowen only)
B	Arrow LNG – Surat pipeline	Arrow Energy	Banana (S), Western Downs (R), Gladstone (R)
B	China First – mine	Waratah Coal	Barcaldine (R)
B	China First – railway	Waratah Coal	Barcaldine (R), Isaac (R), Whitsunday (R) (Bowen only)
B	Codrilla	Peabody Energy	Isaac (R)
B	Drake Coal	QCoal	Whitsunday (R) (Bowen only)
B	Eaglefield Expansion	Peabody Energy	Isaac (R)
B	Ellensfield	Vale Australia	Isaac (R)
B	Galilee Basin Transmission Project, Stage One	Powerlink	Barcaldine (R), Central Highlands (R), Isaac (R)
B	Kevin's Corner	Hancock Galilee	Barcaldine (R)
B	Transmission Network Extension In North West Surat – substation construction	Powerlink	Banana (S), Maranoa (R)
B	Washpool Coal	Aquila Resources	Central Highlands (R)
B	Wiggins Island Rail Project, Stage One – sub-project 8	Aurizon	Banana (S)
C	Arrow LNG – Bowen gas project	Arrow Energy	Central Highlands (R), Isaac (R), Whitsunday (R) (Bowen only)
C	Arrow LNG – Bowen pipeline	Arrow Energy	Isaac (R), Gladstone (R), Rockhampton (R)
C	Byerwen Coal	QCoal	Isaac (R)
C	Carmichael Coal – mine	Adani	Isaac (R)
C	Carmichael Coal – railway	Adani	Isaac (R)
C	Galilee Basin Transmission Project, Stage Two	Powerlink	Barcaldine (R)
C	Minyango	Blackwater Coal	Central Highlands (R)
C	Moranbah South	Anglo American	Isaac (R)
C	Nathan Dam	SunWater	Banana (S)
C	Nathan Dam to Dalby Pipeline	SunWater	Banana (S), Western Downs (R)
C	North Galilee Basin Rail	Adani	Isaac (R), Whitsunday (R) (Bowen only)
C	Red Hill Mining Lease	BMA	Isaac (R)
C	South Galilee Coal	AMCI	Barcaldine (R)
C	Springsure Creek Coal	Bandanna Energy	Central Highlands (R)
C	Teresa Coal	Linc Energy	Central Highlands (R)
C	Wandoan South to Eurombah Transmission Project – substation and transmission line construction	Powerlink	Banana (S), Western Downs (R)
D	Athena	Yancoal Australia	Central Highlands (R)
D	Baralaba Expansion	Cockatoo Coal	Banana (S)
D	Belvedere Coal	Vale Australia	Banana (S)
D	Belview	Stanmore Coal	Central Highlands (R)
D	Bluff	Carabella Resources	Central Highlands (R)
D	Boundary Hill South	Anglo American	Banana (S)



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Category <sup>(a)</sup>	Project / operation name	Company name	LGA
D	Broughton	U&D Mining	Isaac (R)
D	Central Queensland Integrated Rail	Aurizon	Barcaldine (R), Isaac (R)
D	China Stone	Macmines	Isaac (R)
D	Dingo West	Bandanna Energy	Central Highlands (R)
D	Galilee Basin Power Station	Waratah Coal	Barcaldine (R)
D	GLNG – gas fields development	Santos GLNG	Central Highlands (R), Maranoa (R), Western Downs (R)
D	Grosvenor West	Carabella Resources	Isaac (R)
D	Harrybrandt	Yancoal Australia	Isaac (R)
D	Hillalong Coal	Rocklands Richfield	Isaac (R)
D	Mackenzie	Cougar Energy	Central Highlands (R)
D	Mackenzie	Stanmore Coal	Central Highlands (R)
D	Meteor Downs South	U&D Mining	Central Highlands (R)
D	New Lenton	New Hope Group	Isaac (R)
D	Rolleston Coal Expansion	GlencoreXstrata	Central Highlands (R)
D	Taraborah	Shenhua International Group	Central Highlands (R)
D	Wilton Coal	Coal of Queensland	Central Highlands (R)
E	Surat Basin Rail	Surat Basin Rail	Banana (S), Western Downs (R)
E	Taroom Coal	Cockatoo Coal	Banana (S)

(S) – Shire (R) – Regional Council

(a) The five categories include existing operations and future projects, grouped according to their status in the EIS process as at March 2014. See methodology (page 2) and caveats (page 12) for further details.

(b) RioTinto Coal Australia sold its controlling stake in Clermont mine in October 2013, when GlencoreXstrata and Sumitomo formed a 50-50 joint venture to buy RioTinto's 50.1% stake in the mine.

Source: QGSO, Resource operations employment survey and Resource projects employment survey, 2013

### Caveats

QGSO's non-resident population projections provide an estimate of the number of non-resident workers on-shift by LGA. They are based on the on-shift non-resident worker population estimates established in previous years and take into account future workforce growth arising from resource industry and infrastructure projects planned for the region, as reported directly by resource companies.

Projections are based on the best available data and advice at the time of preparation. Numbers of non-resident workers on-shift are projected for the period to 2020 only, as it is considered that the reliability of information regarding future projects diminishes considerably beyond that point. Projected numbers of non-resident workers on-shift presented in this report represent an estimate for 30 June of the indicated year. Temporary peaks and falls in project workforces may occur in between these mid-year estimates for successive years.

The four projection series represent a range of possible outcomes based on the status of projects in the EIS process at the time of production in March 2014 (see the projection methodology, page 2, for further details). These outcomes are subject to change over time as projects proceed through the approvals process. Projections reflect the cumulative impacts of multiple projects at a given point in time, and changes to any individual project will affect the projected cumulative outcome.

Series D projections include projects that are in the early stages of planning and that have yet to proceed to a published EIS. Workforce data and indicative start dates provided to QGSO for these projects are preliminary company estimates, which may not be publicly available. Both estimated workforce numbers and project timeframes are subject to change during the course of project planning. As such, Series D projections should be regarded as having a higher degree of uncertainty than the other three series.

Category E comprises projects that have completed the approvals process but where FID has been delayed indefinitely, as well as other projects that are dependent on the commencement of projects in this category. As no indicative timeframes were available at the time of preparation they could not be allocated to a projection series. Changes in the status of these projects could substantially alter any or all of the possible outcomes represented by the four projection series.

The projections reflect certain assumptions about the likelihood of projects advancing according to advised commencement dates, sequencing of project stages and timing of workforce peaks. Changes to any of these factors can make a significant difference to the cumulative non-resident workforce at a given point in time, particularly during construction phases. Short-term influences such as extreme weather events, industrial action and supply chain delays can all result in changes to project scheduling and to these projections.

QGSO does not advocate any one series as being the most likely or favoured outcome and users should consider the assumptions affecting each potential scenario. Given the volatile nature of the resource sector and the inherent uncertainty about the likelihood of projects proceeding as indicated, these projections should be considered as being indicative of the range of potential outcomes rather than literal accounts of future growth.



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## Notes

Non-resident workers are people who fly-in/fly-out or drive-in/driver-out (FIFO/DIDO) to work and live in the area temporarily while rostered on, and who have their usual place of residence elsewhere. The Bowen and Galilee Basins' non-resident populations comprise people working in the mining and gas industries, construction workers, and associated sub-contractors. Figures in this report refer to the number of non-resident workers *on-shift*, or present in the area at a given point in time, and should not be confused with *total* non-resident workforce numbers.

In technical terms, the 'Bowen Basin' and 'Galilee Basin' refer to the geological formations or coal basins that give these regions their names. For the purposes of reporting population statistics, QGSO has defined these regions in demographic rather than geological terms. The Bowen Basin region covers the LGAs of Banana (S), Central Highlands (R) and Isaac (R), and part of Whitsunday (R). Whitsunday (R) (Bowen only) comprises the Statistical Areas, Level 2 (SA2s) of Bowen and Collinsville, equivalent to the area of former Bowen Shire.

For the purposes of this report, the Galilee Basin is defined as the LGA of Barcaldine (R). While the Galilee Basin coal deposit extends north into the LGAs of Isaac (R), Charters Towers (R) and Flinders (S), most of the resource development activities announced to date are located in the southern end of the basin. The population impacts of Galilee Basin projects located in Isaac (R) are included in projections for the Bowen Basin rather than the Galilee Basin. Similarly, most of the rail and port construction and operations activities for the Galilee Basin projects will take place in the Bowen Basin LGAs of Isaac (R) and Whitsunday (R) (Bowen only), rather than in Barcaldine (R).

Data in this report are derived from surveys conducted by QGSO in 2013 and other sources. The Survey of accommodation providers counted the number of non-resident workers on-shift during the last week of June 2013. See the *Bowen Basin Population Report, 2013* <http://www.qgso.qld.gov.au/products/publications/bowen-basin-pop-report/index.php> for further details. The Resource operations employment survey collected workforce information, including place of usual residence data, from all resource companies with existing operations in the Bowen Basin as at June 2013. The Resource projects employment survey gathered information from all resource companies intending to develop projects in the Bowen and Galilee Basins as at June 2013. Companies were asked to report employment details for future projects, including new projects and expansion of existing projects. Respondents were asked to provide the anticipated size, timing and location of each project's construction and production workforces. A full list of existing operations and future projects is available in Table 7 of this report.

Figures in tables have been rounded to the nearest 10. As a result of rounding, discrepancies may occur between sums of the component items and totals. Percentages and other calculations are made prior to rounding of figures and discrepancies might therefore exist between these calculations and those that could be derived from the rounded figures.

Data tables to supplement this report are available online at <http://www.qgso.qld.gov.au/products/tables/index.php>.

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# The Courier Mail

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Newman slips up on talks - Dealings with Palmer come under scrutiny

By Koren Helbig, Greg Stolz

CAMPBELL Newman has been caught out wrongly claiming he had not met Clive Palmer over rail projects in Central Queensland, sparking questions about his dealings with the billionaire LNP backer.

Mr Newman said yesterday morning he had never spoken with Mr Palmer about Galilee Basin rail options, as the mining magnate launched legal action against the partly state-owned QR National.

But hours later the LNP leader insisted he had misunderstood media questioning after he was confronted with an article from last May in which he told reporters he had discussed rail solutions with Mr Palmer.

Deputy Premier Andrew Fraser said Mr Newman had been caught in a lie and called for the immediate disclosure of undertakings he and other Liberal National MPs had given Mr Palmer over his China First company and its projects in the Galilee Basin.

Mr Newman returned fire, saying he had "never, ever" spoken to Mr Palmer about his projects, but had merely outlined LNP policy for the Galilee Basin area to him during a function last year.

"I haven't had a briefing from him or his people about his railway line or his mine or anything," Mr Newman said.

"I don't know what he's even proposing now and I've been quite determined to stay away from the matter for reasons like the way that Andrew Fraser is seeking to link me with him now."

Mr Newman insisted Mr Palmer would have no influence over an LNP government and said it was "outrageous" to suggest the major financial backer would be given special treatment if the conservatives took power. On the Gold Coast, Premier Anna Bligh urged Mr Newman to come clean over his dealings with Mr Palmer, who has donated \$1.1 million to the LNP in the past 18 months.

Mr Palmer has launched an \$8 billion lawsuit against QR National, alleging a breach of confidentiality and misleading conduct.

Business P31

Caption: BIG WHEEL: LNP leader Campbell Newman takes a perch in a truck cabin as he campaigns yesterday in Toowoomba.

Illus: Photo

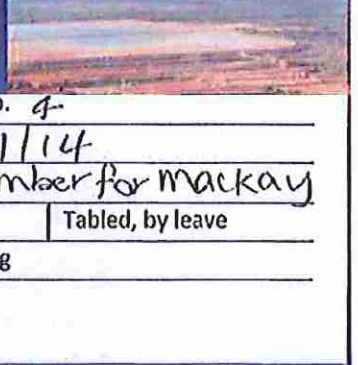
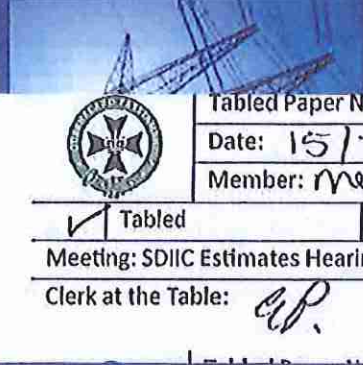
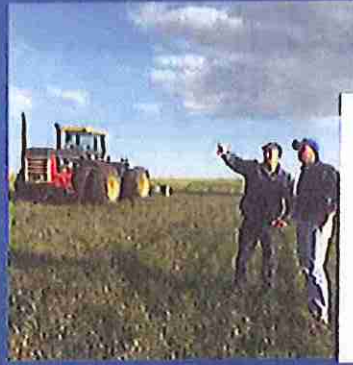
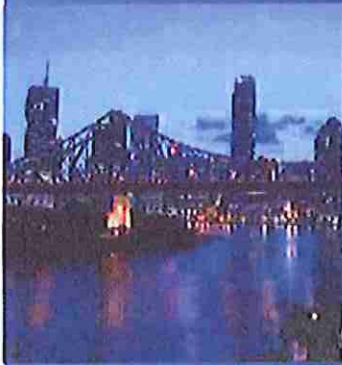
IllusBy: AAP

BIOG: CAMPBELL NEWMAN, CLIVE PALMER, ANDREW FRASER, ANNA BLIGH

Section: NEWS

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Tabled Paper No. 4

Date: 15/7/14

Member: member for mackay

✓ Tabled

Tabled, by leave

Meeting: SDIIC Estimates Hearing

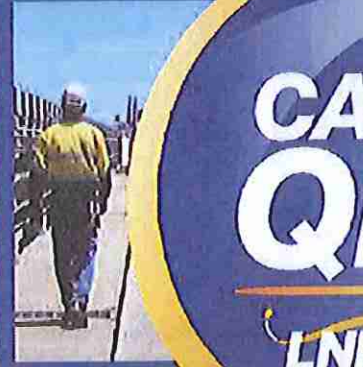
Clerk at the Table: *ep*

# THE 'CANDO' LNP

## Resources and Energy Strategy

Investment certainty in return for world's best social and environmental outcomes

A vision for Queensland's resources and energy sector



CANDO  
QLD

LNP LIBERAL NATIONAL PARTY



## FOREWORD

The LNP is committed to getting Queensland back on track in economic performance, social development and responsible environmental management.

To do this we intend to unlock the Four Pillars of the Queensland economy – Resources, Agriculture, Construction and Tourism – that drive economic growth, job creation and prosperity.

By focusing on the Four Pillars, we can make sure Queensland again becomes the leading Australian state to do business, to get a job, to buy a house and to raise a family. Under an LNP Government, we can ensure a strong future for the Queenslanders employed in strong industries, as well as for those whose jobs, careers and businesses are reliant on a growing and diverse Queensland economy.

If the LNP is elected, our goal will be to balance the Queensland budget and restore the State's AAA credit rating. We will also develop and implement a long-term economic plan to ensure that Queensland never again gets into the financial mess that has been created by the current Labor Government.

The LNP's Resources and Energy Strategy details our plan for creating new opportunities and sustainably growing the Resources industry in this State.

Along with our plans for agriculture, construction and tourism, we are determined to get Queensland back on track and to ensure all Queenslanders share in a bright and prosperous future.

We look forward to your feedback and ideas.



**CAMPBELL NEWMAN**  
Leader of the LNP



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



**JACK DEMPSEY MP**  
Shadow Minister for Mining  
Shadow Minister for Resource Management



## INTRODUCTION

Queensland's resources belong to all Queenslanders. Their development is vital to deliver the services that Queenslanders need and expect in the 21st Century.

***"The LNP will take the surprises out of industry decisions, but expect the world's highest social and environmental standards"***

Queensland needs a strong and sustainable resources and energy sector now and in the future. The vision for the sector outlined in this Strategy is to make Queensland a world leader, not just in terms of sector output, but also in industry regulation, environmental practice, social responsibility and in industry research, development and innovation.

The aim of the Strategy is simple:

Restore Queensland's sovereign risk rating to ensure long term investment confidence, provide real protection for the environment, and require the sector to restore the resources and energy sector's community license to operate.

That is, as a Government, the LNP will take the surprises out of industry decisions, but will demand the world's highest social and environmental standards in return for this long term certainty and confidence.

The LNP's strategy is to make Queensland a world leader in resources and energy:

- Output
- Industry regulation
- Environmental practice
- Community and social responsibility
- Research, development and innovation





## WHY A STRATEGY PAPER?

The LNP Resources and Energy Strategy sets out our vision for the resources industry in Queensland in the long term. Importantly, it establishes the framework for more detailed policies and initiatives that will be released during the election campaign and beyond.

By releasing this strategy, we are giving all Queenslanders an opportunity to take pride in our mining and resources sector and help shape the future for the industry in this State.

We want to ensure that all good ideas, and especially those from people with skin in the resources and energy game, are considered.

Our plan is focused on building a strong and successful future for these important industries in this State.

The ideas in this strategy paper align with the LNP's strategies for each of the State's other key economic drivers:

Agriculture, Construction and Tourism. Together, they combine to form the LNP's CanDo plan for reinvigorating the Queensland economy.

***"This Strategy sets out our vision for the resources industry in Queensland in the long term."***

## THE CHALLENGES AHEAD

There are many challenges facing Queensland's resources and energy industries.

While international demand for Queensland's high quality resources remains strong, the industry faces a number of new issues at home, including an unstable state regulatory regime and slow project approvals. In addition, industry faces challenges resulting from Labor's failure to provide and maintain key infrastructure and support initiatives to address the growing shortage in key industry skills.

The LNP also recognises the vital importance of addressing environment and social concerns that

have resulted from unprecedented industry growth. These issues require a sympathetic and balanced response from industry and government alike.

At a national level, the Labor-Green government is imposing new taxes on the sector

– the Carbon Tax and the Mineral Resource Rent Tax – that will be an additional burden restricting the growth of our resources and energy industries, as well as Queensland's overall economy.

The mining and resources industry has always played a central and important role in Queensland, and the LNP believes it must continue to play a strong role in the development of our State, its culture, its lifestyle and its economy into the future.





The LNP will ensure every Queenslanders benefits from our resources and energy industries. We understand just how vital this sector is to Queensland and the contribution it makes to our economy and lifestyle. Strong community support for the resources and energy sector and its social licence to operate is critical for our future success.

An LNP Government will work closely with industry to create a business environment that encourages long term development and sustainability of the minerals and energy sector for the benefit of all Queenslanders. We will provide certainty to industry, and recognise its role in growing our state.

In return for this support, we will demand the highest standards of environmental management as well as consultation, consideration and cooperation with Queensland communities to meet their long term needs. A strong social licence to operate is important for the sector's reputation and for Queensland's long term economic benefit.

***"We will provide certainty to industry, and recognise its role in growing our state."***

## The most important issues for resources and energy in this State are:

1. Addressing skills shortages
2. Restoring stability and efficiency in regulation and approval processes
3. Protecting the environment
4. Re-establishing community acceptance and social licence to operate
5. Supporting world-leading industry research, development and innovation
6. Building key infrastructure
7. Meeting local and global energy demands
8. Maintaining a fair, competitive tax regime

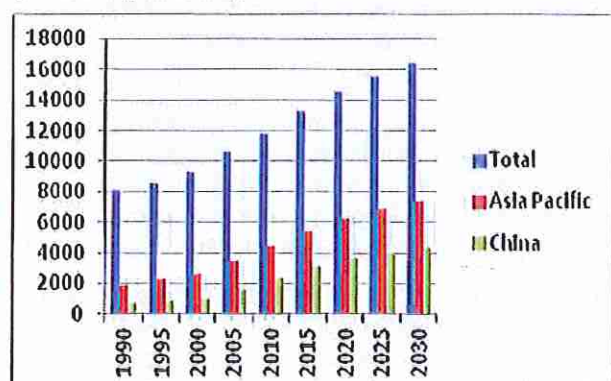
Through ongoing consultation with industry groups, resources and energy companies and other interested parties, the LNP has identified the most important issues for resources and energy in this State.

It is clear that the Queensland mining and resources industries need a strategic plan to ensure minerals, petroleum and other energy resources are developed for the benefit of all Queenslanders in the long term. We need a plan to maximise exploration and development of our resources using world's best practice

standards, with a special focus on protecting the environment and reinforcing the State's strong, decentralised community structure.

Global primary energy demand is projected to rise by 35% between 2008 and 2035<sup>1</sup>, with even higher predictions for Queensland's own energy demand growth. We cannot afford to sit on our hands and let opportunities for resources and energy development go by as our global competitors continue vying for greater market share, nor should we fail to rigorously manage the growth in the sector and the inevitable community impacts.

**Global Energy Consumption 1990-2030**  
(Mt oil equivalent)<sup>2</sup>



This Strategy highlights the challenges that must be addressed for the resources and energy sector in Queensland to continue to grow and meet its potential for the future, and identifies a clear pathway to meet these challenges under an LNP government.



## RESOURCES AND ENERGY IN QUEENSLAND

The resources and energy sector is a major economic contributor for Queensland. It is one of the pillars recognised and earmarked for growth in the LNP's vision for an economy based on revitalising four key industry pillars.

The resources sector is our largest export earner and an essential stream of own-sourced revenue to the Queensland Treasury. It is also a key contributor to improving standards of living and prosperity across the State, and especially in regional areas.

***“The resources sector is a key contributor to improving standards of living and prosperity across the State, and especially in regional areas.”***

Our resources and energy sector contributes significantly to regional development and is a major source of employment in a growing number of Queensland communities. Indeed many Queensland communities owe their existence to the development of mineral deposits.

For example, in the Mount Isa Local Government Area alone, the resources sector is estimated to have contributed at least \$1.35 billion to the regional economy in 2009-10, including \$490.2 million in income to approximately 3,761 employees and contractors who live in the area.<sup>3</sup>

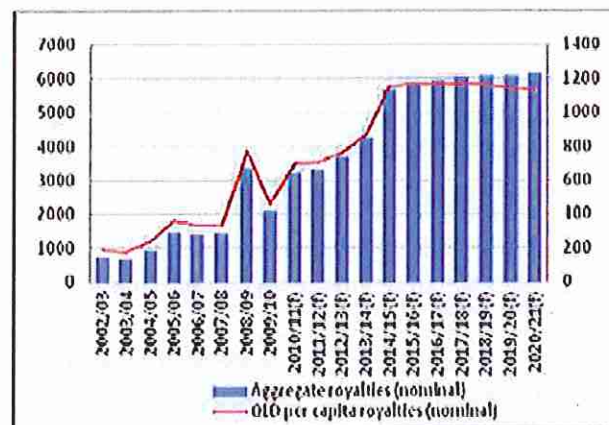
Figures on the economic impact of Queensland's resources industries vary depending on the source. However, the numbers universally illustrate the substantial contribution that the sector makes to the state. Its continued success is critical to grow our economy and provide jobs for future generations of Queenslanders.

Mining and resources industries in Queensland:<sup>4,5</sup>

- Directly contributed \$23.7 billion toward Queensland's gross state product (GSP) in 2009-10. This equates to 10.3 per cent of the state's total economic output for the year.
- Provided an estimated \$2.6 billion in royalties in 2010-11 (projected to rise to \$6.1 billion per annum over the next ten years), helping to build and maintain infrastructure and employ teachers, doctors, nurses and police officers.
- In 2009-10 injected \$707 every second into Queensland through wages, business purchases and community payments
- Paid \$4.9 billion in wages in 2009-10.
- According to OESR mining supported 55,500 direct jobs, and many times that in indirect jobs.

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

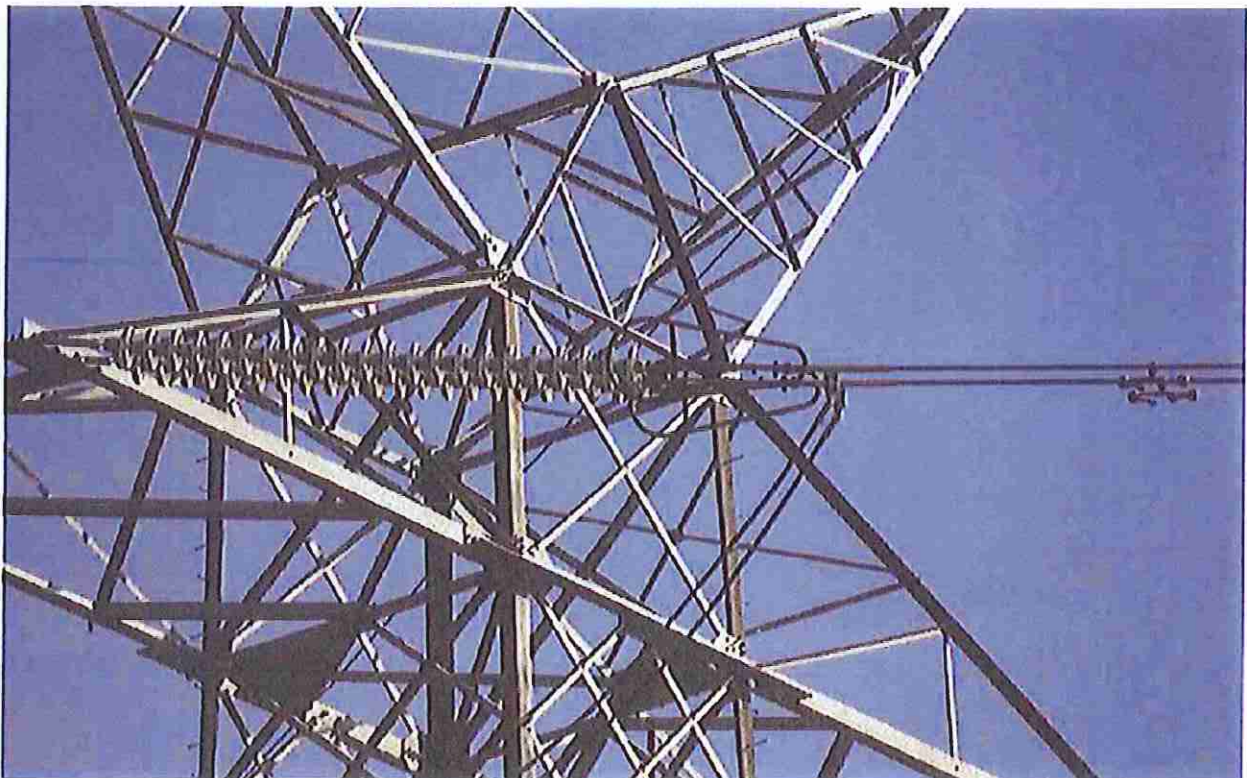
**Current and estimated Queensland resource royalties<sup>4</sup>**





A long term strategy for the continued development of resource and energy industries is essential to the State's economic future. Continued stability and growth in this sector is essential not only to meet Labor's \$85 billion debt and fund overdue infrastructure, but also to meet skyrocketing domestic and global energy demands, while providing raw materials essential for the construction industry.

An LNP Government will put the right industry frameworks in place, with a focus on delivering long term certainty so Queensland can continue to expand its role in meeting global market demand for resources and energy. In addition, Queensland's expertise and knowledge in this sector will help secure future economic success both for our industries and communities.





In summary, the objectives of this strategy are to:

1. Provide a long-term, prosperous future for the resources and energy industries in Queensland, with strong, enduring community support for the sector's social licence to operate.
2. Address resources and energy industry skills and knowledge shortages, and provide additional, improved job opportunities for Queenslanders, especially in regional areas.
3. Reform the state's regulatory framework and approval processes for resources and energy projects, cut red tape and find efficiencies to encourage new investment and restore Queensland's international reputation as a low risk investment destination.
4. Ensure the state's resources and energy industries remain internationally competitive, and are well positioned to meet increasing global energy demands.
5. Establish Queensland's resources and energy sector as a case study for the rest of the world in efficient production as well as in best practice environmental management and social responsibility.



## TRENDS IN QUEENSLAND RESOURCES AND ENERGY INDUSTRIES

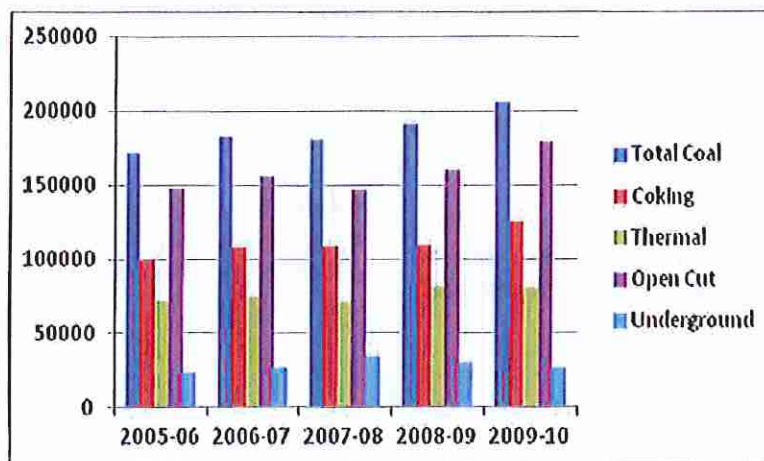
**Coal still dominant:** Development of Queensland's resources and energy industries continue to be dominated by activity in the State's abundant coal reserves. Queensland has around 32 billion tonnes of identified resources of black coal.

Coal resource development will continue to play a leading role in meeting energy demands both in

Australia and globally. Around 85% of Australian electricity is generated by coal-fired sources.<sup>7</sup>

Globally, 93% of electricity is generated mainly from thermal sources, with coal the major energy source. Almost 80 per cent of China's, and almost 70 per cent of India's, electricity is generated from coal.<sup>8</sup>

Queensland Coal production volumes – 2005-06 to 2009-10 (KT)<sup>9</sup>





**Energy demand up:** Queensland domestic and industrial demand for energy is growing fast, at a rate around double that of other Australian states.<sup>10</sup> Queensland's big industries, including mining, minerals processing and manufacturing, have big energy requirements, and if we are going to grow these industries, we need to continue to develop our traditional energy resources alongside new and emerging technologies, equipment, services and processes to help in meeting not only local, but global energy demand which is projected to rise by 35% between 2008 and 2035.<sup>11</sup>

Queensland's energy market is forecast to reach its Low Reserve Condition (LRC) point in 2013-14.

The Australian Energy Market Operator estimates that at least 341 MW of new generation or 'demand-side investment' is required to come online just to delay this shortfall for one year.<sup>12</sup>

***“Without urgent action, labour and knowledge shortages will have a major impact on the growth of the sector”***

**Knowledge and skills shortage:** Without urgent action, labour and knowledge shortages will have a major impact on the growth of the sector, and other key sectors, in the immediate future, potentially leading to wage growth outstripping productivity growth.

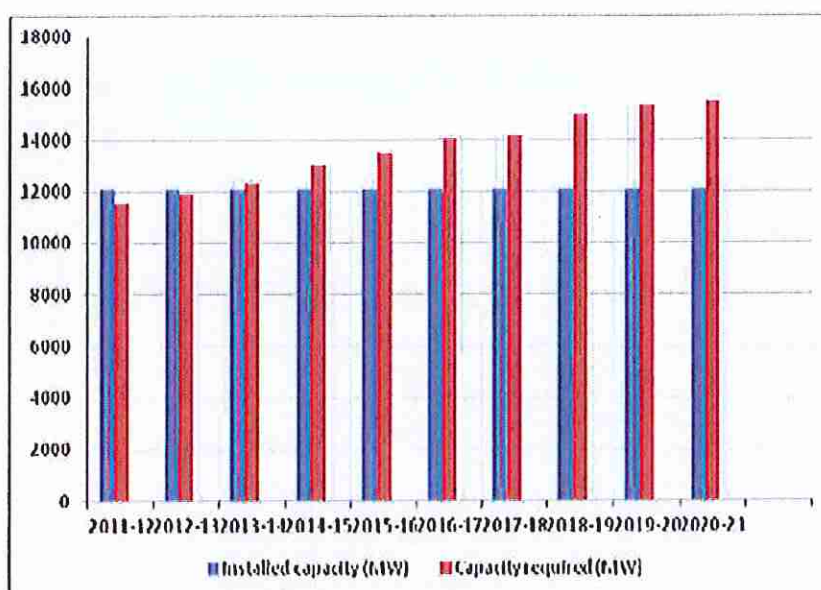
This can happen as jobs are filled with less qualified or less experienced workers requiring further training and experience before they

reach their full potential in their jobs. In the current financial climate, Queensland cannot afford this loss of productivity.

Particularly in nascent industries like Coal Seam Gas (CSG) and Liquefied Natural Gas (LNG), more focussed research is also

needed to improve confidence in the industry's ability to control and mitigate impacts in areas like water and environment management.

Queensland summer supply-demand outlook<sup>13</sup>



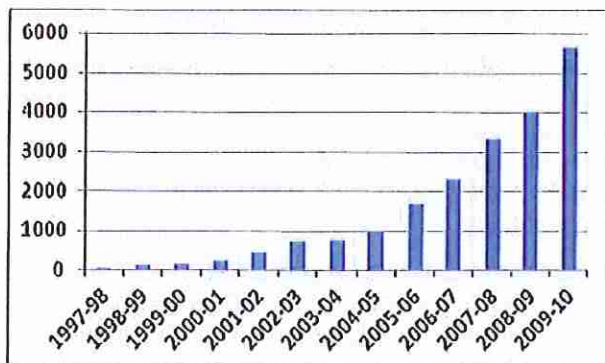


**Gas boom:** Development of Queensland's gas reserves has grown significantly in recent years, and is set to continue growing. The number of CSG wells in Queensland is expected to grow to between 30,000 and 40,000 as the industry continues to expand in coming years.

As at 30 June 2010, proved and probable reserves of CSG in Queensland reached 27,992 petajoules (PJ). In 2009–10, production increased to 212 PJ from 151PJ in 2008–09.

The speed of growth in the gas industry has outpaced government action, leaving a need for regulatory catch-up.

**Queensland CSG production volumes – 1997-98 to 2009-10 (Mm<sup>3</sup>)<sup>14</sup>**



**Infrastructure backlog:** The resources and energy sector will only meet its potential if the infrastructure to underpin its success first catches up to, and then keeps pace with industry growth.

The provision of economic and export industry infrastructure such as links to our ports underpins Queensland's competitiveness in world markets. Delivering improved infrastructure to drive economic growth and deliver services must be restored as a primary policy objective of the Queensland Government.

The current growth of the resources and energy sector presents real challenges for infrastructure development. However, it also offers a rare opportunity to improve our infrastructure and productivity, as well as provide a real and positive legacy particularly in regional areas of Queensland.

**Environment and climate change concern:**

Finding and implementing new methods to protect the environment and address forecast climate change remains an important global challenge.<sup>15</sup> Queensland's strong reliance on our coal

reserves as a primary source of fuel, and the size of our industries means any moves to unilaterally address carbon emissions will negatively affect Queensland's resources and energy sector and global competitiveness. In the future, focus will increase on prevention and responding to environmental issues, as well as mitigating any effects of climate change. This will include a specific focus on increasing the use of renewable and alternative energies and fuels in Queensland, and the global energy mix.

**Community Interest high:** The recent rapid growth in resources and energy activity has given rise to a higher level of community interest in, and interaction with these industries. In some areas in regional Queensland, this interaction is a relatively new occurrence. This has been most notable in the development of the CSG industry, which has grown almost exponentially since it commenced in Queensland around 15 years ago.

This increased level of public interest brings with it more scrutiny to ensure resources and energy companies meet their environmental and social responsibilities. This additional scrutiny is warranted and there needs to be ongoing recognition of the importance of community and infrastructure development, as well as broader environmental protection. There is a need to ensure that public debate is factual and better educated in order to maintain public confidence.

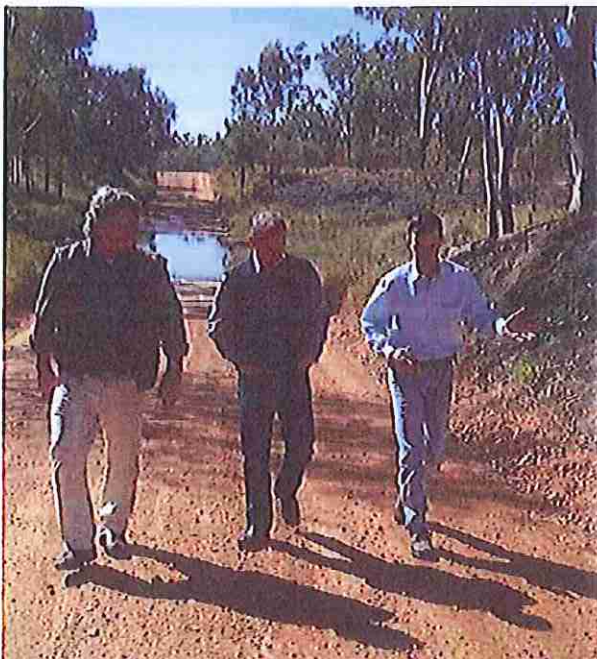


**Conflicting land use issues:** It is vital that the growth of the resources and energy sector does not occur at the expense of other economic and social pillars. Within Queensland, as for Australia more broadly, community concern has been growing about loss of agricultural land in particular.

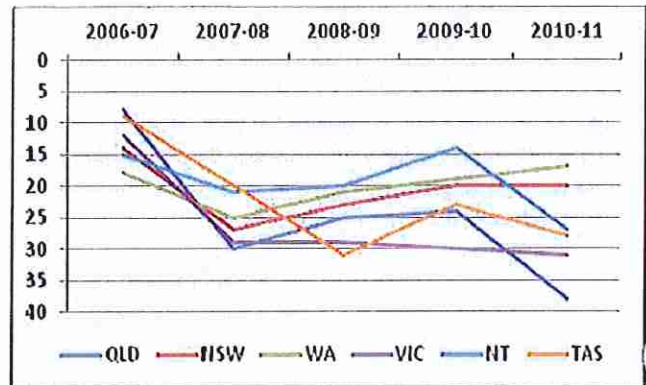
Evidence shows that most of the impact on agricultural land has come about as a result of urban encroachment. More recently, resources and energy development has expanded further into more intensively farmed regions, prompting increased community concern. Under the current State Labor Government, the extent of this loss and its impact on production has not been monitored by State agencies before now.<sup>15</sup>

This issue is addressed in our Agriculture Strategy.

The State Labor Government's approach to regulating the resources industry has seen Queensland's international ranking for investment risk fall in just five years from 8th to 38th in the world. We are now ranked the lowest of all Australian States, after rating the highest in Australia.



#### Comparison of Australian States' Fraser Institute Policy Potential Index rankings to 2010-11



The consistent message coming from industry peak bodies and resources companies operating in Queensland confirms that state requirements for project approvals are becoming unmanageable, and that the time taken to achieve these approvals has increased greatly in recent years.

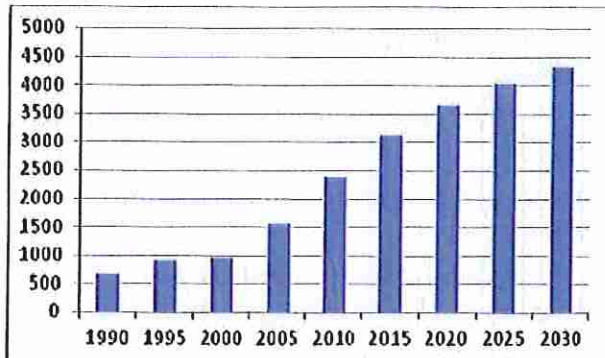
The industry has identified as an exacerbating factor the shift in Government focus from enabling sustainable resources projects to proceed based on genuine environmental considerations and merit, to ideology-based processes in relevant departments.

**Asia's growing Importance:** Because of our continued strong export focus, Queensland's resources and energy sector relies on continued access to international markets, global economic stability, and strong trading partner economies for ongoing success.

Strong demand for raw materials and energy from key Asian resource markets has helped to shield the Australian economy from global economic turbulence. Non-OECD countries, such as China and India in the Asia Pacific region, are expected to account for 93 per cent of the projected increase in global energy demand<sup>17</sup>, reflecting the continued high rates of growth in these economies. China's energy demand alone is forecast to rise by 75 per cent between 2008 and 2035.<sup>18</sup>



**China's Total Energy Consumption 1990-2030  
(Mt oil equivalent)<sup>19</sup>**

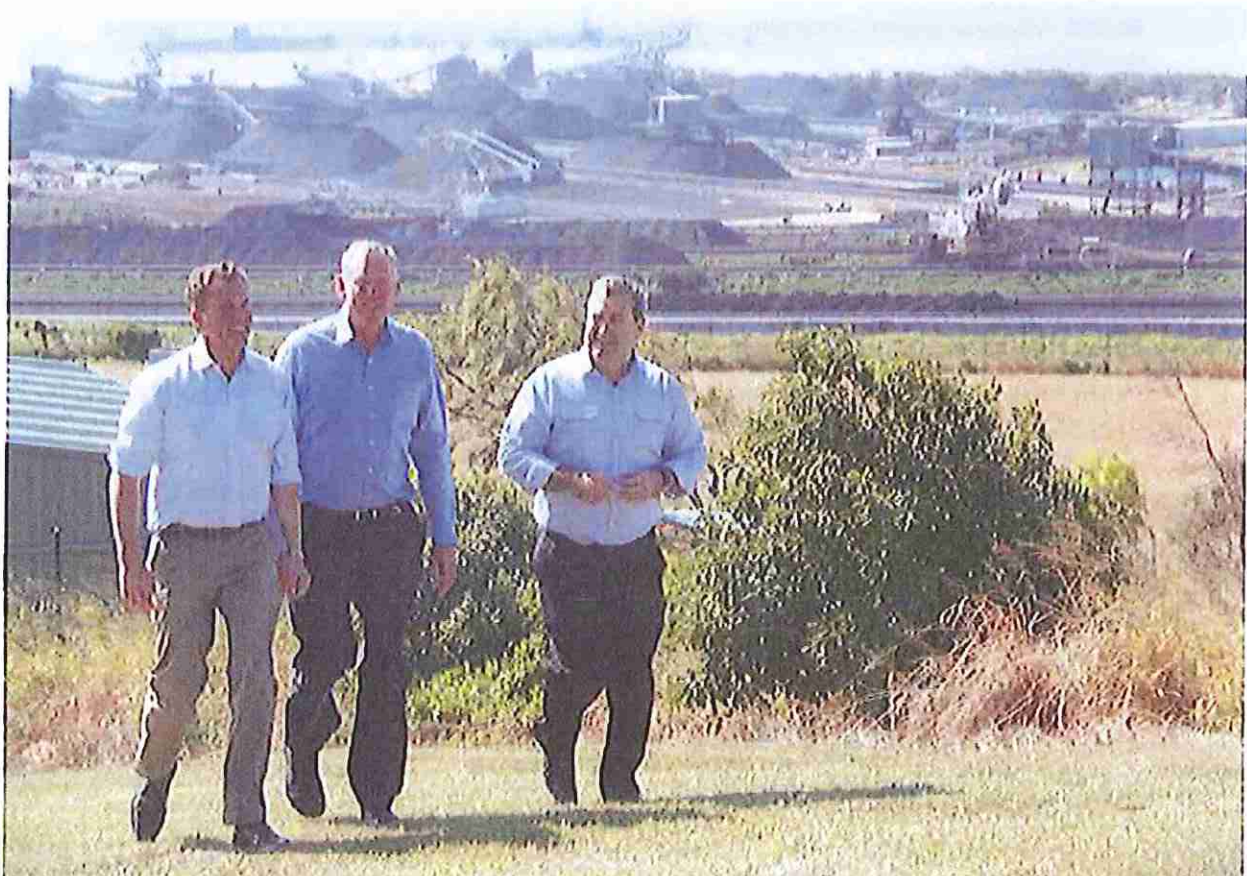


Additionally, increased direct investment from Asian partners is growing not only in Queensland's resource development projects, but also in key infrastructure – including major investment in railway and port projects.

**Uncertain tax environment:** Labor's Carbon Tax will have a major impact on the global competitiveness of Queensland's resources and energy industries. Modelling recently undertaken by ACIL Tasman forecasts \$18 billion in new coal industry tax liabilities over the first 10 years<sup>20</sup> of this proposed new tax. It shows that the Carbon Tax will cost 2,700 coal mining jobs in Queensland by 2018, and result in a \$1 billion loss in Queensland Government coal royalties by 2020-21.<sup>21</sup>

Additionally, the Queensland Government itself admits that the Carbon Tax will wipe \$1.7 billion off the value of Queensland's state-owned power stations.<sup>22</sup>

A proposed 30% Mineral Resource Rent Tax (MRRT) will also cost the resources industry, especially in Queensland. With a new 6c a litre diesel fuel tax thrown in, the Australian minerals industry will likely face extra costs of \$25 billion between 2012 and 2020.<sup>23</sup>





## **THE RESOURCES AND ENERGY POLICY CHALLENGE**

The resources and energy industries contribute strongly to Queensland's economy and have a positive impact on the overall development of the State.

The LNP believes this sector can and must continue to play a strong role in the development of the State's culture, lifestyle and economy for the future.

That is why Queensland needs a clear strategy, backed by strong policy to lock in long-term solutions. The fundamental policy questions for the strategy are:

- To meet growing world demand, how can Queensland ensure that our resources and energy industries can access the human capital, knowledge and technologies needed to meet and improve growth potential in the sector?
- How will Queensland ensure our infrastructure and local communities keep pace with the forecast rapid growth of this sector that is required to put the State's economy back on track?
- What better ways exist to manage the resource 'boom and bust' cycle, including by balancing the need to realise short term economic gains from global demand with the need to ensure a sustainable and prosperous sector for the long term?
- Considering the growth in industry development in recent years, how can we better manage the cumulative impacts, be it on social issues, the environment or infrastructure, across resource regions, including land use impacts that affect Queensland communities and farmers?
- How can Queensland establish itself as a world-leader in protecting the environment and water resources, and support the growth of new industries for the future?

### **An LNP Government will:**

- Put in place the required frameworks to increase industry productivity, and enable expansion and development of the resources and energy sector in the State.
- Work with industry to establish the Queensland sector as a global leader in:
  - sustainable resources and energy production and technology
  - protecting the environment and water resources, and
  - social responsibility and supporting sustainable communities.
- Restore Queensland's international reputation as a preferred destination for investment in resources and energy projects and technology; and
- Rebuild community confidence in, and influence over, government processes and decisions on resources and energy sector issues and development.



## LNP RESOURCES AND ENERGY STRATEGY AT A GLANCE

**The LNP's aim is to make Queensland a world leader in resources and energy:**

- Production
- Industry regulation
- Environmental practice
- Community and social responsibility
- Research, development and innovation

The current Labor Government has failed to plan and put in place frameworks that enable Queensland's resources and energy sector to reach its full potential.

Labor has been slow to conduct scientific research, consult stakeholders, address community concerns, and establish regulatory requirements for sustainable investment in new resources industries like CSG, and process approvals for new ventures.

The LNP is committed to putting in place the right policies and frameworks to allow our resources and energy sector to reach its potential for all Queenslanders. The LNP expects in return that the resources and energy industries will partner with government to invest in the best environmental science, technology and, most importantly, outcomes. At the same time we will expect the sector to work harder to rebuild its social license to operate, contributing to improved social and community outcomes, infrastructure, and programs.

Queensland already has the potential to be a world leader in producing and managing resources and energy in a smart, sustainable way, benefiting not just this State, but people around the globe.

We shouldn't be punished for developing and implementing best practice in this sector. Big industries, including mining, minerals processing and manufacturing, have big energy requirements. If these industries are to grow globally, we need to continue to develop our energy resources, alongside new technologies, products, services and processes for the energy sector.

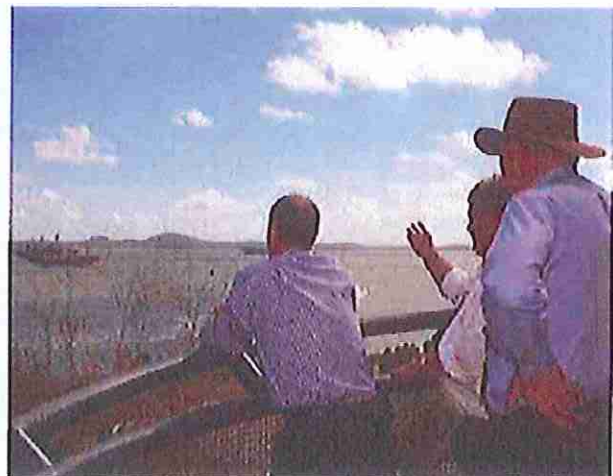
To ensure the resources and energy sector prospers, implementing a long term strategy in partnership with industry stakeholders is essential.

This plan for the continued sustainable development of resources and energy industries is needed to ensure the State's economic future. Continued stability and growth in this sector can help not only to pay off Labor's \$85 billion debt

and fund infrastructure investment, but also support our growing domestic and global energy demands, as well as providing raw materials for construction and development projects in other sectors. It will also help to ensure the

provision of safe and sustainable employment opportunities to generations of Queenslanders.

***“putting in place the right policies and frameworks to allow our resources and energy sector to reach its potential in Queensland”***





**An LNP Government, in partnership with the resources and energy sector, will meet these challenges by:**

**Creating new opportunities for Queenslanders to access education and training opportunities in skills and vocations for mining and resources, and related industries:**

- Increasing education and training opportunities in key areas including mining trades and operations, occupational and operational safety, engineering, geological, soil, environmental and other relevant sciences.
- Working closely with industry to build resource and energy sector career recognition and training in our education system, and technical skills training opportunities particularly in regional communities.
- Actively promoting Queensland as a centre for further processing of mining products to value-add to the economy and create training and employment opportunities from the development of our natural resources.

**Investing to make Queensland a world leader in specialised research and development, technology, manufacturing, knowledge and innovation for the resources and energy sector:**

- Supporting new resources and energy industry research, with a focus on research in the management of cumulative environmental and social impacts of the resources and energy industries across key regions.

- Facilitating world leading investment in mining and resources research, development and extension (R, D & E):
- Enabling globally relevant service industries and businesses to grow in Queensland. This focus will include specialised manufacturing, mine safety, resources industry education and training development.
- Employing cutting edge science to ensure the highest level of environmental standards, and occupational health and safety performance are achieved.

**Establishing a stable and attractive environment for investors in resources and energy projects:**

- Restoring as a matter of urgency our State's prized reputation for minimal sovereign risk and regulatory stability with approvals processes based on project merit to ensure Queensland re-establishes its position as the destination of choice for international investment in resources projects and industries.
- Addressing issues of high state debt, as well as returning Queensland's AAA credit rating.
- Restoring fully with industry, particularly in relation to any proposed changes to regulations, royalties or industry levies and ensuring any such changes have adequate lead-in timeframes.
- Supporting a range of resource extraction techniques that have application for different resources and locations across Queensland, all of which need to be properly managed and monitored.





**Building the infrastructure that industry needs:**

- The LNP's Building Queensland's Future Together Discussion Paper prioritises a number of key infrastructure projects relevant to the resources industries in Queensland and sets out a framework for investment under an LNP Government.
- Identify critical infrastructure requirements include major road, rail, port, water, power and flood mitigation infrastructure projects across the state's key mining and resources regions.
- Other areas of infrastructure priority identified in the Discussion Paper include strategic projects to improve other key government services including health, housing and flood proofing communities.
- Improving Social Impact Management Plan (SIMPs) requirements and processes in the mining and petroleum industries with the aim of better co-ordinated use of funds to provide improved cumulative infrastructure outcomes across resource regions.
- Implementing a new funding program to ensure regional communities that are home to resource industries receive better local road infrastructure funding.

**Rebuilding strong community support for the resources and energy industries' social licence to operate:**

- Prioritising the management of cumulative environmental and social impacts across key regions.

- Respecting private landholders' ownership rights and making arrangements appropriate to landholders in development of mineral and energy resources in Queensland.
- Recognising the enormous contribution the industry makes to the State Budget and, by extension, to the cost of maintaining and building roads and public buildings, and operating our police stations, hospitals, schools and other key government services.
- Promoting the dissemination of accurate information and science to communities to assist in generating informed discussion and to dispel myths about the industry that have received underserved credibility.
- Recognising the high operational and environmental standards already achieved by resources and energy industries, while working with the industry to deliver continual improvement.
- Enhancing the liveability of communities in resource areas by delivering proper planning, and timely infrastructure and service provision.
- Developing and implementing an improved system of statutory regional planning for all resource areas with a more focused master planning process. Planning will include extensive local input to ensure appropriate development and increased certainty for all stakeholders. (See Annexure A)
- Ensuring regional communities that are closely aligned with the revenue producing mining and resources industries get the benefits, not just impacts.

***"Respecting private landholders' ownership rights and making arrangements appropriate to landholders in development of mineral and energy resources in Queensland."***



**Ensuring Queensland maintains and grows robust, reliable and competitive energy industries that can contribute to meeting future energy demand, and providing a secure power supply to all Queenslanders:**

- Establish a stronger renewable and alternative energy sector with a strong focus on practical research and development of Queensland's abundant renewable energy resources – solar, geothermal, wind, alternative fuels/biofuels, bioenergy and marine/tidal.
- Investigate and implement new strategies to make better use of our competitive advantages, to generate cleaner and lower cost energy for Queensland households and industries.
- Address projected energy shortage issues in Queensland.<sup>24</sup>

**Strongly opposing Labor's unfair taxes on Industry:**

- Continuing to oppose Labor's Carbon Tax and the MRRT that unfairly target Queensland's resources and energy industries.
- Ensuring that taxation derived from Queensland resources is returned to Queensland and benefits Queenslanders.

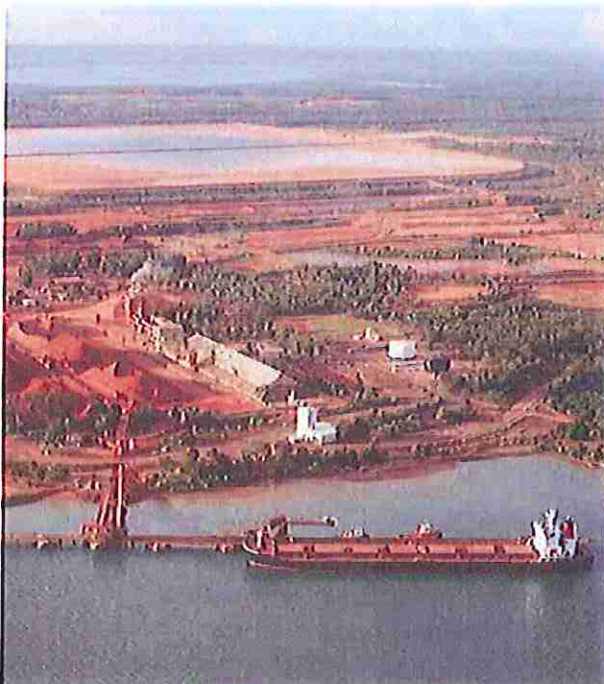
## QUEENSLAND'S ECONOMIC CHALLENGES

This strategy identifies key challenges that exist for the Queensland economy as a whole.

After having led the nation economically for many years and despite its natural riches Queensland is now underperforming.

Labor's failed economic management has left Queensland with \$85 billion of debt. In February 2009, well before the natural disasters in late 2010 and early 2011, international credit rating agency Standard and Poor's downgraded Queensland's debt rating from AAA to AA+. This downgrade was followed by credit rating agency Moody's, which downgraded Queensland to AA1, in May 2009.<sup>25</sup>

As a further warning to the Queensland Government, international credit ratings agency Fitch Ratings revised to negative the outlook for Queensland, indicating a potential downgrade is likely if the Labor Government does not act to limit the growth of its debt.<sup>26</sup>



Fitch Ratings noted that, while Queensland has a booming resources sector which is helping recovery from natural disasters, a slow pace of growth continues in non-mining sectors. In its report, Fitch pointed out that the Queensland Government has limited financial flexibility to counter potential future shocks.

The Property Council of Australia Queensland and ANZA inaugural Property Industry Confidence Survey released in October 2011 showed the property industry's confidence in Queensland's growth and economic recovery has stalled. It shows that Queensland's resources boom is not being felt by residents who don't live or work in mining areas.

These concerns have been highlighted by the Commonwealth Bank through its ComSec State of the States Report, which has, over the past year, consistently ranked Queensland as the worst performing State throughout the years of the present Labor Government.<sup>27</sup>

These reports from respected independent organisations serve to highlight and caution against Labor's continued reliance on resources to carry Queensland's economy. The bottom line is that we need to continue to broaden and build the resources sector in parallel, and in harmony, with other key industry pillars – agriculture, construction and tourism.

**This represents new challenges and imperatives for these key economic sectors in Queensland:**

- How to build new infrastructure required for industry growth given shorter-term limitations on funding.
- How to continue to meet sustainability, environment and community expectations, and improve the value of the four pillar sectors to the Queensland economy, while noting the shorter-term limitations on funding.



## WHAT WE PLAN TO DO

### 1. Addressing skill shortages<sup>28</sup>

The LNP recognises that our resources and energy industries in Queensland are crying out for skilled workers after 20 years of Labor failure to plan and address training and skills issues. There is a high risk of the industry's growth being stymied, and subsequent productivity losses from a worsening shortage of workers who possess specific, specialised mining and resources industry skills. Due to the \$85 billion debt mess that Labor has left, Queenslanders can't afford the loss of productivity that comes with a worsening skills shortage in the mining and resources industries.

#### Employment in mining ('000)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Employed FT and PT (000)									
Coal Mining	22	24	22	21	28	28	25	32	42
Oil and Gas extraction	4	4	8	7	11	9	10	16	13
Metal Ore Mining	32	34	37	32	41	46	43	46	48
Non-Metallic Mining and Quarrying	9	12	7	12	13	12	9	9	10
Exploration and other Mining Support Services	12	15	16	17	27	28	35	51	32
Other Mining Services	2	1	3	13	14	13	16	25	20
Mining Total	82	90	93	102	133	137	138	180	165

Note: Columns may not add due to rounding. Source: ABS Labor Force Australia (ABS 2009/c DEEWR analysis)

In Queensland mining directly employs 55,500 people. But to put this in perspective agriculture, forestry and fishing directly employs 77,900, tourism directly employs 118,000 and construction directly employs 236,800 people. So the resources sector is very important, but there is a critical need to maintain a balanced economy.<sup>29,30</sup>

The table below shows the breakdown of employment across the sector Australia-wide from 2001 to 2009. It shows that, since 2004, metal ore mining and coal mining have employed the most people and that employment has grown considerably in a number of categories, especially in areas where Queensland has rich resources – coal mining (almost doubled) and oil and gas extraction (tripled).

#### The LNP is committed to:

- Ensuring the growth of a resources skills base through improved training opportunities in communities across Queensland using Queensland VET providers in conjunction with the mining industry, the Australian Government and other key education institutions and programs. This will include strong support for the Queensland Minerals and Energy Academy (QMEA), assisting young people to prepare for a career in the resources sector.
- Continuing to support a Whole-of-Government approach, in partnership with industry to ensure improved training and enterprise development for Indigenous people within Queensland's resources sector.
- Supporting the Queensland Resources Council's Women in Resources Action Plan and other industry-based initiatives to attract women to work in the sector.
- Implementing a demand driven VET training system consistent with the skills sets and qualifications that are needed by industry.
- Reforming Skills Queensland to create a truly independent, industry-led statutory authority that is accountable to the Minister.



Major Australian resources projects underway, or likely to be approved before the end of 2015, will create numerous additional jobs and have different requirements in the construction and operational phases. For example:

- Construction jobs on new projects could peak at 45,000 in 2012 and 2013.
- Employment growth in mining operations is expected to be 4.9 per cent per annum over the next five years, creating around 61,500 new jobs by 2015 due to increased production, driven by demand from Asia.
- In LNG operations, pending the number of LNG trains constructed by 2015, employment could increase by around 3,200 (e.g. if new trains are approved and operating in Queensland and Western Australia).

In addition, there will be more jobs available in mining and gas operations as around 10 per cent

of employees currently leave the sector each year through retirement or transition to other sectors.

There are emerging shortages at present, mainly for engineers and other professional staff with more than five years experience. The domestic supply of mining engineers and geoscientists will not be sufficient to meet demand over the next five years with shortfalls of around 1,700 and 3,000 respectively.

The National Resources Sector Employment Taskforce expects labour market tightening will result in skills shortages by late 2011 to early 2012, particularly in Queensland and Western Australia. As a result, the resources sector could be 36,000 tradespeople short by 2015.

An Energy Skills Queensland assessment has identified that the CSG/LNG industry in Queensland could potentially create up to 7,000 direct long-term jobs<sup>31</sup>. The greatest period of employment growth will be in the next few years (as indicated in the table on the following page).





## Energy Skills Queensland, new jobs growth by occupation, Queensland projections to 2020

Occupation Groups by Skills and Activities	Slow economic growth			Moderate economic growth			Rapid economic growth		
	2010	2015	2020	2010	2015	2020	2010	2015	2020
Engineering	205	340	373	341	580	630	374	715	756
Science	73	68	75	109	103	113	124	133	149
Vocational (Technical)	831	2134	2645	1248	3197	3964	1328	3584	4854
Drilling	476	990	990	715	1484	1484	741	1820	1953
Electrical	35	146	232	53	218	347	61	253	447
Field Construction	24	44	44	36	66	66	43	88	88
Mechanical (diesel fitting)	75	201	274	113	301	410	128	309	482
Process Plant operations	190	682	1017	285	1022	1525	312	999	1724
Water Management (Operations)	29	71	88	43	106	132	43	115	160
Vocational (non-technical)	205	278	453	306	567	680	198	677	857
Occupation Health and Safety	38	84	104	56	126	156	68	154	190
Cultural Heritage	67	85	80	100	127	100	82	169	162
Admin/Logistics/Transport/Warehouse	100	109	269	150	314	404	148	354	505
Unskilled Labour	67	134	147	100	200	222	115	253	284
Other	0	31	58	0	47	86	0	31	91
Total	1,381	3,085	3,752	2,104	4,694	5,659	2,239	5,393	6,991

Source: Energy Skills Queensland (ESQ, 2009)

In Queensland, shortages in relevant skills and professions will be affected significantly by the speed of progress in development of CSG/LNG projects and are likely to include mining production managers, civil, electrical, mechanical and petroleum engineers.

There could also be shortages of fitters, electricians and electrical instrumentation workers, drillers and plant and machinery operators. Skills

shortages will be more significant in regions where resources projects are concentrated. This will be a particular challenge in Gladstone, for example, where a high number of projects are earmarked for development in the next few years.

Demand for technical skills will increase in the next ten years. Attraction and retention of labour will be particularly important in the regions, as will community planning and infrastructure support.

## Projected employment in mining operations, 2015

Occupation	Base Employment (2008)	Employment Growth	Projected Employment (2015)
Managers	13,997	5,571	19,548
Professionals	24,080	9,598	33,678
Technicians and Tradespeople	37,833	15,080	52,913
Community and personal service workers	733	292	1024
Clerical and admin workers	13,791	5,497	19,287
Sales workers	597	238	835
Machinery operators and drivers	53,621	21,372	74,993
Labourers	8,140	3,244	11,384
Other	1,675	677	2,342
Total	154,446	61,559	216,005

Source ABS 2007; ABS 2008a



In the National Resources Sector Employment Taskforce's 2010 Review, national shortages were identified in:

- Electricians/electrical engineers;
- Drillers;
- Infrastructure engineers;
- Statutory officials, including mine managers and deputies;
- Geologists; and
- Welders.

The Industry Skills Council for the ElectroComms and Energy Utilities sector has noted skills shortages for trade, technical and engineering professions across all aspects of the industry.

In associated sectors, the Australian Pipeline Industry Association highlights demand for the establishment of a pipeline specific qualification for engineers. There is also likely to be a shortage of welding specialists as a high proportion of this workforce is reaching retirement age.

It is essential to address these shortages now by implementing new, more focussed training for Queenslanders to work in the resources and energy sector. During periods of labour and skills shortage, wage growth outstrips productivity growth, as jobs are filled with less qualified or less experienced workers who require further

training and experience before they reach peak effectiveness in their jobs.

An easy option is to 'poach' tradespeople from other industries – and ultimately that is a choice for individual workers – however, the mining and energy sector is ideally placed to increase the supply of skills by providing training, 'up-skilling' and recruitment of unemployed Queenslanders and others less engaged in the mainstream jobs market.

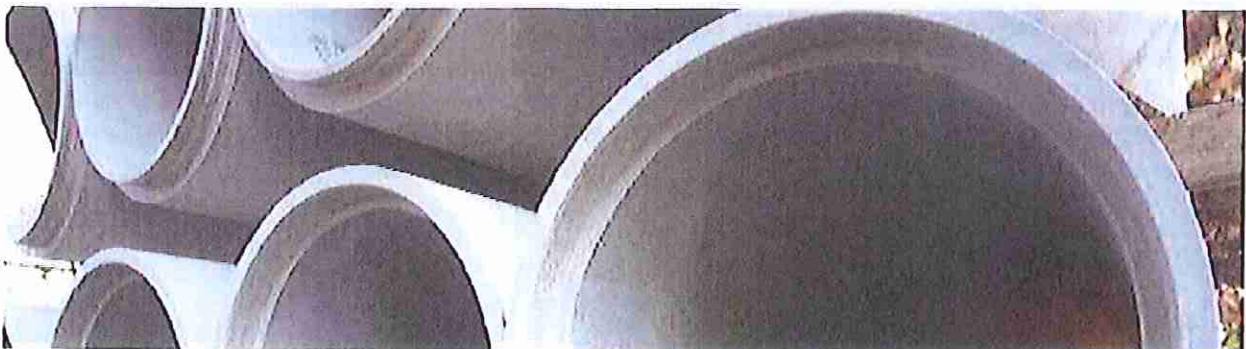
***“It is essential to address these shortages now by implementing new, more focussed training for Queenslanders to work in the resources and energy sector.”***

Better use can be made of Australian Government co-funding, including through the \$200 million Critical Skills Investment Fund, for industry partnerships in projects that provide training and employment opportunities in critical industry sectors like mining and resources.

This, along with targeted state training resources provided in consultation with industry, will support

projects that target, train and place unemployed people into available positions, and also up-skill workers, including those already in the industry, to meet new demands. Adult apprenticeships are emerging as a strong option for the mining and resources industry also.

Under an LNP Government, it is industry that will determine training requirements. A key role of government will be to direct education and training funds towards areas of critical skills shortages in Queensland.





Construction skills shortages in regional Queensland have historically been addressed by non-resident workforces – that is Fly-In, Fly-Out (FIFO) / Drive-In, Drive-Out (DIDO) workforces. Further growth in FIFO numbers seems likely with the expansion of resources sector activity. The use of FIFO has been facilitated by increases in flights from a number of regional population centres. For communities identified as having high unemployment rates, FIFO / DIDO jobs can present important employment opportunities in both construction and operation of new resources developments. The LNP has made clear its policy of not supporting 100% FIFO mining operation workforces. We believe Queenslanders should have a choice about where they live and work, and we support the sustainable growth of regional mining communities. We also recognise that there are concerns amongst community leaders in some resource regions that their communities are not, and will never be large enough to sustain large locally based mining workforces. So a one size fits all policy does not work for all Queensland communities.

FIFO and DIDO workforces can continue to play a strong role in meeting skills needs, particularly through recruitment from areas with high unemployment.

We also agree with concerns raised by industry that the current training system in Queensland is not operating effectively, and requires significant reform to address skills shortages in the resources sector. To deliver a solution to current and predicted shortages, the inadequacies of the current training system must be addressed at a number of levels.

According to resources and energy industry representatives, the VET sector in Queensland

is underperforming. The TAFE system in particular requires an overhaul to deliver sound outcomes-focused management and a transparent accountability framework.

We will focus first on the skill shortages that are economically important to Queensland. Industry with 'skin in the game' as the employers and as the growth engines of the economy must play a leading role. We are committed to genuine engagement with industry to deliver improved education and training outcomes.

Many Queensland Indigenous people are crying out for economic opportunities, and the State's Indigenous people are under-represented in the resources and energy workforce. Government and industry will need to cooperate, with assistance and contributions from the Commonwealth, to ensure Indigenous people are better able

to take advantage of employment opportunities in the resources and energy industries.

Women are also under-represented in the sector. We will continue to support the Queensland Resources

***“Under an  
LNP Government, it  
is industry that will  
determine training  
requirements.”***

Council's Women in Resources Action Plan to substantially increase the number of women working in resource occupations.

Policy on employment of Indigenous people and women in resource industries needs to move away from Labor's focus on promoting meagre outcomes. Only industry can deliver the desired outcomes, with policy support from government.

Our planned reforms will position industry as a genuine stakeholder in delivering timely workforce availability, economic benefits to the state, as well as employment outcomes for individuals. TAFE training will be more demand driven and consistent with the skills sets and qualifications that are needed by industry.



## 2. Research, development, knowledge and innovation

The LNP recognises that good science is the key driver of practical research, development, knowledge and innovation across all industry sectors.

Meeting the challenges of growth, and sometimes of conflicting demands of our agriculture, resources, construction and tourism industries, and our environment, requires sound, practical and independent science to contribute not only to government decision making, but also to continued industry innovation.

The resources and energy sector is concerned that government decisions effecting the progress and efficiency of projects are being made based on political whims and ideology rather than on good science and considering technology required to meet economic and environmental challenges and demands.

Science must sit above politics, whether it's in consideration of resources project approvals, climate change, river protection, vegetation management, koala mapping, strategic cropping land, industry's needs or the community's needs.

It is important to engage and present the best science to guide policies and decision making, and consequent planning and ensure collaboration opportunities that exist across all sectors can be captured.

There is a need to rebuild our State's practical and applied scientific and technology capability, including through partnerships with Queensland Universities to provide practical research and development, and support emerging technologies that focus on the four pillars of our economy – agriculture, mining, construction and tourism.

Through good practical science we can achieve outcomes that will ensure a bright future not just for our resources and energy sector, but also for the whole Queensland economy.

### The LNP is committed to

- Ensuring that the Queensland Government has access to the best possible scientific advice on meeting the future policy challenges of our industries. The Chief Scientist will be properly in charge of science policy.
- Providing support to Queensland Universities and research organisations for innovative resources and energy research projects, including:
  - To provide more accurate resources and energy sector data on issues including land use, industry employment and social factors.
  - To undertake specific research into managing the environmental and social impacts of a growing CSG industry in Queensland.
  - To establish net cumulative regional environmental, community and/or productivity benefits from resources and energy projects and operations.
  - To develop and provide solutions to legacy environmental issues with abandoned mines, and completed mining projects in Queensland.



### 3. Restoring a stable regulatory framework

We recognise the industry's need for stable, navigable and efficient regulatory frameworks that clearly set out the requirements of government and reflect community standards. At the same time these frameworks need to enable the industry to get on with the job, making secure investment decisions with clearly defined 'goal posts'.

The Bligh Labor Government has failed to establish the required regulatory frameworks for new resources industries like CSG. The granting of approvals for new ventures across the sector has not taken place in a consistent or timely manner.

These failures by Labor have left business and the community confused about their rights and responsibilities, and caused unnecessary delays for industry and investors. The Bligh Labor Government has generated considerable angst in communities affected by resource development issues and concerned about their futures.

Labor's inconsistent, uncertain and inefficient legislative and regulatory arrangements for mining and resources projects have marred Queensland with a growing reputation for increased sovereign risk – where potential investors are unsure of the safety of their investment and, therefore, less likely to undertake projects in the State. The Fraser Institute's Survey of Mining Companies 2010-2011<sup>32</sup> shows that, under Labor, Queensland's Policy Potential Index ranking, a ranking on security and preference as a mining investment location (sovereign risk ranking), has fallen from 8th in the world in 2006-07 down to 38th in 2011. It clearly identifies Queensland as the lowest ranked of all Australian States in the area of sovereign risk. It included the following comment from an international mining industry professional, and other similar comment:

*"In Queensland, there are so many prescriptive, legislative hurdles for exploration and the people administering the policies seem to be dead against exploration."*<sup>33</sup>

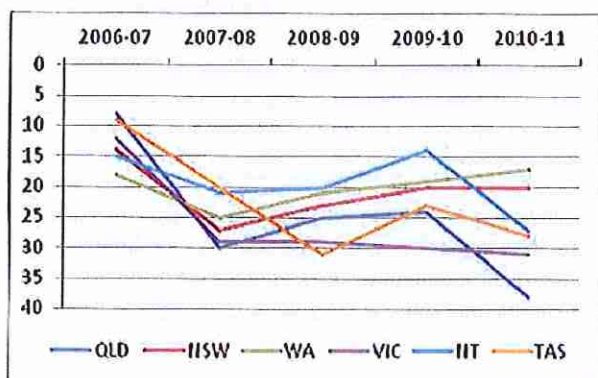
The LNP is committed to:

- Establish a Department for mining and energy.
- A regulatory regime providing long term clarity, stability, efficiency and consistency.
- Ensuring Government Departments have the capacity to fulfil their functions and meet deadlines.
- Restoring real power to the Co-ordinator General to properly coordinate and facilitate major projects.
- Refocussing the Department of Environment on merit-based outcomes, not ideology and politics.
- Implementing a transparent performance reporting and accountability framework for relevant government agencies, including the Queensland Mines Inspectorate.
- Encouraging new exploration activity in Queensland. This will include strong support for the Geological Survey of Queensland and Statutory Regional Planning to ensure community confidence.
- Supporting an independent, publicly funded health and safety regulator for the mining industry.
- Better consultation with industry to avoid a repeat of water management issues following major flooding and rain events.



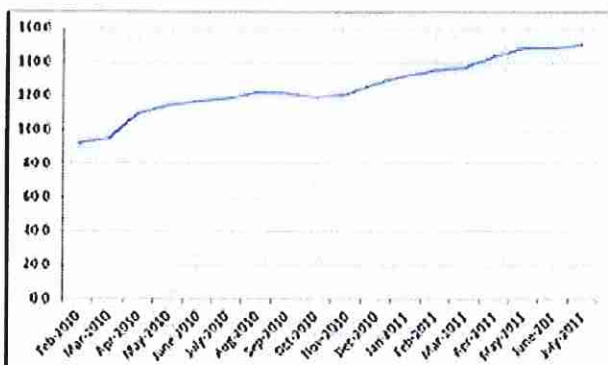
Queensland's declining sovereign risk rating is further confirmed by a resources industry survey undertaken by ResourceStocks Magazine, again ranking Queensland in September 2011 as the riskiest investment destination in Australia, and by the Queensland Exploration Scorecard, published in October 2011 by the Queensland Exploration Council (QEC), which confirmed the industry's view that resources exploration in Queensland was being hamstrung by Government red tape.

**Charting Queensland's fall from top to bottom on sovereign risk in mining**  
**Australian States' Fraser Institute Policy Potential Index rankings 2006-07 to 2010-11<sup>34</sup>**



One of the great failures of the current Queensland Labor Government has been that they have managed to create a decline in mining investment confidence concurrent with a huge mining boom, and at a time when commodities prices have reached a historical high.

**RBA Index of Commodity Prices<sup>35</sup>**



Queensland has to be competitive. Other states and countries are jostling for access to a limited pool of international investment in new mine projects. Right now Brazil, Chile, Canada, the USA and many African nations are vying to take over our market share and attract investment away from Queensland, but the tired and incompetent Bligh Labor Government seems unwilling or unable to recognise and address these issues.

Labor has failed to plan and put in place frameworks to enable Queensland's mining and resources industries to reach full potential.

Just one example of this failure is the Labor Government contributing significantly to delays in restoring mines to full production through its slow response to industry's calls for a streamlined approval process for mine water evacuation during and immediately following the floods in early 2011.

The Queensland mining industry has estimated that the impact over the first six months of 2011 was 40 million tonnes, or around \$7 billion dollars in lost exports.<sup>36</sup> This is an appalling outcome, and the Labor Government must be held accountable for its incompetence and inability to address the slow recovery. A plan must be put in place to ensure this doesn't happen again.

Moves in recent years to enable online approvals for mining projects and cut 'greentape', are regarded by industry as a first step in the right direction, yet they have had little practical effect on efficiency in the approvals system, due to additional requirements outweighing benefits.

The tired, 20-year-old Queensland Labor Government has failed to manage the State's budget, with debt set to hit \$85 billion. This means that the State needs to accelerate resources and energy sector growth if it is to meet interest payments of around \$100 million per week on this huge debt.

As a major employer and contributor to the State's prosperity, and as an essential contributor of funds to the Queensland Treasury, Government relies strongly on growth in the mining and resources sector to meet its debt obligations in the short term, and to fund future projects and programs.



#### 4. Building key infrastructure

It is a priority to ensure necessary infrastructure is constructed in a timely manner and properly maintained to allow for ongoing resource and energy development. This will boost our competitiveness in world markets.

The LNP believes delivering infrastructure to drive economic growth and deliver services should be a primary policy objective of the Queensland Government.

Bligh Labor's appalling financial management will leave Queensland burdened with \$85 billion of debt. This will mean funding the infrastructure that is so desperately needed to take the state forward will be a major challenge.

Labor's unfunded Queensland Infrastructure Plan released in July 2011 failed to quantify the infrastructure deficit in Queensland, but following the LNP's review it is estimated the unfunded infrastructure deficit is a minimum of \$150 billion, after 20 years of Labor.

***“delivering infrastructure to drive economic growth and deliver services should be a primary policy objective.”***

While the accelerated growth of mining and resources industries presents real challenges for our regional communities, it also offers a rare opportunity to improve regional infrastructure.

The LNP has already sought and received extensive input into Infrastructure priorities from councils and industries, including resources and energy companies, across Queensland. The

*Building Queensland's Future Together* Discussion Paper identifies a number of key infrastructure projects relevant to the resources and energy industries in Queensland.

It sets out critical infrastructure requirements including major road, rail, port, water, housing, health, power, and flood infrastructure projects across the state's key mining and resources regions.

Key specific infrastructure projects for the State are identified in the Discussion Paper, including a number that will have a direct effect on Queensland mining and resources industries.<sup>37</sup>

#### The LNP is committed to:

- Ensuring port, rail, road, energy and other essential infrastructure is planned and constructed so as not to impede industry development, but enable maximum benefit to be gained from world demand for our resources.
- Establishing an independent state infrastructure body – Infrastructure Queensland – aligned to the office of the Coordinator-General to facilitate delivery of economic infrastructure projects.
- Requiring industry cooperation in developing new resource projects in the Galilee Basin, to consolidate rail easements to minimise costs and impacts on affected landholders.
- Establishing a Roads to Resources program to better coordinate industry and government funds for strategic road construction and partnership projects in resource industry development areas.
- Improving Social Impact Management Plan (SIMPs) requirements and processes in the Resources and Energy industries with the aim of better co-ordinated use of funds to provide improved cumulative infrastructure outcomes across a region.



As part of the Discussion Paper process, the LNP announced its intention to implement a new program to ensure regional communities that are home to resource industries receive better local road infrastructure funding.

Hundreds of millions of dollars are already being spent by mining and resource companies and local councils on the local and regional road infrastructure needed to support industry in regional Queensland, but more needs to be done and spending must be better coordinated.

There is great potential for resource-rich areas to tap in to government and industry funds to plan and build a long-term legacy of improved local and regional road infrastructure to support our economic and community needs now and in the future.

That is why the LNP has committed to establish a new Roads to Resources Program to better coordinate industry and government funds for

strategic road construction and partnership projects in resource industry development areas.

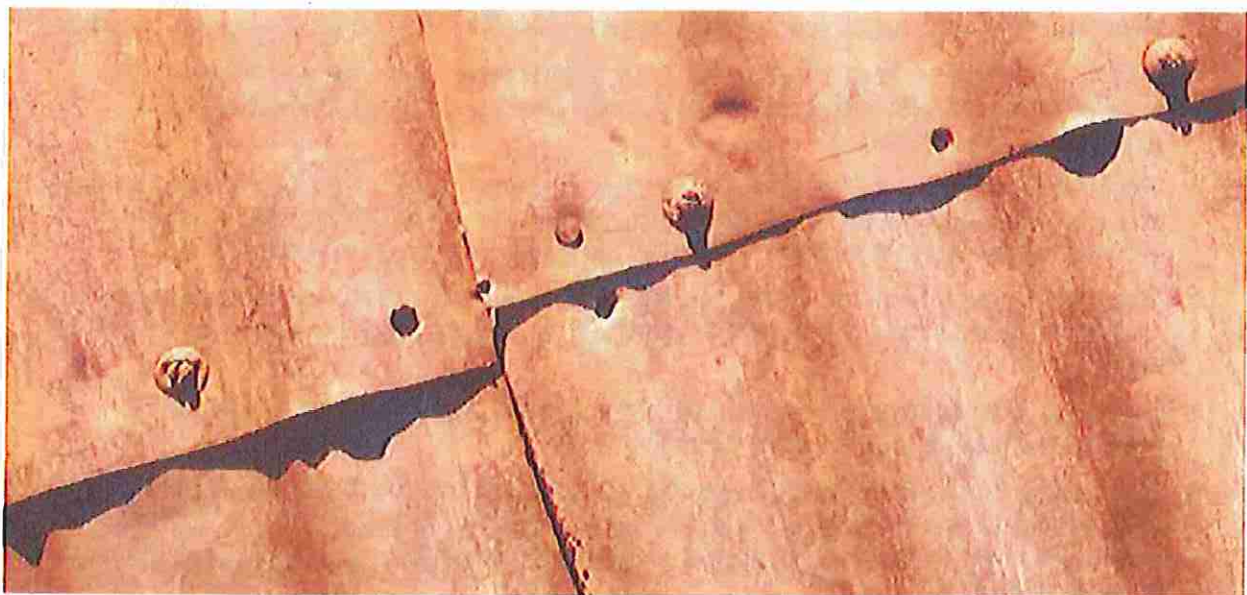
In developing *Roads to Resources*, the LNP will work with all stakeholders including resource companies as well as federal and local governments, to attract real, co-ordinated investment in strategic regional road projects.

Another key element of LNP infrastructure policy for the resources industry will be to require industry cooperation in developing new resource projects in the Galilee Basin, to consolidate rail easements to minimise costs and

impacts on affected landholders, and maximise the efficiency of the infrastructure.

These commitments reflect a broader LNP policy direction to ensure, in partnership with industry and communities, that Queensland benefits from the best cumulative outcomes from government, industry and community investment not only in infrastructure, but in environmental and social outcomes in resource areas.

***“the LNP has committed to establish a new Roads to Resources Program”***





### 5. Strengthening industry social licence

The Bligh Labor Government's failure to properly manage resources and energy industries has left business and the community confused about their rights and responsibilities. It has also caused unnecessary delays for industry and investors, and has failed to deliver the best environmental outcomes.

Many regional communities across the state are reliant upon resources industries. Indeed, a great number of

Queensland towns were established and would not exist without mineral deposit discoveries in the local area.

However, in recent times there is growing angst in some communities affected by resource development, caused by Labor's failure to get regulatory, information and support mechanisms right.

There is no question that the sector as a whole, and some operators in particular, have contributed to reduced community confidence.

The LNP expects, in return for our establishment of a clear and workable regulatory framework, that

the resources and energy industries will achieve the best environmental science, technology and most importantly, outcomes. We will expect the sector to demonstrate world's best practice in community and social responsibility.

An LNP Government will work to strike the right balance between supporting strong resources and energy industries, looking after the interests of agriculture, enabling sustainable community and industry development and protecting the environment, applying cutting edge science.

Modern governments should make no apologies for setting high environmental standards for mining and resources industries. However, unlike the current Labor

government, we will not only invest in new science, research, knowledge and skills to deliver the best environmental management for industry, but we will set an example in delivering on government's environmental management responsibilities.

Planning and development in Queensland has been ad hoc for too long. The current 20 year Labor administration has failed to plan properly for the future.

***"Labor's rushed, one-size-fits-all approach ...has caused confusion."***

#### The LNP is committed to:

- Ensuring the resources and energy sector rebuilds its social license to operate;
- Together with the sector ensuring Queenslanders better understand the contribution and benefits of the industries and the obligations already required of the sector;
- Implementing a new system of statutory regional planning delivering certainty to resources interests, landholders, local communities and other industry stakeholders. [see Annexure A - LNP Statutory Regional Planning]
- Supporting research focussed on managing the cumulative environmental and social impacts of a growing CSG industry in Queensland, to build community confidence.
- Working with the resources industry to access suitable land acquired for resource development, for agricultural use.
- Improving Social Impact Management Plan (SIMPs) requirements and processes in the mining and petroleum industries with the aim of better co-ordinated use of funds to provide improved cumulative community outcomes across a region.



Regrettably, they have failed to address planning issues and seek better cumulative outcomes to reduce land use conflicts between the resources sector, communities and other sectors.

A robust and consultative statutory regional planning framework would allow policy to be tailored to each region, giving regional communities and all relevant industries a chance to make a contribution to the framework during the consultation phase.

The LNP will introduce a new process to develop statutory regional plans that will clearly identify appropriate land uses across each region and map out the economic and social infrastructure needed to meet economic, environment and community needs for the future. A thorough process will also identify other emerging issues and policy requirement. Examples include:

- Mapping local strategic cropping land and other priority land uses.
- Identifying infrastructure needs for developing industry.
- Assisting in planning the provision of social infrastructure such as schools, police and health services.
- Identifying workforce and skills demands for the future.
- Planning housing development needs to accommodate future workforces.
- Ensuring local input to the management of land use conflicts.
- Coordinating state and federal policy with local government planning.

Different regions have different economic and social strengths and issues. Some will want to encourage wherever possible resources

and energy developments and others might be historically agricultural regions seeking to manage the impacts of new development proposals. Statutory Regional Plans are an existing planning tool that can be utilised for these and other uses.

In implementing this improved planning regime, an LNP government would give first planning priority to the Darling Downs and the Golden Triangle regions, where issues have been raised regarding the encroachment of resource industries on strategic cropping land and some community residential urban areas. Planning for the Scenic Rim region will also be prioritised to ensure planning precedes any requested development.

Labor's rushed, one-size-fits-all approach to excising selected regional communities from mining exploration permits has caused confusion, and created major development issues for companies operating both mining and gas ventures in Queensland.

AMEC decried the policy as, "a draconian, broad-brush and heavy-handed measure."

The LNP knows that such a simplistic approach to a difficult issue is not the best outcome. We will use our new statutory planning process to address the great number

of unintended issues arising from Labor's ad-hoc policy, which imposes minimum 2 kilometre mining exploration 'buffer zones' around selected communities in mining and resources regions.

Labor's Buffer Zone policy was on shaky ground from inception. This is reflected in the fact that the Government was forced to make major changes to it on the same day it was launched, with the policy documents distributed to industry saying one thing, and documents posted on the DEEDI website the same day saying something different. It has created more uncertainty, more sovereign risk and more pain for the resources industry and Queensland resources communities.

***"Different regions  
have different economic  
and social strengths  
and issues."***



Just as statutory regional planning provides an avenue for communities to ensure their aspirations are taken into account, the process also provides improved certainty for the mining and resources industry by reducing the likelihood of ad hoc legislative responses to emerging issues that could have been avoided by better planning.

The LNP's agriculture strategy also flags an intention to make better use of stranded agricultural land that might already be acquired for resources development, and is either unlikely to be developed for some time or contained within buffer areas of a mining lease. The aim is to ensure that agricultural industries make use of land under mining lease that is not actually being mined and to prevent any possibility of significant areas of productive land being removed from the State's food production base.

#### 6. Strategies to develop a sustainable gas industry in Queensland

Natural Gas from Queensland CSG projects already supplies 90% of the State's gas, used by Queenslanders in all regions to power home appliances like stoves and hot water systems.<sup>38</sup>

The LNP recognises and welcomes the huge contribution that Queensland's CSG industry will make to the State's economy, including the injection of \$60 billion in capital investment, and creation of 18,000 new jobs for Queenslanders in developing an export LNG industry centred on Gladstone.

**The LNP is committed to:**

##### **Coal Seam Gas**

- **Supporting the expansion of a sustainable Coal Seam Gas (CSG) industry in Queensland, with a policy based on three key principles:**
  - **fairer compensation and land access arrangements for landholders,**
  - **ensuring greater direct local benefits for the communities impacted, and**
  - **rigorously monitoring industry impacts and enforcing stringent operating conditions.**

**The LNP's Coal Seam Gas Policy is attached at Annexure B.**

**The LNP is committed to:**

##### **Gas General**

- **Supporting a strong market for gas fired electricity generators by maintaining a high percentage target for gas fired electricity generation in the state.**
- **Enabling rapid, responsible industry development that can provide a cleaner energy source for industry, transport and power generation, and expand the state's export capability.**
- **Ensuring the gas industry can fulfil its potential to supply gas for domestic consumption as well as for power generation, industrial use and for the LNG export market.**
- **Encouraging the development of a gas to liquids industry with the aim of producing liquid transport fuels from Queensland gas in the future.**
- **Facilitating where necessary the construction of pipeline infrastructure to enhance domestic gas markets.**

**The LNP is committed to:**

##### **UCG**

- **Providing the opportunity to demonstrate the technical, environmental and commercial viability of Underground Coal Gasification (UCG) technology under strictly monitored conditions in appropriate locations.**
- **Continuing to support existing approved UCG technology trials in Queensland.**
- **Investigating potential to utilise UCG technology in the production of liquid transport fuels, including ultraclean diesel and jet fuels, from Queensland coal resources.**



## 7. Maintaining a fair, competitive tax regime

Labor's proposed Carbon Tax will have major impacts on Queensland's mining and resources industries.

Modelling recently undertaken on behalf of the Queensland Resources Council forecasts \$18 billion in new coal industry tax liabilities over the first 10 years<sup>39</sup> of this intended new tax, which the Gillard minority Labor Government has no electoral mandate to impose. The modelling shows that the Carbon Tax will cost 2700 coal mining jobs in Queensland by 2018, and result in a \$1 billion loss in Queensland government coal royalties by 2020-21.<sup>40</sup> The Queensland economy stands to lose income of \$13 billion over 10 years to 2021/22 from proposed new coal mines that would not go ahead under the new tax. That's a loss of some 15 percent of the Queensland coal industry's growth.<sup>41</sup> The modelling predicts that the carbon tax could force the premature closure of 17 percent of Australian black coal mines, including six open-cut mines in Queensland, within 10 years.

The Queensland Resources Council has continued to warn that reduced growth against business as usual in the coal sector as a result of the carbon tax will cost Queensland billions of dollars in lost royalties and economic stimulus, along with tens of thousands of jobs that otherwise would have been created.

The Association of Mining and Exploration Companies (AMEC) described the Carbon Tax reductions in fuel credits as "a significant investment disincentive for mineral exploration and mining companies..."

### The LNP is committed to:

- Opposing Labor's Carbon Tax, and 30% Mineral Resource Rent Tax (MRRT).
- Ensuring that taxation revenue derived from Queensland resources is returned to Queensland and benefits Queenslanders.

*'...the carbon tax will not be able to be passed on to customers in global markets, and will adversely affect the sector's global competitiveness.*

*'The tragedy is, that all this lost opportunity, and the uncertainty placed on the industry will not result in a reduction in global greenhouse gas emissions.*

*'The hundreds of millions of tonnes that are not produced in Queensland as a result of the tax will be produced in another competing country meaning Queenslanders miss out on the economic activity, jobs, taxes and royalties this production would have brought...'*

David Rynne, Chief Economist, Queensland Resources Council<sup>42</sup>

*While mining companies have also expressed strong concern over the Carbon Tax:*

*"We have to keep earning our position. We have to keep our costs competitive. Things like the mineral resources tax and the carbon tax really hurt that situation..."*

Gina Rinehart, Executive Chairman, Hancock Prospecting<sup>43</sup>

*"The proposed scheme places an arbitrary cost on Australian exporters that is not aligned with the cost being borne by competitors..."*

David Peever, Managing Director, Rio Tinto Australia<sup>44</sup>

*"It is puzzling that one industry that Australia could turn up and genuinely be able to demonstrate an impact on global emissions is LNG and yet that industry is receiving less assistance than some others..."*

Grant King, Managing Director, Origin Energy

*"It's regrettable policy... You are going to lose jobs in Australia, we calculate about 4,700 direct jobs [through mine closures], but no cuts in emissions..."*

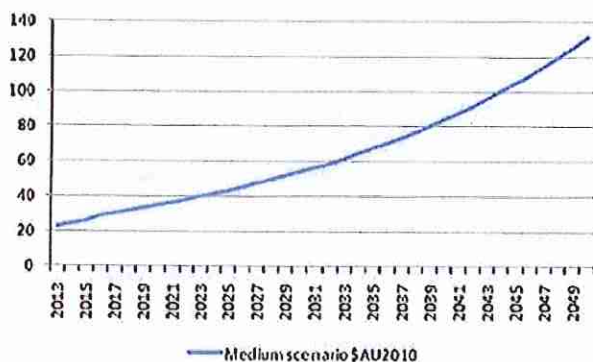
Ralph Hilman, Executive Director, Australian Coal Association<sup>45</sup>



A further key consideration is that the Queensland Government also owns electricity assets worth around \$8 billion in generation, more than \$3.9 billion in transmission and more than \$13 billion in distribution.<sup>46</sup> However, the Bligh Government has itself admitted that the cost to electricity generation businesses of Labor's Carbon Tax will wipe \$1.7 billion off the value of state-owned power stations, with no compensation for Queensland taxpayers.<sup>47</sup>

With the carbon price expected to increase significantly, to around \$130 per tonne by 2050, even by the Government's own estimates, the potential for economic loss is further multiplied. The graph below illustrates the projected growth of the carbon price in Australia.

Carbon prices in Australia, real \$A, 2010 prices<sup>48</sup>.



The LNP will oppose the Carbon Tax all the way.

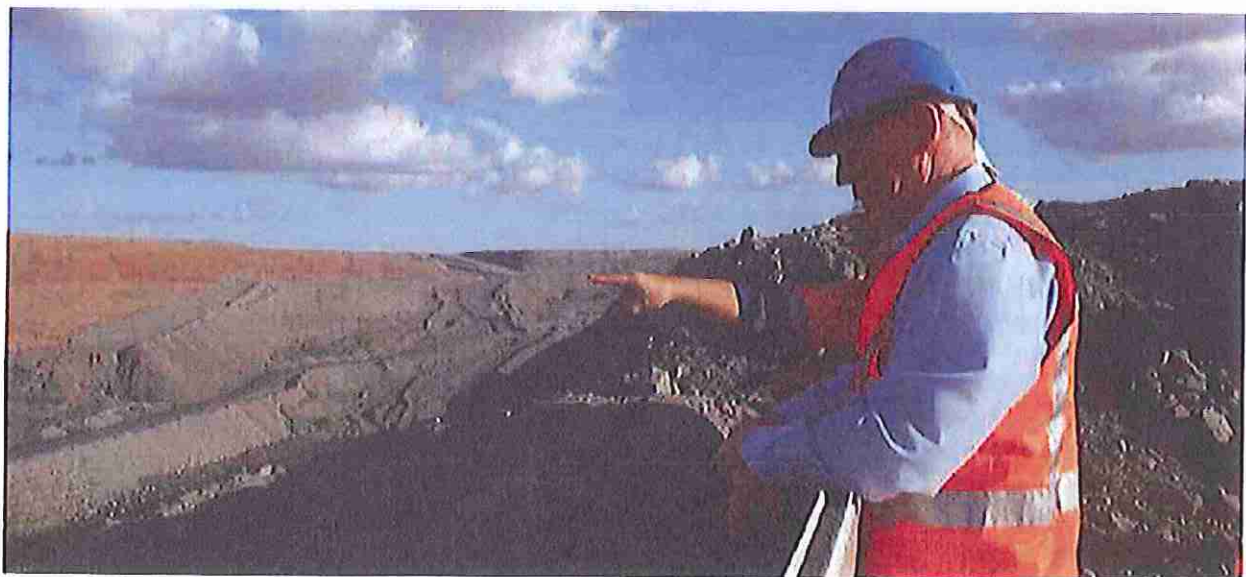
Federal Labor's proposed 30% Mineral Resource Rent Tax (MRRT) is another punitive tax being imposed on resources and energy sectors in Queensland especially. This new tax, like the Carbon Tax, hits Queensland hardest, yet many of the returns will not come back to the State. The resources are owned by Queenslanders not the Gillard Labor Government.

A 6c a litre diesel fuel tax which combined with the \$23 a tonne Carbon Tax has left much of the industry worse off. The minerals industry will face extra costs of \$25 billion between 2012 and 2020, according to the Minerals Councils of Australia.<sup>49</sup>

The Bligh Labor Government continues to back the Carbon Tax, the Mineral Resources Rent Tax, and increased fuel taxes, and has failed to stand up for Queenslanders.

***"The discriminatory and anti-competitive nature of the Government's proposed mining tax on small emerging miners continues to be ignored."***

Simon Bennison, CEO AMEC





## GLOBAL ENERGY CHALLENGE

Queensland is both a big producer and a big user of energy. The provision of a reliable, efficient and economical electricity supply to domestic and industrial consumers is one of the core responsibilities of the State Government.

Queensland's electricity industry, based traditionally on coal fired power stations with a high level of State ownership, has been a major competitive advantage for our State.

### An LNP State Government is committed to:

- Establishing Queensland as a world leader in energy production and technology.
- Supporting ongoing research and development of new and emerging renewable and alternative energy technologies for the future, with a focus on developing:
  - Solar
  - Geothermal
  - Unconventional liquid fuels
  - Bio-energy/fuel cells
  - Wind, and
  - Marine/tidal sources
- Ensuring Queensland has a robust and reliable electricity industry that can continue to provide a competitive advantage, and generate lower cost energy for Queenslanders.
- Fostering new activity in Queensland to ensure the next generation of resources and energy projects are developed in a timely way. This will include strong continued support for the Geological Survey of Queensland, in line with Queensland Resources Council and AMEC policies.
- Delivering in Government a response to the long-awaited Australian Government Energy White Paper, a comprehensive Queensland energy plan including energy efficiency and energy security policies.
- Ensuring Government-Owned Corporations (GOCs) reinvest sufficient of their profits in the industry to ensure they can continue to be competitive.
- Identifying a long-term solution to the demands for a reliable, economic energy supply in North Queensland and the North West minerals province as a top priority.
- Retaining the universal electricity tariff to ensure electricity consumers, particularly in regional Queensland, are treated fairly.
- Consulting with communities on the planning, development and construction of transmission infrastructure to reduce impacts.
- Establishing multiple-use infrastructure corridors as part of the State's long-term planning process.
- Continuing the feed-in tariff for solar power generated by roof top solar panels.
- Acting to address Queensland's rising household energy bills and immediately freeze the standard domestic tariff (Tariff 11) providing savings of around \$120 a year on power bills compared with Labor until replaced with an acceptable cost-reflective system.
- Abolishing the current electricity retail system that allows retailers to charge Queenslanders more if they use less power (the so-called BRCI).
- Working with the electricity industry to pursue optional initiatives to give customers incentive to reduce electricity consumption. This may include a lower Tariff 11 economy rate for households who install a range of appliances to interruptible power supply devices.



The LNP recognises the changing nature of the industry and the need to carefully manage those changes to ensure the interests of Queensland communities are protected and enhanced, and that the competitive advantage provided by our energy resources is properly established and maintained for the future.

The OECD predicts continued increasing world demand for energy in the long term, with global primary energy demand projected to rise by 35% from around 12.3 billion tonnes of oil equivalent (toe) in 2008 to 16.8 billion toe in 2035.<sup>60</sup> This equates to a 1.2% annual increase in energy demand over the next 24 years.

Non-OECD countries, such as China and India in the Asia Pacific region, are expected to account for 93 per cent of the projected increase in global energy demand<sup>61</sup>, reflecting the continued fast rates of growth in these economies. China's energy demand alone is forecast to rise by 75 per cent between 2008 and 2035.<sup>62</sup>

***“The LNP recognises the changing nature of the industry and the need to carefully manage those changes to ensure the interests of Queensland communities are protected and enhanced.”***

Coal will continue to play a leading role in meeting energy demands both in Australia and globally. Around 85% of Australian electricity is generated by coal-fired sources.<sup>64</sup> Globally, 93% of electricity is generated mainly from thermal sources, with coal the major energy source. Almost 80 per cent of China's, and almost 70 per cent of India's, electricity is generated from coal.<sup>65</sup>

As the world considers its options for meeting future demand, it looks likely that the use of coal resources for power has a stronger future than even these figures predict.

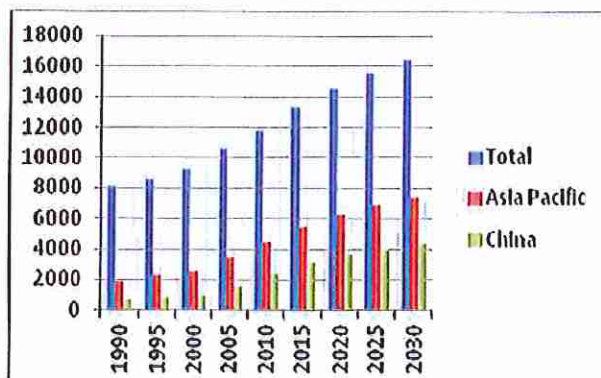
In Australia, coal represents approximately 37.5 per cent of domestic total primary energy supply, with oil at 34.6 per cent and gas at 23.1 per cent. Queensland's total electricity generating capacity was 14,500 megawatts in 2010. 73 per cent of electricity came from coal-fired power stations,

23 per cent came from gas, and only around 4 per cent came from renewable/alternative energy sources.<sup>66/67</sup>

From 57 mines operating in 2009-10<sup>68</sup>, Queensland produced more than 205 million tonnes of saleable coal. In excess of 85% of Queensland coal is exported to more than 30 countries. Of exported coal, around 68% is metallurgical coal, with 32% thermal coal.<sup>69</sup>

Queensland produces more than half of Australia's saleable black coal. In 2010, there were 28 advanced export coal projects under development (with mining leases either granted or under application), with the potential for black coal resources totalling over 10,000 Mt.<sup>60</sup>

**Global Energy Consumption 1990-2030**  
(Mt oil equivalent)<sup>63</sup>





As an added advantage in global markets, Queensland coal is of a superior quality, and produces lower carbon emissions than coal from other international sources. It is, in the context of proposals to address climate change, ludicrous to damage Queensland's coal sector competitiveness to advantage higher polluting competitors.

The OECD predicts that the role of coal-to-liquids and gas-to-liquids energy production will experience strong growth over the next 20 years and beyond.<sup>61</sup> Demand for gas is set to increase by 44 per cent between 2008 and 2035.<sup>62</sup> These higher growth predictions can largely be attributed to favourable environmental and practical attributes of these energy sources.

Demand for gas from China in particular is predicted to grow faster than other countries, accounting for one-fifth of the increase in demand to 2035. In Queensland, CSG accounts for more than 90% of the state's gas supply – providing natural gas used in your home for your stove and/or hot water production.<sup>63</sup>

Local energy demand is set to rise at a much faster rate than the global prediction of 35% between 2008 and 2035. Accounting for major growth in the resources and energy sector, Queensland's energy companies estimate that total energy consumption in Queensland will increase by 48% between 2008 and 2020.<sup>64</sup> Expanding resources value add industries like minerals processing and smelting in Queensland will require additional energy.

A key issue is that, to meet peak demand, infrastructure capacity that is only required a few days a year to meet this peak demand needs to be built. In South-East Queensland it is estimated that, in the next three years, it will cost \$1 billion to meet the top one per cent of energy demand.<sup>65</sup>

It is clear that new energy infrastructure will need to be built, and improvements made to current infrastructure to keep pace with development.

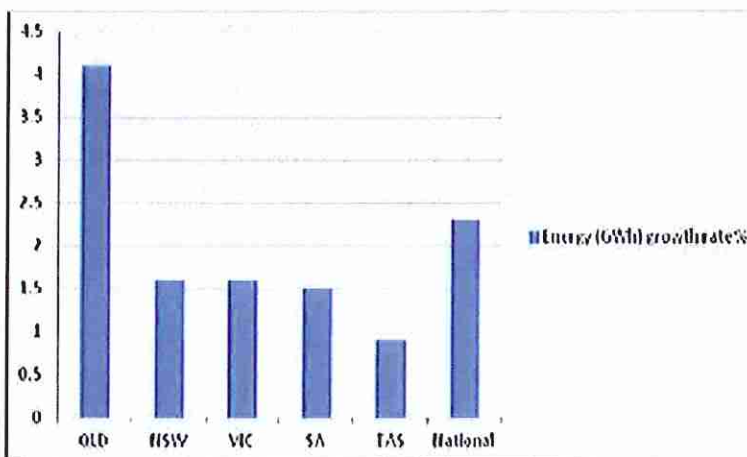
If Queensland is to establish and maintain a position as a world leading energy producer and operator, it is important that the state doesn't simply rely on resources and technology that are available and commercially viable now.

Despite a major taxpayer investment in reporting on the issue of Queensland's future fuel security, Labor has failed to act. A Labor report released in October 2007 recommended initiatives such as reducing consumption of liquid fossil fuels, encouraging the development and use of alternative fuels, technologies and strategies, and preparation for change, as Queenslanders change travel, work and living habits in response to rising fuel prices.

At the time, the Minister responsible said that:

"The future availability of fossil fuel and alternate energy supplies is one of the main sustainability issues facing society today."<sup>67</sup>

Average annual energy growth rates (by State)<sup>66</sup>





A further 4 years have passed, and there is no real policy, no plan, and no real action has been taken by Government to broaden Queensland's fuel and energy base.

An LNP Government would refocus Government policy on developing and commercialising renewable and alternative energy technology, and increasing use of renewable and alternative energy sources in the energy mix both domestically and internationally.

We know that we need to innovate and develop new technologies and operations to better harness Queensland's potential as a producer of more efficient, cleaner and renewable sources of energy.

The LNP has identified 6 key target areas where we believe Queensland has a strong competitive advantage for the development of new technologies that will contribute to addressing climate change issues and growing concerns about sustainability of domestic and global energy supply in the long term.

The 6 key target areas are solar, geothermal, unconventional liquid fuels, bio-energy/fuel cells, wind, and marine/tidal. We also support ongoing research and development of new emerging energy technologies for the future.

Expansion of solar energy production in Queensland should include the further development of domestic small-scale solar energy generation, as well as larger scale commercial projects within the State.

Solar energy production is a particularly attractive option in Queensland. Key enabling technologies already exist and Australia has the highest average solar radiation per square meter of any continent in the world. Within Australia, Queensland has some of the highest solar potential, yet the government has failed to adequately prepare and keep infrastructure up to date to enable the state to capitalise on the potential benefits of solar power generation to date.

## Solar Dream gets caught in gridlock

(Courier Mail p4 26 September 2011)

**"The solar power revolution is in danger of stalling, with the State Government admitting the electricity grid is failing to cope..."**





Every Queenslanders should be able to benefit from the opportunity for domestic solar energy production, but won't be able to do so unless infrastructure is improved and maintained.

There are some commercial solar energy projects now being developed in Queensland, including the Kogan Creek and Solar Dawn (Chinchilla) hybrid solar projects, but neither of these projects is up and running at this time, and this reflects poorly on a government that has had 20 years to bring solar power to the forefront of energy production in the State.

Queensland's abundance of hot rock resources has handed the state a global advantage in the development of new geothermal technologies and projects. The current government has again failed to take advantage of this resource.

There has been some investment in research, notably through the Geothermal Energy Centre of Excellence at the University of Queensland, and preliminary work has been undertaken in recent years to identify and map Queensland's hot rock resources, with some world class resources identified in the Cooper and Eromanga Basins in particular,<sup>69</sup> but the technology remains under-developed.

The CSIRO's 2008 report *Fuel for thought – The future of transport fuels: challenges and opportunities* predicts that Australia's fuel mix will shift in the near term to include the expanded use of diesel, gaseous fuels such as LPG and hybrid electric vehicles, with even greater diversity beyond 2020 that might include hydrogen, synthetic fuels from coal or gas and advanced biofuels.

Queensland has vast potential for the development of new liquid fuel sources.

The development of ethanol, as well as coal to liquids and gas to liquids technology can contribute strongly to addressing transport and industrial fuel security for the future.

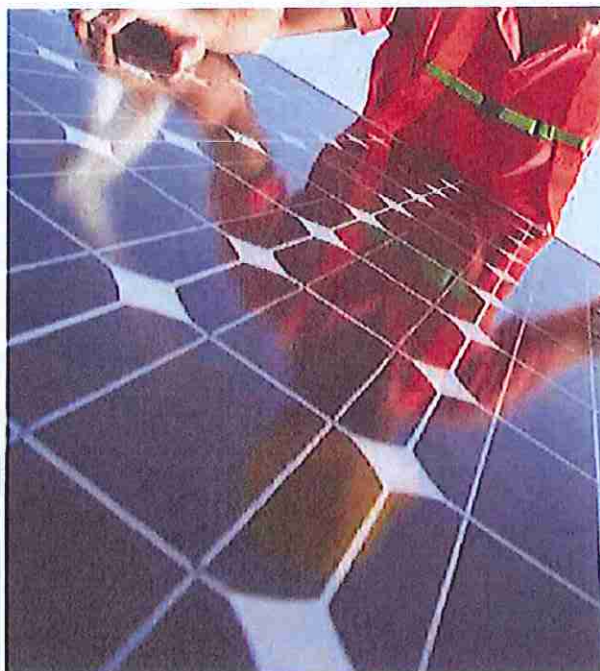
There is a need to review regulatory, economic, investment and technology factors that are creating uncertainty over the rollout of alternative fuels, to provide greater support for this industry sector, and contribute to increased fuel security for the future.

Bioenergy currently contributes around 11.5 percent of Australia's renewable energy generation. Key challenges include fuel resource availability, costs and location issues.<sup>69</sup> A number of Queensland Universities and private businesses are developing new technology to produce fuel cells - electrochemical devices that produce electricity from organic feedstocks including sugar cane and bagasse, grain crops and timber waste. The benefit of a fuel cell over a standard battery is that they don't go flat or need recharging, as long as they are supplied with fuel and air.

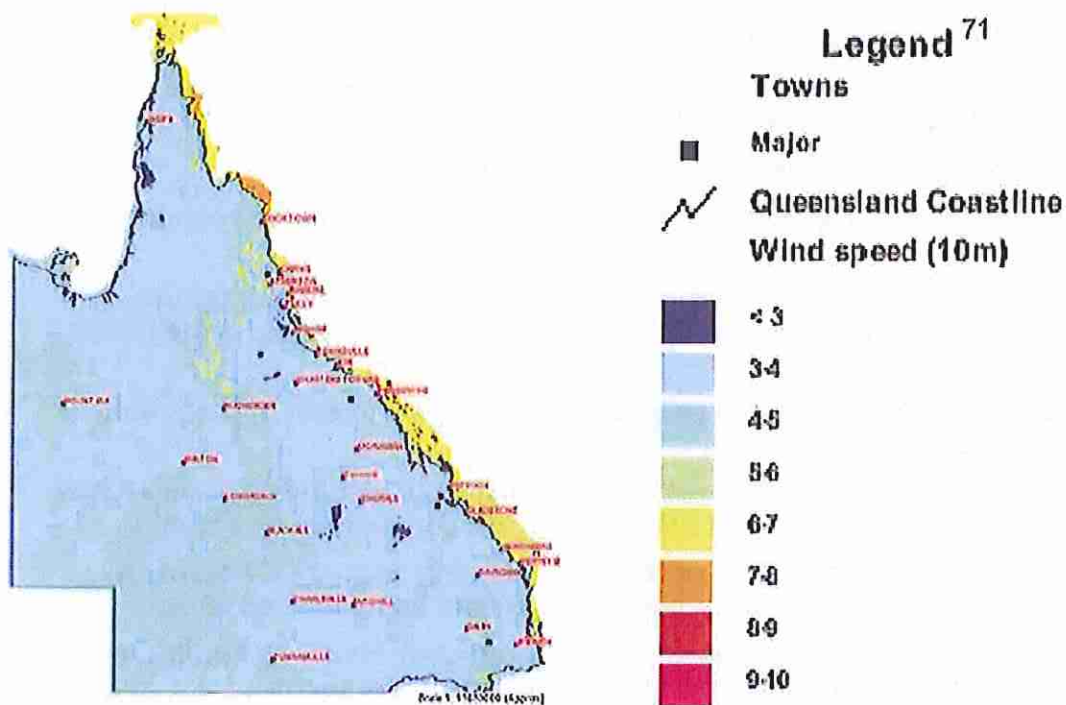
The AEMO expects that new wind generation could contribute up to 10 percent of new capacity to meet the 341 MW energy reserve deficit in Queensland forecast by 2013-14.<sup>70</sup>

Further developing technology that enables power generation from windmills turning turbines, on small and large scale has strong potential in Queensland.

Queensland wind mapping shows that certain areas of North Queensland are particularly suitable for wind energy development, which could provide new employment and economic opportunities for this region, with the right policy settings in place.







Queensland's expanse of coastline equates to a world class marine / tidal energy resource. The great majority of population centres being situated very close to the coast makes this technology even more attractive in terms of energy generation close to points of demand.

There are two key types of commercial tidal energy generation - tidal stream systems use the kinetic energy of the moving water to power turbines, while barrage systems use the potential energy in the difference between the height of high and low tides.

Two further technologies in Wave Energy and Ocean Thermal Energy Conversion (using the heat energy stored in the oceans to generate electricity) are also being researched in other parts of the world for their potential to generate electricity from the natural properties of our oceans.

Currently, there is no large scale commercial tidal energy production in Australia, and Queensland has been allowed to fall behind in developing this technology. Proponents in Asia (particularly Korea), Europe and North America are leading the world in commercialising tidal energy.

Queensland has excellent potential to become the renewable and alternative energy capital of Australia, through establishing regional partnerships between local researchers, government and industry to expedite the development of our alternative and renewable energy resources.

The LNP will aim to make Queensland a world leading incubator of new innovation in renewable and alternative energy technologies.

We believe that Queensland is ideally situated for a strong energy future, making use of our abundant natural resources, and existing and new technologies.

A strong energy future includes not only securing the supplies of energy we need for our industries and communities to grow in the future, but also contributing strongly to meeting the huge energy demands of the Asia and Pacific regions, and the world.

With the right policies in place under an LNP government, we will be well placed both geographically, and in terms of the abundance of our resources, to build our international profile and reputation as the energy state.<sup>72</sup>



#### WHAT THE LNP IS OFFERING

- A strong future for resources and energy in Queensland with a stable, clear legislative framework for the industry.
- Addressing industry skills and knowledge shortages.
- Improving training, career and investment opportunities in the resources sector.
- Increasing support from Government through cutting red tape, reforming relevant Departments and improving application and approval systems for resource projects.
- Building infrastructure that is essential to the future growth of the resource and energy sector.
- Developing clean energy, alternative and renewable technologies and fuels, while ensuring coal fired electricity can remain competitive and viable.
- Implementing a better system of regional planning to provide improved security for miners, landholders and Queensland communities alike.
- Focussing on lowering Queensland's sovereign risk levels by setting clear rules for mining and resource projects, and sticking to them.
- Promoting a better appreciation of the substantial value of the resources industry to the economy and the social fabric of the State.
- Opposing Labor's new taxes, the Carbon Tax and the Mineral Resource Rent Tax on the resources industry.



#### NEXT STEPS

**We want your views on our plans and any additional ideas you have for supporting the resources and energy sector in Queensland.**

**You can share your ideas by completing the online questionnaire, or by forwarding a written submission to Jack Dempsey MP, Shadow Minister for Mining and Resource Management:**

**Online: [www.candoqld.com.au](http://www.candoqld.com.au)**

**Email: [resources@opposition.qld.gov.au](mailto:resources@opposition.qld.gov.au)**

**Consultation closes on 16 December 2011.**



#### Annexure A: STATUTORY REGIONAL PLANNING

For too long, planning and development at a regional level has been ad hoc. The current 20 year Labor administration has failed to plan properly for the future.

It took 20 years before the Government released its unfunded Queensland Infrastructure Program for consultation and the lack of planning also meant that the opportunity to reduce land use conflicts between the rapidly growing mining sector and other sectors was missed

The lack of cohesive strategic plans for each region not only results in poor local planning outcomes, but restricts the ability of governments at all levels to coordinate program delivery and policy in a way that maximises benefits for regional communities.

A robust and consultative statutory regional planning framework allows policy to be tailored to regional variations and, just as importantly, allows regional communities to make a contribution to the framework during the consultation phase so that each plan best matches community aspirations.

What does regional planning do for communities and industry stakeholders?

The LNP's proposed process is about developing statutory regional plans that will clearly identify appropriate land uses across each region and maps out the economic and social infrastructure needs to meet the economic and community opportunities for the future. A thorough process will also identify other emerging issues and policy requirement. Examples include:

- Mapping priority land uses
- Identifying infrastructure needs for developing industry
- Assisting in planning the provision of social infrastructure such as schools, police and health services
- Identifying workforce and skills demands for the future

- Planning housing development needs to accommodate future workforces
- Ensuring local input to the management of land use conflicts
- Coordinating state and federal policy with local government planning

Different regions have different economic and social strengths and issues. Some might be based predominantly on tourism and seeking to diversify. Others might have increased resources developments and others might be historically agricultural regions but seeking to manage the impacts of new development opportunities. Statutory Regional Plans are an existing planning tool that can be utilised, for example to protect SCL.

Only through a robust and comprehensive statutory regional planning framework can local aspirations be matched with the demands of the four economic pillars of agriculture, resources, tourism and construction – and the flow on opportunities in the services sector.

Just as statutory regional planning provides an avenue for communities to ensure their aspirations are taken into account, so too does the process provide improved certainty for industry stakeholders and investors by reducing the likelihood of ad hoc burdensome legislative responses to emerging issues that could have been avoided by better planning.

Stakeholders will have a much clearer understanding of the planning demands and restrictions for regions they propose to operate and invest in.

From those regional plans the Government can ensure that state-wide strategies are consistent with regional needs and that the public service has a clear and mapped out understanding of the needs of each region as they develop policy and service delivery responses

### **The LNP commitment**

The LNP will adopt a strategy of implementing a series of Statutory Regional Plans that will provide for specific land use mapping in individual regions, delivering certainty to landholders, local communities and industry stakeholders.

Statutory Regional Plans and the land use maps attached to them, will take precedence over other planning instruments, such as local government planning schemes, unless otherwise provided for. The SEQ Regional Plan and the FNQ Regional Plan are two existing Regional Plans that already include strict statutory land use zones.

These statutory Regional Plans will involve the development of land use zones that define, regulate and control what land in certain zones can be used for and what it may or may not be used for in the future. Once zoned for particular land uses, the Regional Plans will deliver certainty to landholders and other stakeholders.

The Regional Plans will clearly identify appropriate land uses in individual zones across the region, give proper statutory planning protection to strategic cropping land and establish suitable

statutory separation distances between resource industry projects and other land uses that are incompatible, such as residential areas.

The effect of statutory Regional Plans in establishing specific land use zones, is that planning authorities or regulatory agencies, such as local councils or government departments, are not able to accept an application for a proposed development activity that is not compatible with the dedicated land use in that zone.

Because of the particular issues in relation to the Coal Seam Gas industry and increased concerns about the conflict between resources development and the need to preserve strategic cropping land, the LNP will fast-track Statutory Regional Planning for the Darling Downs and the Golden Triangle regions, with land-use planning for the Scenic Rim brought forward, and other regional plans to follow.

Unlike the current tired, 20 year old Labor Government, the LNP will plan for the future, not simply live for the moment. As a result communities can help shape their futures while providing certainty for investors and industry stakeholders.



## Annexure B

### LNP POLICY FOR THE DEVELOPMENT OF A SUSTAINABLE COAL SEAM GAS INDUSTRY IN QUEENSLAND

#### INTRODUCTION

Queensland is a State rich in energy and resources. A prosperous, well managed resources sector is critical to the economic wellbeing and future of our great State.

These resources belong to all Queenslanders and their development is vital to deliver the services that they need and expect in the 21st century.

The LNP believes it is important that our energy-rich resources are developed in a way that complements the economic future of other industry sectors, and finds the appropriate balance between growing our economy and protecting Queensland's environment.

We will provide industry certainty, but in return we will expect the world's best social and environmental outcomes. We will insist on closer partnerships between communities, landholders and CSG operators.

For example, our LNP Agriculture Strategy, with the aim to double agricultural production by 2040, confirms that we are committed to protecting strategic cropping land in Queensland by clearly identifying it under an improved system of Statutory Regional Planning. We have made it clear that we will not allow any open cut mining, and that we won't allow underground mining, CSG activity or other development on strategic cropping land if it is likely to have a significant, adverse impact on the productive capacity of that land to produce food and fibre in the future.

Regrettably, Bligh Labor has grossly mismanaged

Queensland's finances. The State's budget has become increasingly dependent on the success of the resources sector and, recently, the CSG industry in particular. The State Labor Government did not plan and prepare affected regions for the impacts this sector is having.

An LNP Government will continue to support the expansion of a sustainable CSG industry in Queensland. We recognise and welcome the huge contribution that a CSG industry will make to the State's economy, including the injection of \$60 billion in capital investment, and creation of 18,000 new jobs for Queenslanders in developing an export LNG industry.

Natural Gas from Queensland CSG projects already supplies 90% of the State's gas, used by Queenslanders in all regions to power home appliances like stoves and hot water systems.

However, the LNP recognises that growth in Queensland's CSG industry must be finely balanced against the interests of landholders, local communities and the environment.

We will work to ensure that the benefits of the CSG industry are shared by all Queenslanders, with clear benefits for communities in regional Queensland where the industry has its base.

Our policy aims to reflect community expectations in setting clear performance and environmental standards. It is then up to companies wishing to develop CSG resources to assess the risk and cost to their proposed projects in meeting the community's high standards.





## DEVELOPING THE LNP POLICY

**The LNP's policy approach to managing growth of the CSG industry is based on three key principles:**

- **Fairer compensation to landholders, and land access arrangements,**
- **Ensuring greater direct local benefits for the communities impacted, and**
- **Rigorously monitoring industry impacts and enforcing stringent operating conditions.**

Key LNP commitments under this policy include:

- Provide fairer compensation and access arrangements for landholders, including:
  - Legislating items and actions that are subject to compensation for landholders; and
  - Establishing a Gasfields Land and Water Commission to manage the coexistence of rural landholders, regional communities and the CSG industry.
- Providing clarity that partnerships between landholders and CSG operators should not be limited to compensation arrangements.
- Ensure greater direct local benefits for affected communities, including by:
  - Establishing a Gasfields Community Leaders' Council (GCLC), made up of local Government, industry and community leaders to ensure government spending programs match community needs and priorities in CSG regions.
- Prioritising key road infrastructure projects including
  - a second Toowoomba Range crossing,
  - upgrading the Warrego Highway from Brisbane to Roma.
  - establishing a new *Roads to Resources* program to better coordinate industry and government funds for strategic road projects in resource industry development areas.
- Rigorously monitor industry impacts to protect our natural environment and resources, including by:

- A dedicated inspection and enforcement unit ensuring strict compliance with the law and project development conditions; and
- Ensuring high standards are met for purification and re-use and/or re-injection of water produced in the CSG extraction process.

## OVERVIEW

The LNP recognises:

- That the CSG industry has operated in Queensland supplying gas to the domestic market for over a decade. CSG projects currently supply around 90% of the State's gas, used by Queenslanders in all regions to power home appliances including stoves and hot water systems.
- That great concern has been expressed by landholders and the community about a number of issues associated with CSG development, including the loss of prime agricultural land, the depletion of underground water, the issue of land access, the location of CSG infrastructure close to dwellings and urban areas and the increased pressure on inadequate existing regional infrastructure.
- That community concern about the CSG industry's expansion has been heightened by the inability of the State Labor Government to appropriately administer the rapid expansion of the industry and develop the necessary legislation and regulations in a timely way.
- That the industry has become a significant part of Queensland's electricity supply and has begun a major expansion to export liquefied gas (LNG) from the port of Gladstone with three major projects approved by both State and Federal Governments and significant construction work has begun.
- That the development of an export LNG industry is predicted to involve capital investments in excess of \$60 billion, create approximately 18,000 new jobs with many in Queensland's regional communities and contribute approximately \$1 billion a year to State revenue.
- That the expansion of the current CSG industry to an export LNG industry will dramatically increase the CSG industry's impact on Queensland rural landholders as more gas wells are developed and major pipelines are constructed across a significant area of southern Queensland.



### OUR POSITION

The LNP supports the expansion of the CSG industry and welcomes the major growth it will bring to the Queensland economy, the opportunities it will provide for Queensland businesses and the career opportunities it will provide for generations of Queenslanders.

The LNP is determined to ensure that landholders who must, through no choice of their own, coexist with the CSG industry have their property rights protected as the industry expands.

Our aim is to ensure all landholders end up better off from their coexistence with the CSG industry, and that remuneration for landowners affected by CSG development should not be limited to compensation. Additional income streams from CSG development could include a partnership agreement which could include landholder employment in providing well infrastructure checks and other relevant services on behalf of the CSG developer.

The LNP will ensure that the development of CSG can properly co-exist with agricultural production. This can be achieved through better cooperation and planning for contentious issues such as infrastructure placement, and by making better use of produced water.

This includes a commitment to identify strategic cropping land under an improved system of Statutory Regional Planning. We have made it clear that we will not allow any open cut mining, and that we won't allow underground mining, coal seam gas activity or other development on strategic cropping land if it is likely to have a significant, adverse impact on the productive capacity of that land to produce food and fibre in the future.

We are also equally determined that the environment, and especially the land and water assets that provide the base for agricultural and pastoral industries, is properly protected as the CSG industry expands.

We believe it is essential that, while all Queenslanders as the owners of the resource should expect to enjoy the economic benefits that the CSG industry will bring to our State, the development of the CSG industry can bring about a rebuilding of essential infrastructure and a revival of rural and regional communities across a significant part of Queensland.

### LAND ACCESS

The LNP supports and in Government will ensure:

1. Legislation that will provide for full and fair compensation for private landholders for each and every affect of the operations of resource companies on their land. In particular we will ensure that the legislation sets out a clear definition of what is subject to compensation payments and that definition should include:
  - Any loss of production at any time
  - Disturbance and annoyance during construction and production
  - Time spent in dealing with resource companies
  - Legal and other professional costs necessarily incurred
  - Any loss of future development opportunities
  - Any other cost or affect on the landholder caused by CSG extraction on their property
  - A statement that makes it clear that remuneration for landowners affected by CSG development should not be limited to compensation, and that it will take into account diminution of value of assets and lifestyle.
  - A mandatory requirement that compensation agreements should be made public in order to provide further clarity to stakeholders and to inform the market.
2. A clear requirement to complete land access agreements between rural landholders and resource companies before resource companies begin on ground work on privately owned land and that the legislation provides:
  - A clear definition of the rights of both private landholders and resource companies
  - A clear framework for the negotiation process for resource companies to gain access to private land that must be completed before on ground work begins
  - Adequate time lines in that process to allow issues to be considered properly with:
    - Negotiation before work on private land is permitted
    - Cooling off periods in the negotiation process
    - Minimum and maximum time limits on the formal negotiation process.



- A defined mediation process to ensure both landholders and resource companies are able to make every attempt to settle any disputes without Court action with:
  - An Independent mediator to conduct mediation process
  - A defined process to agree on appointment of independent mediator
- Timely access to the Land Court for resolution of land access issues as a last resort measure if negotiation and mediation cannot produce agreement between a landholder and a resource company with:
  - Adequate resourcing of the land court to ensure issues are resolved quickly
- Mandatory requirements for information to be provided to the landholder by the resource company and vice versa with defined obligations for:
  - Resource companies to provide plan of proposed works to landholders
  - Landholder's to provide property plans to resource companies

## **WATER MANAGEMENT**

### **Underground Water Management**

The LNP supports and In Government will ensure:

1. The protection of existing underground water users rights to an undiminished water supply in terms of both quantity and quality. This will include the development of sustainable water management plans.
2. The absolute protection of the Great Artesian Basin as a matter of highest priority in recognition of its great importance to Queensland landholders and Queensland's rural communities.
3. The mandatory preparation of underground water impact reports for all CSG production to ensure close monitoring and management of the impacts of CSG extraction on existing underground water supplies and aquifer systems.

We believe that underground water impact reports should be:

- The primary planning and management tool to manage underground water impacts
- A mandatory part of the approvals process for new CSG extraction wells
- Prepared for all existing CSG extraction operations within 1 year
- Made available in draft form for public submissions before approval
- Approved by the Minister only if predicted affects are acceptable and manageable
- Subject to strict enforceable conditions by the Minister both before approval and during the life of the plan if monitoring identifies a departure from a predicted affect
- Administered, in the case of accumulative management areas, by the Gasfields Land and Water Commission for the life of the plan

We believe that underground water impact reports should contain:

- Aquifer studies to identify and define all aquifers in the area
  - Baseline Assessment Plans for water quantity and quality
  - Identified water extraction volumes for the proposed CSG extraction
  - Identified water extraction rates for the proposed CSG extraction
  - Predicted affects of identified water extraction on existing bores and aquifers and plans to prevent adverse impacts
  - Monitoring regimes and plans to monitor and confirm predicted affects
  - Treatment and beneficial reuse plans and/or aquifer re-injection plans for extracted water
4. Legally enforceable make good obligations on resource companies for affects of CSG extraction that interfere with landholders pre-existing water use involving:
    - All encompassing powers for regulators to act quickly to restore landholders water use in the event of a critical supply interruption.
    - Defined quantity and quality trigger thresholds for required actions by resource company's and regulators



- The provision of new bores by resource companies where necessary to ensure continuation of pre existing water use for landholders
- An obligation to deepen existing bores, adjust pumping equipment or take whatever actions are necessary to maintain landholders' pre existing water use
- An obligation to provide an alternative water supply of equivalent quantity and quality to the water supply impacted by the CSG extraction.

## **WATER MANAGEMENT**

### **Produced Water**

The LNP supports and in Government will ensure:

1. The compulsory purification and beneficial reuse and/or aquifer re-injection of all water produced as an unavoidable consequence of CSG extraction, and the legislating of a legal obligation for resource companies to minimise that consequential water extraction.
2. Aquifer re-injection as an acceptable solution in certain areas. Suitability will be determined as part of the environmental approval process.
3. The establishment of minimum standards of treatment for all water produced as an unavoidable consequence of CSG extraction, and for defined standards for all identified beneficial reuses that are to be adopted by each CSG extraction project.

We believe approved beneficial reuse should include:

- Injection into depleted aquifers for recharge purposes
- Supplementary water for existing irrigation schemes
- New irrigation use, with a focus on sustainable irrigation projects
- Livestock watering
- Urban and industrial water supplies
- Coal washing and dust suppression
- Release to the environment in a manner that improves local environmental values

4. The phasing out of evaporation ponds as an approved water disposal method in CSG production.
5. The achievement of high construction standards or accumulation and temporary storage ponds with requirements such as:
  - Compacted clay construction material
  - Mandatory plastic lining
  - Mandatory leak detection and containment systems
6. The proper disposal of residues from CSG water purification plants as regulated hazardous wastes with:
  - A hazardous waste disposal plan to be submitted and approved as part of project approval process
  - The same standards to apply to CSG hazardous waste as currently apply to hazardous wastes from existing factories and industrial processing plants.
  - The construction of any new hazardous waste disposal facility to be restricted to land owned by the resource company and be required to meet existing standards and be operated under the same conditions that apply to existing hazardous waste facilities such as Willawong.

## **ADMINISTRATION AND ENFORCEMENT**

The LNP in Government will establish a new statutory body to be known as the Gasfields Land and Water Commission to manage the coexistence between rural landholders, regional communities and the CSG Industry. We will ensure that the Gasfields Land and Water Commission is based regionally, and that it shall:

- Include community leaders from areas where the CSG industry operates
- Include a landholder representative
- Include a resources industry representative
- Have access to all available information on land and water issues
- Provide advice to the Minister about any issues that need to be addressed
- Provide an opportunity for the community to raise issues



- Carry out the functions currently allocated to the Water Commission under existing State legislation
- Be charged with expeditiously developing a simplified 'template' landholder partnership agreement to cover issues including land access, best management, and relevant compensation indicative ranges for landholders in different areas affected by various CSG developments, taking into account diminution of value of assets and lifestyle.

The LNP in Government will ensure a properly resourced, dedicated inspection and enforcement unit is on the ground in the gas fields to ensure full compliance with the legislation and the regulations put in place for CSG extraction in Queensland. We will ensure that the inspection and compliance unit will:

- Conduct regular checks and audits on CSG operations
- Monitor safety issues involving gas wells and pipelines
- Monitor environmental authorities and water use plans
- Ensure underground water monitoring requirements are complied with
- Ensure approved extraction processes are conducted properly
- Investigate complaints about CSG operations
- Provide a point of contact and a timely response capability for community members or landholders with reasonable concern regarding a CSG issue

#### **Adaptive Management Regime**

The LNP supports the adaptive management regime under which approvals have been given and in Government will use the provisions of that adaptive management regime to amend existing conditions on approvals and impose new conditions to ensure the management of the CSG industry adapts to any changing circumstances, unpredicted emergent situations or unforeseen outcomes.

We will also use the provisions of that adaptive management regime to vary any monitoring system or program that is required to closely monitor the effects of CSG extraction particularly with regard to effects on the Great Artesian Basin.

We will also use the provisions of that regime to ensure any new science and/or technology that emerges as the industry develops is used to its full affect to better monitor and manage the CSG extraction activities.

The LNP will support, and in Government will ensure, the amendment of whatever legislation is necessary to quickly deal with any emergent issue or unforeseen circumstance resulting from CSG extraction and to quickly ensure that the regulator has whatever legislative power is necessary to address the unforeseen issue or circumstance.

We will ensure there is an administration and management regime on the ground that is able to respond quickly and effectively to any arising issue or unpredicted outcome.

#### **ENVIRONMENTAL MANAGEMENT**

The LNP recognises the environmental benefits of coal seam gas as an energy source with gas fired power stations recording up to a 70% reduction in emissions when compared to some existing coal fired power stations.

The LNP supports, and in Government will ensure, a high level of environmental management based on Environmental Impact Studies (EIS's) at the approvals stage and Environmental Management plans (EM Plans) and Environmental Authorities (EA's) to set the standards for a wide range of ongoing CSG industry activities.

The LNP supports and will continue to monitor the implementation and effectiveness of:

1. The environmental conditions imposed on the approvals granted to the CSG industry by the State Labor Government in its approval of each project's environmental impact statement (EIS)
2. The conditions and controls identified and addressed by environmental management plans (EM plans) and the conditions and controls imposed by environmental authorities (EA's) required by CSG proponents for a range of activities involved with each project and in Government we will ensure those conditions are complied with as the industry develops.



In particular we support and will continue to monitor the implementation and effectiveness of the conditions and controls managed by the State Government required EM Plans and EA's on:

- Air quality and noise levels
- Rehabilitation obligations
- Hydraulic fracturing
- Water quality, usage and management
- Waste and brine disposal
- Remnant vegetation management
- Chemical usage
- Environmental values of flora and fauna

3. The environmental and monitoring conditions imposed on the approvals by the Federal Labor Government under the Environmental Protection and Biodiversity Conservation (EPBC) Act

In particular we support and will continue to monitor the implementation and effectiveness of the conditions imposed by Federal Government to:

- Protect the Great Artesian Basin as a matter of national environmental significance (MNES) under the EPBC Act
- Monitor water level drawdown and aquifer pressure changes
- Ensure re-pressurisation of unduly affected aquifers
- Require the mandatory development of pilot re-injection sites

- Impose vegetation offset requirements
- Ensure endangered species management

**REBUILDING INFRASTRUCTURE AND REVIVING REGIONAL QUEENSLAND**

The LNP is committed to ensuring that the development of the CSG industry will bring about a rebuilding of essential infrastructure and a revival of rural and regional communities across a significant part of Queensland.

We believe it is critical that local community leaders have a major input into infrastructure and community building priorities as the CSG industry develops.

The LNP will in Government ensure that a Gasfields Community Leaders Council, made up of local Government, Industry and Community leaders is established to inform and advise Government about infrastructure spending and community service provision in the area.

The Gasfields Community Leaders Council will be charged with playing a lead role in ensuring Government spending programs match community needs and priorities and are directed towards meeting growth pressures in the short term and building a sustainable future for rural and regional communities in the longer term.

**Rebuilding Infrastructure**

The LNP is committed to ensuring a range of public infrastructure in Queensland regions with





gas resources activity is rebuilt as the CSG industry develops so that:

- the area can firstly cope with the growth pressures that the industry will bring and
- there is a long term lasting legacy from the CSG industry development in rural and regional Queensland

As just one example the LNP will in Government strive to ensure that the road infrastructure in Queensland regions with gas resources activity is urgently upgraded with urgent priority given to:

- The second Toowoomba range crossing and the Toowoomba by-pass road
- The upgrading of the Warrego Highway to a four lane highway standard from Brisbane to Dalby and a high standard two lane highway to Roma.

As part of our Infrastructure Discussion Paper process, the LNP has also committed to establishing a *Roads to Resources* program to better coordinate industry and government funds for strategic road construction and partnership projects in resource industry development areas. We will work with all stakeholders including resource companies as well as federal and local governments, to attract real, co-ordinated investment in strategic regional road projects. This will include consultation with industry and Councils to determine the appropriate level of State funding, and the final criteria for the *Roads to Resources* program.

Our other infrastructure priorities as the CSG industry develops will be decided in close consultation with the Gasfields Community Leaders Council and announced as soon as responsible budgeting and financial management allow.

### Reviving Rural Communities

The LNP is committed to ensuring that rural communities in Queensland regions with gas resources activity receive the maximum possible long term benefit from the development of the CSG industry.

An LNP Government will work closely with the Gasfields Community Leaders Council and individual Local Governments to ensure that these communities are able to develop a high level of liveability and are able to offer a long term attractive life style for generations to come.

We will strongly discourage the development of 100% fly in – fly out workforce operations and we will require CSG industry participants to provide opportunities for a significant number of their permanent workforce to live in regional communities, giving workers greater choice.

We will also improve Social Impact Management Plan (SIMPs) requirements and processes across the mining and petroleum industries with the aim of better co-ordinated use of funds to provide improved cumulative community, environment and infrastructure outcomes across a region.

### Supporting new research

An LNP Government will support the continued development of Coal Seam Gas industry knowledge, research and technologies, and provide new incentives for research focussed on managing the environmental and social impacts of a growing CSG industry in Queensland.



## Annexure C

## QUEENSLAND KEY RESOURCES OVERVIEW

## Coal

Queensland has a rich abundance of high-quality coal resources, with more than 32 billion tonnes (raw coal in-situ) having been identified by drilling operations.

A list of Queensland's 51 operating coal mines (July 2011) can be found at Annexure D.

Queensland coal has a global competitive advantage in environmental benefits such as high energy content, and low levels of sulphur, nitrogen and ash, compared to international competitors' product.

Identified resources of coking coal in Queensland amount to approximately 11 billion tonnes, of which about 4 billion tonnes is suitable for open-cut mining. The vast bulk of current production and export is centred on the Bowen Basin, with the Surat Basin contributing mostly domestic thermal coal requirements and some thermal/pulverised coal injection (PCI) exports.

Queensland's saleable coal production in 2009–10 amounted to a total of 205.7 million tonnes (Mt). Exports totaling 183.0 Mt, worth \$24.5 billion free-on-board, were made to 30 countries. An additional 26 million tonnes were supplied to Australian markets.

Queensland coal statistics 2009–10<sup>73</sup>

<b>Saleable coal production</b>	
Open-cut	179.1 Mt
Underground	26.6 Mt
<b>Total</b>	<b>205.7 Mt</b>
<b>Coal exports</b>	
Metallurgical	124.6 Mt
Thermal	58.4 Mt
<b>Total</b>	<b>183.0 Mt</b>
<b>Operating coal mines</b>	
Open-cut	42
Underground	13
<b>Total</b>	<b>55</b>

These exports were comprised of 124.6 million tonnes of metallurgical coal (coking coal and PCI coal) used mainly for iron and steel making, and 58.4 Mt of thermal coal used for electricity generation and in industrial processes. Annual coal exports increased strongly in 2009–10 with China ranking second to Japan as the largest buyer.

There are currently a select number of approved trials of Underground Coal Gasification (UCG) technology being undertaken in Queensland. The UCG process involves converting coal to gas underground, and then bringing it to the surface for use in gas form, or conversion to a liquid fuel for transport use. An advantage put forward by UCG technology advocates is that UCG technology could be used to access coal resources that are of lower quality, and/or are too difficult to access for conventional coal mining, for example, where the coal is situated too deep making it inaccessible and/or unsafe to mine conventionally.

Coal Seam Gas (CSG)<sup>74</sup>

Natural gas has been part of Australia's energy landscape for more than a century and the extraction of natural gas from coal seams has been conducted in Queensland for around 15 years.

Although it is not a new industry, it has expanded significantly in recent years, and will continue to grow. The number of coal seam gas wells drilled annually increased from 10 in the early 1990s to over 600 in 2009–10. The number of CSG wells in Queensland is expected to grow to between 30,000 and 40,000 in coming years.

As at 30 June 2010, proved and probable reserves of CSG in Queensland reached 27,992 petajoules (PJ). In 2009–10, production increased to 212 PJ from 151PJ in 2008–09.

To paint a practical picture of the immense size of these gas resources, CSIRO estimates there is sufficient CSG in Queensland and New South Wales to power a city of one million people for 5000 years. Queensland's Bowen and Surat Basins in particular are home to significant CSG reserves.



CSG also promises to underpin a valuable new export sector in Queensland – four liquefied natural gas (LNG) projects based on CSG are planned for development in Queensland. These projects will pipe the gas from the CSG fields to Gladstone. Plants at Gladstone will chill CSG to -161°C, liquefying the gas for export to Asian markets.

The enormous growth in global energy demand is driving these multi-billion dollar investments in the export of Queensland's CSG. These projects represent a huge economic opportunity for the state, generating 18,000 jobs, and additional state revenues of around \$1 billion per year.

The environmental gains of using CSG are substantial. Gas-fired power stations emit up to 70 per cent less greenhouse gas emissions than existing coal-burning plants. As almost 80 per cent of China's, and almost 70 per cent of India's, electricity is generated from coal, the export of LNG into Asia offers an enormous opportunity to reduce global greenhouse gas emissions.

#### Base Metals

Looking beyond the vast resources of coal and CSG, Queensland is also home to a significant base metals sector. Most of the base metal production is from the North West Queensland Mineral Province, centred on the Mt Isa Inlier, which is one of the world's leading base metal geological structures.

Queensland is widely recognised for its world-class resources of base metals. It is the world's second largest producer of lead (10.4% of global production), the third largest zinc producer (6.9%), the fifth largest silver producer (7.60%), and accounts for 1.3% of global copper production. The state leads Australia in copper, lead, silver and zinc production. Queensland is Australia's second-largest bauxite producer (from deposits in far north Cape York) and the third-largest gold producer (predominantly from the Charters Towers region and the Cracow deposit in Central Queensland).

The State also has significant resources of uranium, molybdenum and rhenium.

For 2009–10, \$72.7 million was spent in Queensland on exploration for base metals, which included \$64 million for copper exploration. During the same period, \$45.8 million was spent on gold exploration and \$32.5 million on other minerals.

#### Other minerals

Queensland has additional rich resources of phosphate rock, magnesite and silica sand, with significant deposits of sapphire, opal and chrysoprase.

#### Quarrying and Extractive

A less obvious, but nevertheless vitally important sector of Queensland's resources industries is the extractive industry which produces quarry products (sand, gravel, quarry rock and fill) necessary to drive the development of all construction projects – especially roads, bridges and buildings.

Cement, Concrete and Aggregates Australia (CCAA) data shows that concrete is the world's most consumed substance on earth, aside from water. CCAA research in 2007 estimated that South East Queensland (SEQ) alone would require 850 million tonnes of extractive resources to sustain its growth up to 2026.<sup>75</sup> The same study identified an estimated total resource of 1,656 billion tonnes in SEQ, of which around 60% was constrained and more than half lacks development approval.

Availability of aggregate is paramount to the construction that will need to be undertaken in order to drive not only the resources industry, but the entire Queensland economy.

It is necessary for the extractive industry to be spread right across Queensland. Economies in production from sources close to key construction projects are essential to the success of this industry. Transportation costs are a major component of the cost of aggregate to the consumer. CCAA estimates that an increase from 60 kilometres (average haulage distance) to 100 kilometres increases the overall production cost of aggregate by around 35%.



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Name: Tim Mulhenn MP ⑤

With Leave: Yes ☐ No ☒

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## Seeney has hit list

Date: 15/7/14

Signature: [Signature]

Jenny Rogers | September 25th, 2013

DEEPER cuts to public sector jobs and a further raft of asset sales are on the Queensland Government's agenda.

Deputy Premier Jeff Seeney yesterday confirmed the State Government had "a long list" of government services it intended to target for further privatisation in an effort to rein in debt.

It also had a hit list of assets it planned to put up for sale ahead of the next election.

Mr Seeney dismissed as "predictable" warnings from the Public Sector Union that further privatisation would lead to higher costs and lower-quality services.

Alex Scott from Queensland's public sector union yesterday said the Liberal National Party's controversial cutting of 14,000 public sector jobs since its landslide victory 18 months ago had left the health system in crisis and further privatisation would be a mistake.

"We know privatisation will lead to higher costs and lower quality services," he said.

But Mr Seeney said the Government had been forced to make tough decisions to tackle the \$63 billion of debt it inherited from the previous Labor government and further privatisation and public asset sales were inevitable.

He refused to detail specific privatisation and asset sale targets but said "everything was on the table".

"You can't pay your way out of \$63 billion of debt unless you economy and that can't be done with government spending, it can only be done by ... facilitating the activities of people in the business sector," he told a Small Business Association of Australia function on the Gold Coast.

"We have a long-term strategy to try to generate enough money to pay off that debt and that is impossible without asset sales.

"We have identified a number of state assets we believe would be better operated by the private sector and we will be moving to offer those to the private sector."

Mr Seeney said there would also be further outsourcing of government services and called for input from the business sector in identifying areas where "you can do it better and more cheaply".

# Department of Energy and Water Supply

State Development, Infrastructure and Industry Committee



# Questions on Notice



**State Development, Infrastructure and Industry Committee**

**Questions on Notice**

**Minister for Energy and Water Supply**

1. Given the Service Delivery Statement notes the Department is responsible for policy development to ensure cost-effective energy supply, can the Minister provide quantitative data and qualitative analysis for the annual cost (\$) and proportion (%) for a typical Queensland household electricity bill for the following electricity cost drivers from 2004-05 to 2014-15 (reported separately):
  - a. Wholesale energy (generation);
  - b. Network (poles and wires);
  - c. Retail;
  - d. Carbon Tax;
  - e. Solar Bonus Scheme; and
  - f. Green Schemes (renewable energy target).
2. The Service Delivery Statement notes that through analysis of its operating environment, the department has identified strategic risks and challenges to implementing policy solutions to put downward pressure on the cost-of-living. Can the Minister provide quantitative data and qualitative analysis for the South East Queensland (SEQ) bulk water supply costs in 2014-15, including:
  - a. interest and operating costs for the Gold Coast Desalination Project;
  - b. interest and operating costs for the Western Corridor Recycling Water Scheme;
  - c. interest and operating costs for the Wyaralong Dam;
  - d. interest costs on the rest of the SEQ bulk water supply system; and
  - e. operating costs for the rest of the SEQ bulk water supply system.
3. Given the Service Delivery Statement notes the Department is responsible for policy development to ensure cost-effective energy supply, can the Minister provide quantitative data and qualitative analysis for the annual cost (\$) and proportion (%) for a typical annual household electricity bill from 2004-05 (reported separately) in all states (reported separately) in Australia's National Electricity Market (NEM) for:
  - a. Networks (Poles and Wires),
  - b. Wholesale Energy; and
  - c. Retail.
4. The Service Delivery Statement notes that in 2013-14 the Department "...took action to limit the price increases for transitional and obsolete electricity tariffs, including





**State Development, Infrastructure and Industry Committee**

**Questions on Notice**

**Minister for Energy and Water Supply**

farming and irrigation tariffs, to no more than 10 per cent for 2013-14." Can the Minister please explain how the Government will help struggling farmers and irrigators, particularly cane growers, in 2014-15?

5. Can the Minister advise on the strategic risks and challenges facing Queensland Government owned Networks businesses in implementing policy solutions to put downward pressure the on the cost of living?
6. The Service Delivery Statement notes the electricity retail sector in South East Queensland will move to market monitoring from 1 July 2015.  
Can the Minister provide advice on the evidence-based research that market monitoring will help put downward pressure on future electricity prices and what additional measures will be put in place to protect consumers.
7. The Service Delivery Statement notes that through analysis of its operating environment, the department has identified strategic risks and challenges to implementing policy solutions to put downward pressure on the cost-of-living. Can the Minister identify the main challenges the Government is facing in putting downward pressure on electricity prices and what it is doing to stabilise prices.
8. The Service Delivery Statement notes that through analysis of its operating environment, the department has identified strategic risks and challenges to implementing policy solutions to put downward pressure on the cost-of-living. Can the Minister identify the main challenges the Government is facing in putting downward pressure on water prices in South East Queensland and what it is doing to reduce bulk water prices.
9. The Service Delivery Statement notes the Government has worked on the reform of local management arrangements (LMA) for SunWater's irrigation schemes.  
  
Can the Minister provide an update on the Government's progress in working with local communities to deliver local management solutions for local channel schemes that will also provide improved economic and environmental outcomes.
10. The Service Delivery Statement notes that through analysis of its operating environment, the department has identified strategic risks and challenges to



**State Development, Infrastructure and Industry Committee**

**Questions on Notice**

**Minister for Energy and Water Supply**

implementing policy solutions to put downward pressure on the cost-of-living. Recognising the independent statutory authority, the Queensland Competition Authority (QCA) found the Solar Bonus Scheme (the Scheme) was the second biggest cost driver for electricity price increases in Queensland in 2014-15, could the Minister advise:

- a. The Bligh Government's original cost estimates for the Scheme;
- b. The QCA's cost estimate for the Scheme;
- c. What action the Government is taking to rein-in the costs of the Scheme; and
- d. Financial analysis about the cost impact for re-instating the Scheme's 44 cent Feed-in-Tariff subsidies.

11. I refer to the Capital Statement for the Department, how much of the capital budget allocated in 2013-14 was expended by the end of the financial year? How much of that budget, if any, has been rolled over into 2014-15?
12. I refer to page 6 of the SDS, will the Minister advise the position name, description, level and location of each of the 25 Departmental positions to be cut in 2014-15?
13. I refer to page 2 of the SDS and the ongoing development of the 30 year Energy Strategy, will the Minister advise why he has failed to finalise the 30 Year Strategy by the original deadline of the second half of 2013?
14. I refer to page 2 of the SDS and the desire to deliver better infrastructure and planning, what discussions has the Queensland Government had with the Federal Government regarding the proposal to construct a new coal fired base load power station in north Queensland?
15. I refer to page 7 of the SDS and the reference to state owned energy entities, will the Minister please advise for each Government Owned Corporation the current number of employees at Ergon, Energex, Powerlink, CS Energy and Stanwell, reported separately by permanent, contract, full time and part time employees?
16. I refer to page 2 of the SDS relating to electricity prices, will the Minister please advise out of the total number of residential electricity customers in south east





**State Development, Infrastructure and Industry Committee**

**Questions on Notice**

**Minister for Energy and Water Supply**

Queensland, how many households are currently on a market contract and how many receive the regulated tariff 11 rate?

17. I refer to pages 10 and 11 of the SDS, in both the energy and water sector reporting areas, why has the Minister lowered the performance target for 'Level of stakeholder satisfaction with engagement on key programs/initiatives (rated satisfied or very satisfied)' to 80% instead of attempting to increase performance to reach last year's 90% target?
18. I refer to page 16 of the SDS, how much has the Department expended on external consultancies in 2013-14; how much is budgeted to be spent on external consultancies in 2014-15?
19. I refer to page 7 of the SDS and the reference to state owned energy entities, how many of Ergon's employees are based in Brisbane?
20. I refer to page 3 of the SDS, will the Minister provide a list of the non-commercial water assets to be included in the Department's Total Asset Management Plan?

# Answers to Questions on Notice



## ESTIMATES QUESTION ON NOTICE

### No. 1

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#### QUESTION:

Given the Service Delivery Statement notes the Department is responsible for policy development to ensure cost-effective energy supply, can the Minister provide quantitative data and qualitative analysis for the annual cost (\$) and proportion (%) for a typical Queensland household electricity bill for the following electricity cost drivers from 2004-05 to 2014-15 (reported separately):

- a. Wholesale energy (generation);
- b. Network (poles and wires);
- c. Retail;
- d. Carbon Tax;
- e. Solar Bonus Scheme; and
- f. Green Schemes (renewable energy target).

#### ANSWER:

There have been significant changes to components of electricity costs over the past decade, including the addition of new charges, including the carbon tax, the Renewable Energy Target (RET) and the Solar Bonus Scheme (SBS).

There have also been changes to the way electricity costs have been calculated, making comparisons over time difficult. The focus of this analysis is on the period since 2007-08 and the introduction of Full Retail Competition in South East Queensland. This is also the first time that regulated prices were determined by the Queensland Competition Authority (QCA). From 2007-08 to 2011-12 the Benchmark Retail Cost Index was the methodology used to calculate regulated prices, which calculated total costs, which were then divided by the State load to apply a uniform percentage increase across all tariffs irrespective of where cost increases occurred.

Prior to this date, prices were generally increased by CPI across the board. As such, there is no individual break down of cost components.

Similarly, the SBS was introduced in 2008-09, however the cost of this was not reported on individually prior to 2013-14.

All comparisons have assumed average Tariff 11 consumption of around 4,100 kilowatt hours per annum, which is consistent with the 2014-15 Final Determination. Bill impacts may have altered from annual increases as a uniform level of consumption has been used for comparison purposes.

A graphical representation of the breakdown of cost components from 2007-08 to 2014-15 is at Attachment 1.

Further analysis of the cost components is provided below.

### *Wholesale energy (generation)*

Wholesale energy costs are the costs associated with generating electricity and have remained fairly stable at between 5 and 6 cents per kilowatt hour (c/kWh) and costing around \$250 to \$300 per year. Its contribution to the overall bill has diminished over time from 44 per cent in 2007-08 to 19 per cent in 2014-15.

### *Network costs (poles and wires)*

Network costs remain the most significant cost component of an electricity bill and have consistently contributed to around half of the total cost. Annual network costs have risen from about \$300 in 2007-08 to nearly \$640 in 2014-15.

In 2007-08 network costs comprised 45.9 per cent of the bill with annual increases, to a maximum of 53.3 per cent of a bill in 2011-12. The proportion of a bill has decreased since 2011-12 with network costs accounting for 44 per cent of a bill in 2014-15.

Network costs are approved for a five year regulatory determination period by the Australian Energy Regulator. The next regulatory period will run from 2015-20 and network costs are expected to stabilise in this period.

### *Retail costs*

This component covers a number of retail costs including retail operating costs (ROC), retail margin and headroom, with almost half of the retail costs calculated by the QCA included to facilitate or improve competition.

Between 2007-08 and 2012-13 retail costs accounted for between 10-12 per cent of the bill. In 2013-14, this increased to 22.3 per cent of the bill. According to the QCA, there was an increase in retail operating costs (ROC) which came as a result of the benchmarking approach being updated to take account of the most recent interstate estimate by the Independent Pricing and Regulatory Tribunal (in NSW). The retail margin also increased from 5.4 per cent to 5.7 per cent of total costs, reflecting an updated assessment of the risks retailers face in providing retail electricity services.

However, the level of increase was also influenced by a change in methodology in 2012-13 to a cost-reflective approach and the inclusion of a specific headroom allowance of 5 per cent of a cost reflective tariff. This change was not apparent to customers as Government applied a freeze to Tariff 11 in 2012-13, with the only additional cost that consumers paid being the cost of carbon. As a result of this, in 2012-13 consumers did not pay any increased retail costs and this accounts for part of the large increase in the retail cost proportion of the bill in 2013-14.

In 2014-15, ROC increased marginally in line with inflation, but continues to account for a similar proportion of the bill, contributing around \$285 to an annual bill.



### *Carbon tax*

The carbon tax was introduced on 1 July 2012 and is considered an energy cost. In 2012-13 the carbon tax contributed around 11 per cent of a bill. This was the only increase consumers experienced in 2012-13, as Government applied a freeze to Tariff 11 at the 2011-12 price (plus the carbon tax), consistent with its election commitment.

The impact of the carbon tax reduced to 7.4 per cent in 2013-14 and 7 per cent in 2014-15. The removal of the carbon tax will bring immediate price relief to Queensland households and remove a cost of \$170 (based on Tariff 11 and a controlled load tariff) in 2014-15.

### *Solar Bonus Scheme (SBS)*

The SBS was introduced in 2008-09 and provides a 44 c/kWh feed-in-tariff (FiT) for electricity exported back to the grid from solar PVs. SBS costs are considered a network cost and are paid for by all customers, including those without solar. In 2012, in order to address rising costs, the Government moved to reduce the FiT to 8 c/kWh for new applicants.

The individual costs for the SBS costs are not available prior to 2013-14 when the transition of Tariff 11 to cost-reflectivity by 2015-16 commenced, which required a new methodology.

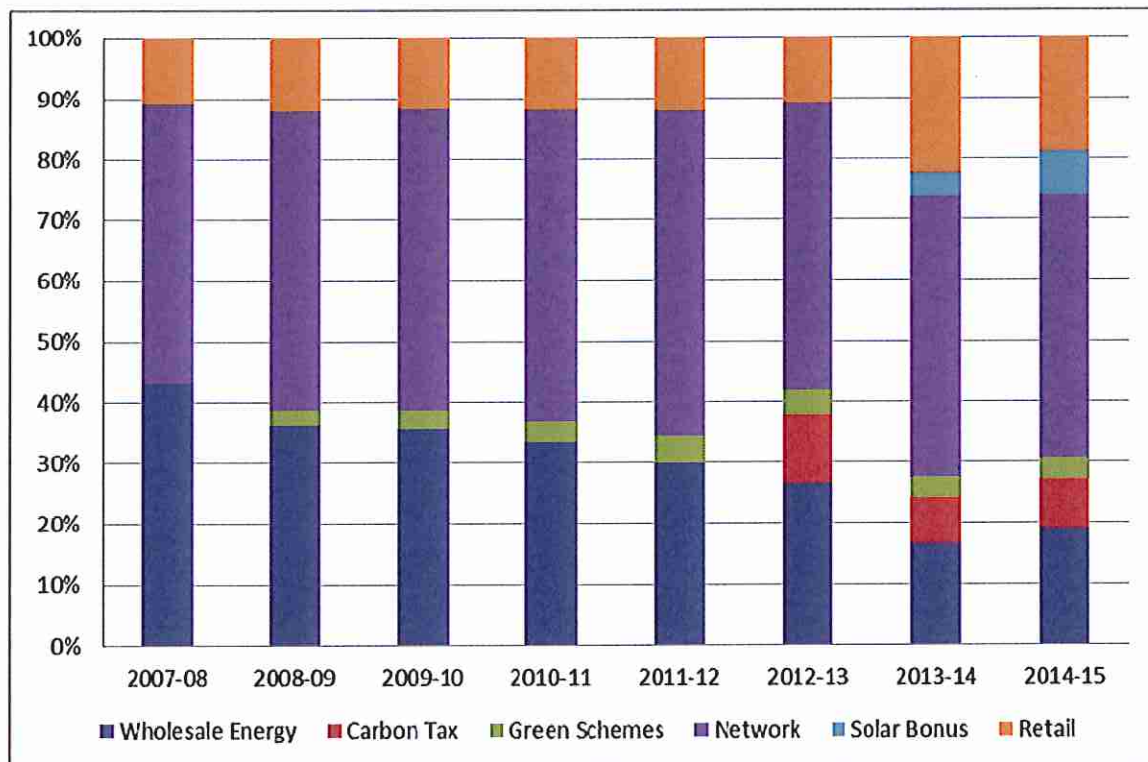
SBS costs have almost doubled since 2013-14, however, costs are not recovered by the distributor until two years after they are incurred. Reflecting the level of uptake in solar PV, in 2013-14 solar costs accounted for 3.9 per cent of a bill, which has increased to 7 per cent in 2014-15. The SBS contributes around \$100 to an annual bill. The QCA has estimated this could increase to around \$276 in 2015-16.

### *Green schemes (Renewable Energy Target)*

In addition to wholesale energy costs, there are a number of other energy costs including the carbon tax (as noted above) and costs relating to green schemes such as the RET.

The separate reporting of green schemes (predominantly the RET but also the Queensland Gas Scheme) was introduced in 2008-09, when they accounted for 2.6 per cent of the bill. This increased in following years to a maximum percentage of 4.5 per cent in 2011-12. Since then costs have decreased slightly, easing to 3 per cent of a bill in 2014-15. The RET contributes around \$50 to an annual bill for Tariff 11 only. Based on Tariff 11 and a controlled load tariff, the QCA estimates the cost of the RET to be around \$81.

## ATTACHMENT 1





## ESTIMATES QUESTION ON NOTICE

### No. 2

#### QUESTION:

The Service Delivery Statement notes that through analysis of its operating environment, the department has identified strategic risks and challenges to implementing policy solutions to put downward pressure on the cost-of-living. Can the Minister provide quantitative data and qualitative analysis for the South East Queensland (SEQ) bulk water supply costs in 2014–15, including:

- a) interest and operating costs for the Gold Coast Desalination Project;
- b) interest and operating costs for the Western Corridor Recycling Water Scheme;
- c) interest and operating costs for the Wyaralong Dam;
- d) interest costs on the rest of the SEQ bulk water supply system; and
- e) operating costs for the rest of the SEQ bulk water supply system.

#### ANSWER:

Annual interest costs on an asset basis are not available beyond 2012–13. Seqwater has adopted a consolidated debt pool which enables more efficient management of its whole debt. Prior to the merging of Seqwater, Linkwater and the South East Queensland Water Grid Manager into one entity from 1 January 2013, there were higher costs associated with debt management as each entity was responsible for its own debt in conjunction with Queensland Treasury Corporation (QTC). The merging of the three entities into the one entity, Seqwater, has reduced bulk water supply costs, including those associated with debt management.

Table 1 below shows Seqwater's interest costs for 2012–13 broken down by the Gold Coast Desalination Plant (GCDP), the Western Corridor Recycled Water Scheme (WCRWS), the Wyaralong Dam, and the rest of the SEQ bulk water supply system.

The interest costs associated with the SEQ bulk water supply system infrastructure since 2012–13 are likely to be of a similar magnitude for each of these assets, given the debt that funded the infrastructure projects has not materially changed. It should be noted that the debt relating to the infrastructure projects is in addition to the debt that is funding Seqwater's operating losses due to the bulk water price path.

**Table 1: Seqwater interest costs 2012–13 by asset (\$'000)**

	Interest costs
GCDP	\$36,469
WCRWS	\$124,170
Wyaralong Dam	\$22,560
Rest of the SEQ bulk water supply system	\$280,738
<b>Total SEQ bulk water supply system</b>	<b>\$463,937</b>

#### Notes:

- Based on Seqwater's 2012–13 Annual Report and Seqwater advice.

- The interest costs in this table relate to the debt held by Seqwater only from 1 July to 31 December 2012 and the debt held by the merged Seqwater incorporating LinkWater and the SEQ Water Grid Manager 1 January to 30 June 2013.
- Costs are shown in 2012-13 dollars.

In relation to Seqwater's 2014–15 budget, table 2 below shows Seqwater's operating costs (broken down by GCDP, WCRWS, the Wyaralong Dam, and the rest of the SEQ bulk water supply system), total depreciation costs and total interest costs.



**Table 2: Seqwater budgeted costs 2014-15 by asset (\$'000)**

	Interest costs	Depreciation costs	Operating costs	Total costs	Description of operating costs
GCDP			\$15,978		Costs incurred relate to the maintenance of the GCDP while in "stand-by" mode so that it can be used when there is an emergency. This includes labour costs to ensure the assets are maintained as well as energy and treatment costs to produce small amounts of desalinated water, ensuring the GCDP is operational when needed.
WCRWS			\$15,551		Costs incurred relate to the operation of the WCRWS in 'care and maintenance' mode. This includes labour costs to ensure the assets are maintained as well as energy costs incurred for any maintenance requirements. This also includes closedown costs.
Wyaralong Dam			\$1,635		Costs incurred relate to Dam, Catchment and Recreation maintenance. This includes labour costs.
Rest of the SEQ bulk water supply system			\$237,696		Costs incurred relate to the operation of the remaining storage facilities and the treatment and transportation of bulk water across the SEQ region.
<b>Total SEQ bulk water supply system</b>	<b>\$542,406</b>	<b>\$220,335</b>	<b>\$270,860</b>	<b>\$1,033,601</b>	

**Notes:**

- Based on Seqwater advice.
- 2014-15 budgeted costs for the rest of the SEQ bulk water supply system include approximately \$4.7 million relating to irrigation activities.
- Costs are shown in 2014-15 dollars.

## ESTIMATES QUESTION ON NOTICE

No. 3

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### QUESTION:

Given the Service Delivery Statement notes the Department is responsible for policy development to ensure cost-effective energy supply, can the Minister provide quantitative data and qualitative analysis for the annual cost (\$) and proportion (%) for a typical annual household electricity bill from 2004-05 (reported separately) in all states (reported separately) in Australia's National Electricity Market (NEM) for:

- a. Networks (Poles and Wires),
- b. Wholesale Energy; and
- c. Retail.

### ANSWER:

#### Comparing electricity bills

A straight comparison of annual electricity bills across Australia is difficult because of differences between states and territories.

For example, some jurisdictions have higher fixed service fees, which may be offset by lower energy consumption charges. Average customer consumption and therefore the average bill also vary considerably between jurisdictions, and higher fixed charges have a greater impact on electricity bills at lower levels of consumption.

The level of competition and therefore the proportion of customers on regulated prices or cheaper market offers also differs between jurisdictions. Additionally, electricity prices in some jurisdictions such as New South Wales and Victoria also vary between their distribution network areas.

Network costs form a significant part of retail electricity prices and also vary between jurisdictions. The Australian Energy Regulator (AER) sets a level of overall expenditure for each network in the NEM typically every five years, and sets network prices annually based on this allowed expenditure. These levels of expenditure and prices differ between jurisdictions and change over time for a variety of reasons, including where each jurisdiction is in:

- the cycle of replacing old infrastructure or building new infrastructure to meet projections of electricity demand; and
- the AER's five-year regulatory period for network expenditure.

#### Changes in electricity bills based on AER data

However, the AER has been tracking real energy prices for metropolitan households since 1991, using the electricity and gas components of the Australian Bureau of Statistics consumer price index.



Attachment A contains a graph on electricity prices from the AER's most recent State of the Energy Market Report 2013. The graph clearly shows that electricity prices in Brisbane have consistently been the lowest or second lowest amongst capital cities in the NEM since the early 1990s.

#### Changes in electricity bills based on AEMC data

The Australian Energy Market Commission (AEMC) also provides further insights. Since 2009, it has produced an annual report aimed at identifying trends in residential electricity prices across Australia. To do this, the AEMC combines each jurisdiction's or network area's fixed service fee and energy consumption charges to develop a jurisdictional cents per kilowatt hour amount. The figure is based on the different costs components of electricity prices.

Attachment B compares electricity bills across the NEM jurisdictions based on the AEMC's cost stacks, using a single Queensland consumption figure across all the AEMC's reporting period. While the AEMC's data set does not meet the Question on Notice's requested 2004–05 start date, it still provides a snapshot of trends across a key period of time, including the introduction of the carbon tax in 2012–13.

According to this analysis, Queensland's average electricity bill has been the second lowest in all years except for 2009–10, when it was third lowest. Only the Australian Capital Territory, with its much lower regulated network costs, consistently recorded lower bills.

Queensland also recorded the lowest increase in average electricity bills at 23 per cent. The Australian Capital Territory recorded the second lowest increase at 29 per cent, while Tasmania recorded the highest increase at 37 per cent.

However, retail price regulation has failed to prevent subsequent large price rises in Queensland, with prices for the typical household rising by 22.6 per cent in 2013–14 and 13.6 per cent in 2014–15 (when including the carbon tax).

#### Electricity bills in 2013-14

Whilst the most recent AEMC and AER reports' analysis ends in 2012–13 – the year the Queensland Government froze the price of the standard regulated retail tariff for households, Tariff 11 – information is available on 2013–14 prices on a similar basis (interstate information suitable for comparison is not available for 2014–15).

Despite the end of Tariff 11 freeze and 22.6 per cent price rise in 2013–14, the table below illustrates how Queensland's electricity prices were still competitive in 2013-14 compared with other states and territories in the NEM:

- assuming a typical customer consumes 4,100 kilowatt hours of electricity per year (Queensland's typical 2013–14 consumption) on the standard residential tariff available in each jurisdiction;

- assuming customers are on regulated or standing offer prices, not discounted market offers that can be higher in other states such as Victoria; and
- using the average jurisdictional bill where electricity prices vary within a jurisdiction depending on the network area.

Region	Network Distributor	2013-14 Bill (excl. GST)
<b>QLD</b>	<b>Energex and Ergon</b>	<b>\$1,279</b>
NSW (Sydney, Central Coast, the Hunter)	Ausgrid	\$1,282
NSW (Country)	Essential	\$1,731
NSW (Western Sydney, Illawarra)	Endeavour	\$1,266
<b>NSW</b>	<b>State Average</b>	<b>\$1,426</b>
VIC (Melbourne CBD)	Citipower	\$1,323
VIC (Northern Melbourne)	Jemena	\$1,552
VIC (Western)	Powercor	\$1,504
VIC (Southern Melbourne)	United	\$1,438
VIC (Eastern)	SP Ausnet	\$1,628
<b>VIC</b>	<b>State Average</b>	<b>\$1,489</b>
<b>TAS</b>	<b>Aurora</b>	<b>\$1,315</b>
<b>SA</b>	<b>SA Power Networks</b>	<b>\$1,462</b>

The table uses the same electricity bill for customers in both the Energex and Ergon Energy Network areas, despite the AER approving more expensive network prices for Ergon Energy. This is because the Queensland Government's Uniform Tariff Policy – implemented through the Government's Community Service Obligation (CSO) payments – ensures where possible that all Queensland regulated electricity customers of a similar type pay the same price for electricity, regardless of where they live. According to the 2014–15 Budget Concessions Statement, the Government spent \$560.8 million on the CSO in 2013–14 and has budgeted \$662.4 million for 2014–15.

Ergon Energy, which services almost all of regional Queensland, receives the bulk of the CSO payments, with Origin Energy receiving a relatively small amount (\$6 million in 2013–14) for regulated customers in the Goondiwindi, Texas and Inglewood areas who are supplied electricity through the New South Wales distribution network.

### Comparing electricity cost components

Identifying the different cost components of electricity prices in jurisdictions with prices set by regulators is feasible, but a very difficult exercise in jurisdictions such as Victoria and South Australia where prices are deregulated. In these jurisdictions, wholesale and retail costs are determined by the market participants and are not publicly reported.



The AEMC's cost stacks, developed as part of its annual residential electricity price trends reports are the best available estimates. Given that the AEMC has not been able to always separate out specific wholesale and retail costs for every jurisdiction, it groups cost components into three main categories – environmental policies, regulated networks and wholesale/retail markets.

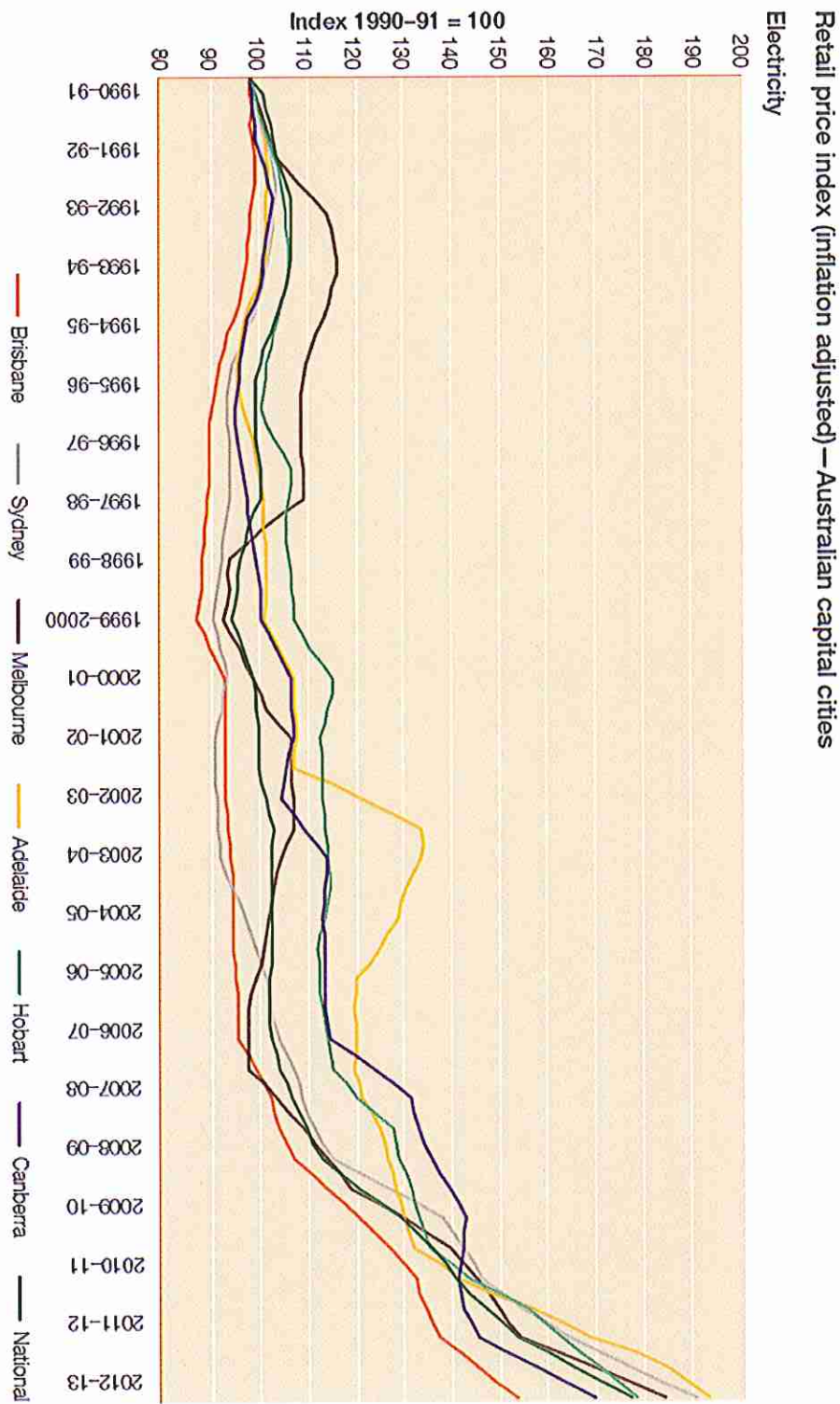
The AEMC's environmental policy costs include the federal carbon tax, Large-scale Renewable Energy Target and Small-scale Renewable Energy Scheme, plus jurisdictional policies such as solar feed-in tariffs, the Queensland Gas Scheme and New South Wales Energy Saving Scheme. Regulated network costs include distribution network and transmission network costs approved by the AER, plus smart meter costs for Victoria. Wholesale and retail market costs include wholesale energy costs, costs associated with retailing and retail margins in jurisdictions such as Queensland where regulators are seeking to boost retail competition.

Attachment C identifies the proportion that each main cost category contributes to an average electricity bill in each jurisdiction.

The key findings for NEM jurisdictions over the period 2009–10 to 2012–13 are:

- environmental policy costs have *increased* greatly by 79 - 97 per cent (89 per cent in Queensland) primarily because of the introduction of the carbon tax in 2012-13. These costs make up around 20 per cent of the annual bill in almost all jurisdictions.
- regulated network costs have *increased* by 22 - 48 per cent (22 per cent in Queensland), but tend to have a far bigger impact on electricity bills because they constitute the single largest proportion of the majority of jurisdictions' costs. New South Wales and Queensland have the highest proportions of network costs while Victoria and the Australian Capital Territory have the lowest proportions.

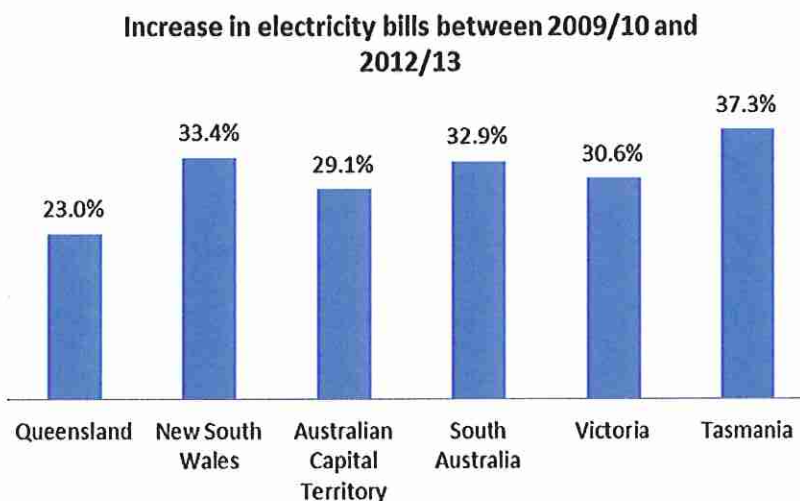
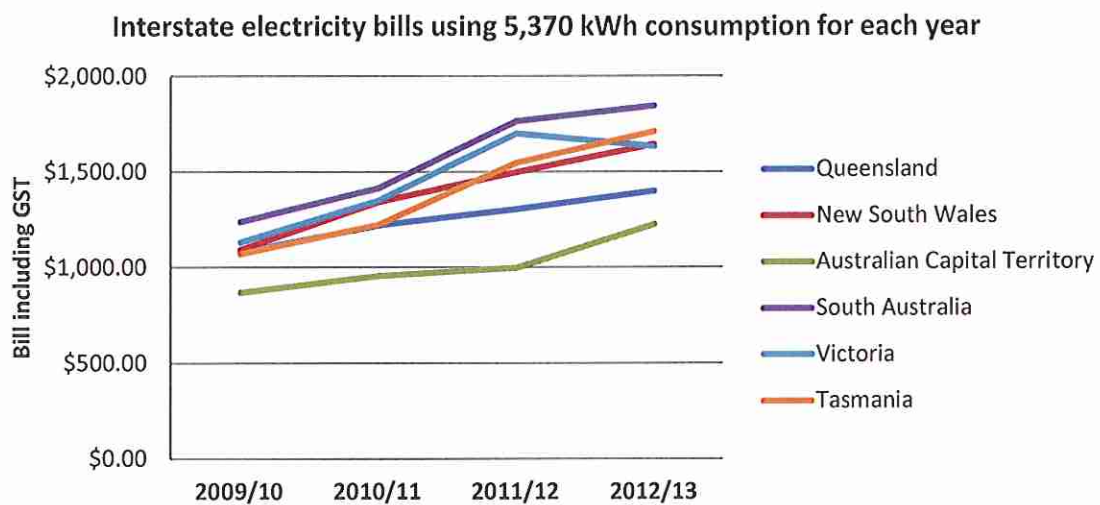
CHANGES IN ELECTRICITY BILLS BASED ON AER DATA





## CHANGES IN ELECTRICITY BILLS BASED ON AEMC DATA

Conducting a fair comparison of electricity bills between jurisdictions over time requires a single average consumption figure. The table and bar graph below are based on 5,370 kilowatt hours of consumption per annum for each year of the AEMC's reporting period. This consumption figure was selected because it was the Queensland Competition Authority's (QCA) average consumption figure for Queensland's Tariff 11 in 2012-13, the final year of the AEMC's data set. The figure was draft only, because the Queensland Government froze Tariff 11 to fulfil its 2012 election commitment, so the QCA was not required to finalise its calculations to set Tariff 11's price. Note that this Queensland consumption figure differs from the more recent Queensland consumption figure used in the table comparing interstate bills in the Question on Notice response.



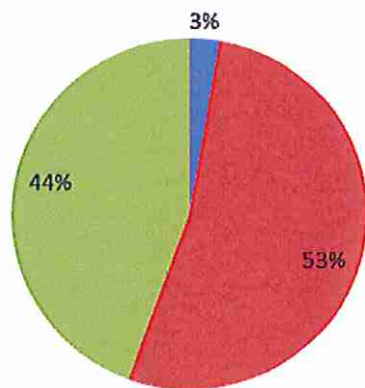
In 2012-13, the Queensland Government froze the price of Queensland's main residential electricity tariff, Tariff 11, at 2011-12 levels, apart from the cost of the then new carbon tax. Queensland customers would have seen an increase comparable with other jurisdictions over the period 2009-10 to 2012-13 had this not been the case.

## JURISDICTIONAL COST COMPONENTS AND CHANGES OVER TIME

Queensland

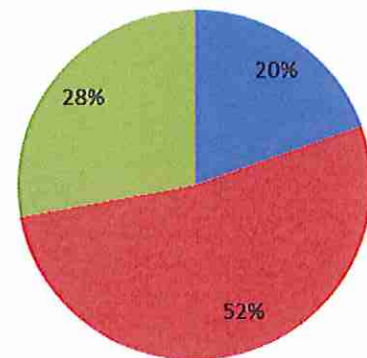
In 2012-13, the Queensland Government froze the price of Queensland's main residential electricity tariff, Tariff 11, at 2011-12 levels, apart from the cost of the then new carbon tax.

QLD cost components 2009/10

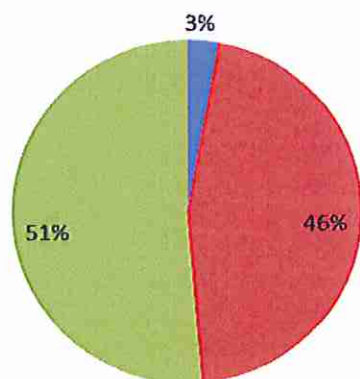


■ Environmental policies  
■ Regulated networks  
■ Wholesale and retail markets

QLD cost components 2012/13

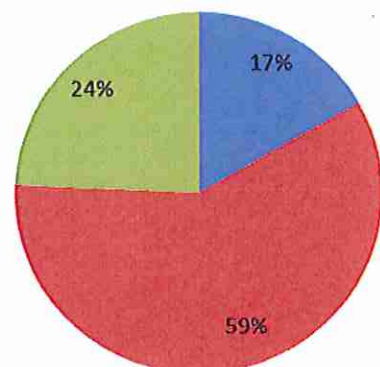
New South Wales

NSW cost components 2009/10



■ Environmental policies  
■ Regulated Networks  
■ Wholesale and retail markets

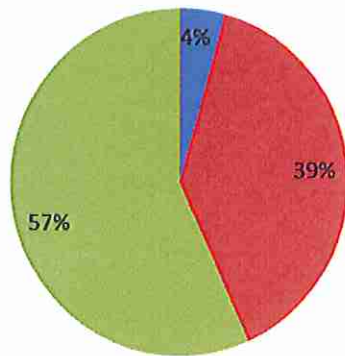
NSW cost components 2012/13





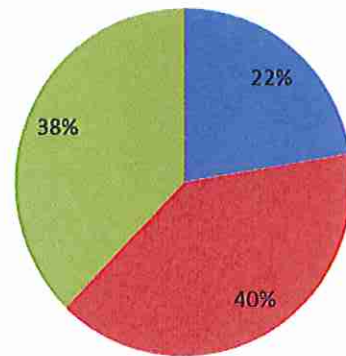
## Australian Capital Territory

**ACT cost components 2009/10**



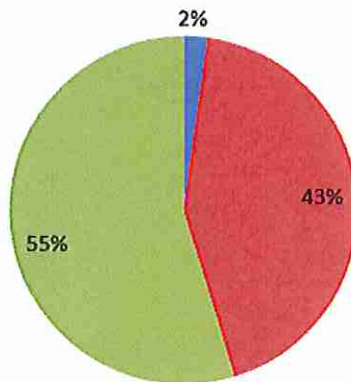
- Environmental policies
- Regulated Networks
- Wholesale and retail markets

**ACT cost components 2012/13**



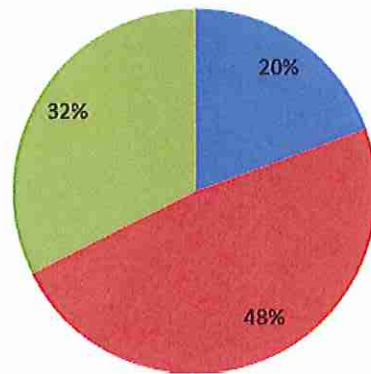
## South Australia

**SA cost components 2009/10**



- Environmental policies
- Regulated Networks
- Wholesale and retail markets

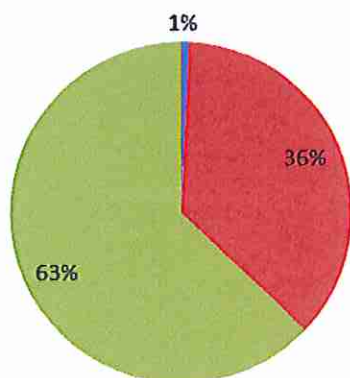
**SA cost components 2012/13**



## Victoria

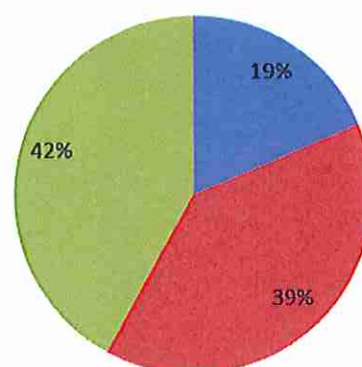
Victoria's smart meter charges for 2009-10 and 2010-11 have been included in the regulated network component.

**VIC cost components 2009/10**



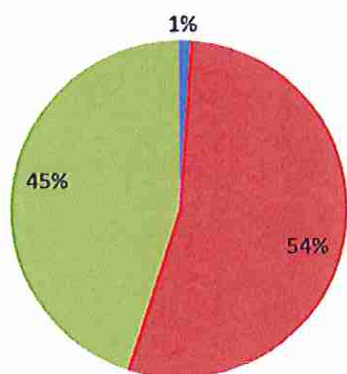
**VIC cost components 2012/13**

- Environmental policies
- Regulated Networks
- Wholesale and retail markets



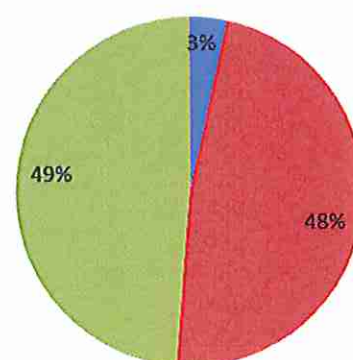
## Tasmania

**TAS cost components 2009/10**



- Environmental policies
- Regulated Networks
- Wholesale and retail markets

**TAS cost components 2012/13**





## ESTIMATES QUESTION ON NOTICE

No. 4

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### QUESTION:

The Service Delivery Statement notes that in 2013-14 the Department "...took action to limit the price increases for transitional and obsolete electricity tariffs, including farming and irrigation tariffs, to no more than 10 per cent for 2013-14." Can the Minister please explain how the Government will help struggling farmers and irrigators, particularly cane growers, in 2014-15?

### ANSWER:

This Government did indeed take positive action in 2013-14 to cap (at 10 per cent), what was expected to be a 20 per cent on average increase for all transitional and obsolete tariffs, including farming and irrigation tariffs.

At the moment, farming and irrigation tariff prices are set below the cost of supplying electricity in South East Queensland – despite it costing more to supply electricity in regional Queensland. Clearly, this situation is not sustainable. The Government is determined to ensure that the policy reforms under way deliver equitable and stable electricity prices for all consumers over the long term.

Acknowledging the significant costs facing farmers and irrigators, the Department of Energy and Water Supply brought together representatives from various government agencies (including the Department of Agriculture, Forestry and Fisheries (DAFF), the Department of Natural Resources and Mines, SunWater and Ergon Energy) late last year to discuss potential solutions apart from tariffs, as it appeared there were other options available to producers.

The Irrigators Energy Savers Project was developed as a result of these discussions. The Irrigators Energy Savers Project will provide an alternative approach to reduce on-farm costs through greater efficiency in the use of energy and water, which will result in improved long term viability for these industries and increased productivity.

With the assistance of the Queensland Farmers Federation (QFF), Ergon Energy has identified 30 trial sites for inclusion in the project. The sites cover a broad cross-section of irrigated agribusinesses including orchards, fruit and vegetable growers, dairies, cotton and grain producers, grape growers and turf farms.

Canegrowers are particularly well represented in the project. There are 11 cane growing sites included, covering a range of different irrigation methods and geographic locations throughout the state.

Comprehensive Level 2 energy audits will be conducted to identify the sources of energy use at each site and the amount of energy savings that can be made by the adoption of alternative pumping equipment or improved water application practices.

The audits will provide an assessment of costs and savings so that farmers have firm data on which to base decisions around changing their energy use and investments in new infrastructure.

Based on preliminary findings, Ergon Energy believes that savings of up to 30 per cent are achievable at most sites.

I am also keen to ensure that customers accessing Farming and Irrigation tariffs, along with other customers on transitional tariffs, are on the most appropriate tariff. The QCA has recently provided me with analysis indicating that whilst the majority of customers on Farming and Irrigation tariffs will remain better off on these tariffs, there will be a large number of customers that will become better off on cost-reflective prices in 2014-15 because of their specific consumption profile. I expect this might also be the case for non-farming customers on transitional tariffs.

I understand that many of these customers will not immediately transfer to the cost-reflective tariffs. I have therefore written to Ergon Energy to strongly encourage them to provide the relevant customers with written advice which ensures they understand the benefits for them of moving to a cost-reflective tariff. I expect this course of action to be maintained over the course of the period of transition to cost reflectivity of all charges.

The project will produce case studies for all participating farms. The case studies will highlight best practice that can be shared across the various sectors that use irrigation to improve their energy efficiency, increase production and reduce costs. Ergon Energy and DAFF will work with QFF, irrigation suppliers and other peak industry bodies to distribute this information and maximise uptake by farmers.

The government, through DAFF, is providing funding of \$722,000 over two years to conduct the trials and develop a model for future implementation. Ergon Energy anticipates contributing approximately \$840,000 towards site inspections, energy analysis and network support payments for demand reduction. The irrigators involved are expected to outlay over \$7 million in capital for equipment upgrades.



## ESTIMATES QUESTION ON NOTICE

No. 5

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### QUESTION:

Can the Minister advise on the strategic risks and challenges facing Queensland Government owned Network businesses in implementing policy solutions to put downward pressure on the cost of living?

### ANSWER:

The Government is conscious that a strong electricity sector underpins our high standard of living and our promise for a strong four pillar economy. But the fact is an independent panel found our electricity transmission and distribution businesses have unnecessarily high operating and capital costs and we have committed to doing something about it.

This Government acted early to address customer concerns about rising electricity prices and set in train a reform program to put downward pressure on costs. Queensland's electricity network businesses are implementing significant reforms targeting greater efficiency in the direct and indirect costs of the network businesses and addressing key drivers of capital expenditure such as reliability settings, which have required investment in back-up infrastructure which is rarely used.

The strategic risks and challenges for the network businesses relate to balancing the desire for a more efficient and lower cost network service with the expectations of shareholders and consumers around maintaining service levels and meeting long term infrastructure requirements.

As announced on 16 April this year, we are tackling 'gold plating' of electricity networks by establishing less prescriptive, outcomes-based, reliability standards that are more in tune with customer needs and expectations. The needs of customers will be protected through performance targets but the businesses will have the flexibility to achieve the required performance at the lowest possible cost. The distribution businesses' programs to improve their worst performing feeders will continue and 'safety net' measures such as maximum allowable restoration times will be introduced to manage the risk of serious outages.

The Government through PowerQ, its 30-year strategy for the electricity sector, is also turning its attention to the longer term strategic challenges for the network businesses created by new technologies that may provide greater consumer independence from the grid. The potential for disruption of the traditional electricity supply chain and the associated network business model will be a key issue examined by an expert panel that we will establish shortly.

It is important to remember the network businesses remain subject to regulatory obligations around safety, security and reliability of supply. They are regulated businesses that must perform to particular standards.

Striking the right balance between network reliability and safety and cost is not easy. But it is something the businesses must do in all their planning decisions to ensure the network is optimised, investment is not delivered too early or too late, and it is delivered at the lowest long-run cost to Queensland consumers.



## ESTIMATES QUESTION ON NOTICE

No. 6

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### QUESTION:

The Service Delivery Statement notes the electricity retail sector in South East Queensland will move to market monitoring from 1 July 2015. Can the Minister provide advice on the evidence-based research that market monitoring will help put downward pressure on future electricity prices and what additional measures will be put in place to protect consumers.

### ANSWER:

The Government has commenced a comprehensive suite of energy reforms designed to stabilise electricity prices and encourage a more diverse and competitive electricity market. A key element of the reform program is the removal of retail price regulation in South East Queensland (SEQ) and the introduction of market monitoring. These reforms are designed to reduce cost pressures, give customers more choice and flexibility and reduce risks and barriers to entry for retailers.

The benefits of removing retail price regulation in a competitive market are well documented. According to the Australian Energy Market Commission (AEMC), regulated prices will always be an imperfect substitute for prices determined by competitive market forces and are likely to distort the market and impose additional costs. In particular, since retailers have better cost and market information than regulators, there is a risk that regulated prices will either be set too low (detering investment and innovation) or too high (to the detriment of customers). The AEMC concludes that as competition develops, price regulation may become unnecessary because competition should protect consumers more effectively and allow them to benefit from increased product choice and innovation.

This is consistent with the Queensland Commission of Audit which noted there has been a tendency for governments to use price regulation as a mechanism to protect consumers from 'price shocks'. However, whilst this type of government intervention may provide some short-term price relief, it creates regulatory uncertainty and inconsistency for existing and potential industry participants, which can discourage investment. Over time, it is unsustainable to have a situation in which prices do not reflect the actual cost to deliver services. The Commission recommended that where possible, prices should be determined by competitive market pressures as this has been demonstrated over the longer term to be the most effective mechanism to exert downward pressure on prices.

This issue was also highlighted by the Government's Inter-departmental Committee on Electricity Sector Reform (IDC), which was established in 2012 to examine all aspects of the sector that impact on the cost of electricity. The IDC recommended urgent sector reform and proposed three key strategies designed to address cost pressures, build a more competitive market, and reduce risks to customers, industry and government. The IDC concluded that retail competition can offer significant



benefits to consumers in terms of service, choice and price discounts, and recommended price controls in SEQ be removed by 1 July 2015 as a means of further increasing competition.

The Productivity Commission, which provides independent research and advice to the Commonwealth Government on a range of economic, social and environmental issues, also concluded that continued price regulation would stifle retail competition and innovation and recommended the phase-out of retail price regulation by 2015.

We know competition is working in SEQ because right now the market is already offering prices lower than those set by the regulator. According to the Queensland Competition Authority (QCA), there were 66 market offers available to residential customers in March 2014 and 39 of these offered prices below the regulated tariff rate. The percentage of market customers has also generally been increasing since March 2011 with around 70 per cent of SEQ customers now on a market contract.

But, more can be done to enhance competition and provide greater choice, protection and support for Queensland consumers. Once price regulation in SEQ is removed, retailers will be encouraged to be more competitive, innovative and flexible in the products, prices and services they provide. This is good news for consumers but it will take time for these benefits to flow through.

The experience of electricity price deregulation in Victoria and South Australia also highlights the benefits of increased competition. Reports from the Australian Energy Regulator and the St Vincent de Paul Society indicate that price deregulation in Victoria has led to a highly competitive market with a wider range of pricing diversity and discounts compared to SEQ. A typical household in Victoria can save up to \$600-\$800 per year by switching from the highest standing offer to the best market offer, depending on their network area. The Energy Supply Association of Australia also maintains that price deregulation in Victoria is having a downward impact on prices for many customers and continues to place downward pressure on market offers.

In South Australia, where price deregulation was introduced in February 2013, the St Vincent de Paul Society estimates a typical household can save up to \$280 per year by switching from the highest standing offer to the best market offer. The vast majority of South Australian customers are already on a market contract, which suggests customers are shopping around for better deals and taking advantage of deregulation.

The benefits of market monitoring will be delivered in SEQ alongside increased customer protections contained in the National Energy Customer Framework (NECF). The NECF will benefit electricity consumers by giving them better tools to engage confidently in the market and better support if they are in financial hardship. It will also reduce the regulatory burden for retailers, drive greater efficiencies and foster increased competition in the retail market.

Queensland is also introducing additional protections, including preventing retailers from increasing their standing offer price more than once in the first year of market monitoring and not allowing retailers to introduce any new types of fees and charges for the first two years of market monitoring. State-specific modifications will also



ensure that customers know about any price changes from their retailer in advance and can access at least one market contract from every retailer that is free of exit fees. An additional safety net will also exist through a reserve Ministerial power to re-introduce price controls if competition deteriorates, subject to an independent market review.

Whilst the Government will no longer regulate prices in SEQ, it will monitor the market to ensure competition remains effective. The QCA will also have an important role in monitoring price movements, helping consumers to better understand and take advantage of the choices on offer and keeping the Government fully informed about how the market is developing.

The QCA will continue to set prices outside SEQ in line with the Government's commitment to uniform pricing for regional customers. Work is also continuing on a longer term strategy to bring the benefits of competition to regional Queenslanders.

## ESTIMATES QUESTION ON NOTICE

No. 7

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### QUESTION:

The Service Delivery Statement notes that through analysis of its operating environment, the department has identified strategic risks and challenges to implementing policy solutions to put downward pressure on the cost-of-living. Can the Minister identify the main challenges the Government is facing in putting downward pressure on electricity prices and what it is doing to stabilise prices.

### ANSWER:

Electricity prices have more than doubled in the last decade. Whilst the Government is taking steps towards stabilising electricity prices into the future, there is no quick fix. These increases are due to the significant cost of building and maintaining the electricity network, the implementation of the carbon tax and green schemes, and the costs associated with the Solar Bonus Scheme, which have been locked into the supply chain over time.

In the short term this Government has taken a number of steps to provide immediate relief for Queensland electricity consumers as follows:

- A one-off freeze at 2011-12 prices to the standard residential tariff - Tariff 11 was applied in 2012-13, which saved customers approximately \$120;
- The Electricity Rebate has increased to \$320.97 and is available to pensioners and Seniors Card holders;
- Over \$50 million per annum has been committed to cover the shortfall in Commonwealth funding for concessions;
- \$662 million in Community Service Obligation payments in 2014-15 has been budgeted to support customers in regional Queensland; and
- The Home Energy Emergency Assistance Scheme provides households up to \$720 if they are facing an emergency and cannot pay their electricity bill.

However, in order to stabilise prices and place downward pressure into the future, the Newman Government has commenced a longer term reform of the electricity sector aimed at stabilising future electricity prices by:

- Balancing investment needs, costs and savings;
- Opening up the retail market for increased retail competition and consumer choice;
- Ensuring consumers pay a fair price for electricity; and
- Helping vulnerable consumers to better manage future price increases.



## ESTIMATES QUESTION ON NOTICE

No. 8

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### QUESTION:

The Service Delivery Statement notes that through analysis of its operating environment, the department has identified strategic risks and challenges to implementing policy solutions to put downward pressure on the cost-of-living. Can the Minister identify the main challenges the Government is facing in putting downward pressure on water prices in South East Queensland and what it is doing to reduce bulk water prices.

### ANSWER:

In South East Queensland (SEQ), household water and sewerage bills include: (1) a volumetric bulk water price set by the Queensland Government, and (2) water distribution and sewerage prices set by council-owned water businesses.

The bulk water price is the price that council-owned water businesses pay to purchase water from the State Government via Seqwater. The Government has announced bulk water prices to apply from 1 July 2013 to 30 June 2015.

Unfortunately, one of the previous government's most painful and enduring legacies for all SEQ households and businesses is the increasingly high bulk water prices that it deliberately passed onto future residents through the 10-Year SEQ Bulk Water Price Paths.

Our recent experience shows that when a government fails to plan, it also fails future generations causing them increased hardship. In this regard, you may recall the previous government's water supply crisis and the crazy spending spree that followed, including on the non-existent Traveston Dam, as well as \$2.6 billion on the Western Corridor Recycled Water Scheme and \$1.2 billion on the Gold Coast desalination plant, all expansive and extremely expensive infrastructure that was largely funded by debt. According to Seqwater's 2012–13 Annual Report, Seqwater owes \$10.3 billion, of which around \$9.1 billion relates solely to the bulk water supply system. Sadly, previous government decisions to waste so much money on the non-existent Traveston Dam, as well as to debt-fund other unnecessary bulk water infrastructure, mean we all pay more now. Due to the significant investment in the SEQ bulk water supply system by the former government, this Government, via Seqwater, is currently selling bulk water at a loss which is being funded by debt. Bulk water prices need to increase to cover bulk water supply costs and repay debt.

The Newman Government has taken strong action to stabilise Labor's bulk water price increases for SEQ households by: 1. cutting unnecessary future capital works across the southeast; 2. merging SEQ's plethora of bulk water bureaucracies into one company (Seqwater) and abolishing the Queensland Water Commission; and 3. mothballing infrastructure that is too expensive to operate. This has helped reduce the proposed bulk water price increase from \$83 to about \$49 this year for an

average household using 200 kilolitres. Despite Labor's significant debt legacy, the Newman Government delivered on its election commitment to provide a one-off \$80 water rebate to SEQ households in 2012–13, while also providing an annual water subsidy of up to \$120 for eligible SEQ pensioners who own their property.

The Government and Seqwater will continue to identify more ways to reduce bulk water supply costs in SEQ and put downward pressure on SEQ bulk water prices.

Additionally, given the critical role of the water sector in growing a four pillar economy of tourism, agriculture, resources and construction, the Government has recognised we simply cannot afford to repeat the Beattie-Bligh government's policy, planning and investment failures in the future design of our water sector. That is why the Newman Government has now finalised its 30-Year Water Strategy, WaterQ, which establishes a necessary long-term framework to deliver a safe, secure and affordable water supply well into the future.

The water and sewerage prices applied by the council-owned businesses are outside of the control of the Government as the council-owned businesses are responsible for their own pricing policies and charges.

However, the Government has recognised that red tape and prescriptive regulation of Queensland's water sector, including SEQ council-owned water business, focused on process or was simply inefficient. To address this challenge, the Government introduced reforms through the *Water Supply Services Legislation Amendment Act 2014* which was passed in May 2014. This Act transformed the regulation of Queensland's water sector by cutting red tape and moving the focus of regulation from process to performance. The Act also streamlined water and sewerage connection approvals for SEQ distributor-retailers through the introduction of the "utility model". The utility model allows for faster, more cost-effective approvals and supports economic development in SEQ. These legislative reforms will put downward pressure on the costs of SEQ council-owned water businesses by reducing red tape and encouraging a water sector that is focused on resilience and affordability.



## ESTIMATES QUESTION ON NOTICE

No. 9

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### QUESTION:

The Service Delivery Statement notes the Government has worked on the reform of local management arrangements (LMA) for SunWater's irrigation schemes. Can the Minister provide an update on the Government's progress in working with local communities to deliver local management solutions for local channel schemes that will also provide improved economic and environmental outcomes?

### ANSWER:

The Government is investigating the potential benefits of transferring eight SunWater channel irrigation schemes to local ownership and management arrangements ("LMA"). The Government appointed an independent project team, led by Independent Chair, Ms Leith Bouilly, to work with DEWS, SunWater and representatives of the local irrigators in each scheme to carry out investigations and provide advice and recommendations to the Government on whether to proceed with LMA. As part of that process local irrigators have developed business proposals for each scheme.

The Government set the following principles to guide the LMA process:

1. The long-term benefits (including economic, financial and public interest benefits) to the State of each proposal, outweighs the costs incurred in setting up and operating local management;
2. A strong majority of irrigators support the move to local management;
3. The LMA must be a viable enterprise over the long term with limited risk of financial, operational or other significant failure, without recourse to Government;
4. The LMA is capable of delivering efficient water services;
5. The assets will be maintained and refurbished in line with agreed service levels;
6. The LMA demonstrates a capacity to meet the statutory planning, regulatory and environmental obligations; and
7. Any required debt funding can reasonably be accessed, noting that the new entities would be prohibited from borrowing from the Queensland Treasury Corporation.

The key project milestones achieved so far include:

- July 2012 – A working group was formed to prepare a preliminary report on LMA;
- October 2012 – the Working Group presented its final report to the Department and the Minister invited the eight schemes to submit business proposals on how local management could be achieved;
- April 2013 – the Department advertised for expressions of interest from the local community for individuals to be on Irrigator Interim Boards to prepare business proposals;

- June 2013 - Interim Boards were appointed and tasked with preparing business proposals for each of the schemes;
- July 2013 - legal due diligence and engineering due diligence commenced;
- April 2014 - legal due diligence and engineering due diligence completed; and
- In June 2014 - the Interim Boards delivered their Business Proposals to the Government.

The Government now awaits the final report and recommendations from the Independent Chair of the LMA Project Team, which will be delivered in early August. Once that is received the Government, via the Department of Energy and Water Supply and Queensland Treasury and Trade, will carry out an assessment of the business proposals against the seven principles and towards the end of the year provide advice and recommendations to the Government on whether LMA should proceed and which of the eight irrigation schemes are ready to transition to local ownership and operation. If those recommendations are accepted by the Government, legislation will be introduced to parliament in 2015 to provide for LMA to proceed in stages.



## ESTIMATES QUESTION ON NOTICE

No. 10

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### QUESTION:

The Service Delivery Statement notes that through analysis of its operating environment, the department has identified strategic risks and challenges to implementing policy solutions to put downward pressure on the cost-of-living. Recognising the independent statutory authority, the Queensland Competition Authority (QCA) found the Solar Bonus Scheme (the Scheme) was the second biggest cost driver for electricity price increases in Queensland in 2014-15, could the Minister advise:

- a. The Bligh Government's original cost estimates for the Scheme;
- b. The QCA's cost estimate for the Scheme;
- c. What action the Government is taking to rein-in the costs of the Scheme; and
- d. Financial analysis about the cost impact for re-instating the Scheme's 44 cent Feed-in-Tariff subsidies.

### ANSWER:

- a. Despite writing to Opposition MPs this year and last year for the release of the Bligh Government's original cost estimates for the Solar Bonus Scheme (the Scheme), the material is classified as Cabinet-in-Confidence and has not been publically released.
- b. In 2013 the Queensland Competition Authority (QCA) estimated the Scheme cost to be \$3.4 billion by the time it ends in 2028. The QCA determined this would cost a typical household \$276 in 2015-16.
- c. To rein in the cost of the Scheme we closed the 44 cent feed-in tariff in July 2012 and stopped the transfer of the 44 cent entitlement between successive property owners. This year we have reformed the Scheme's funding model so that from 1 July electricity retailers — not Queensland electricity consumers — pay a market rate for exported solar power. Retailers benefit financially from on-selling the solar energy exported to the grid so it is appropriate they pay for that energy. This new funding model prevents \$110 million in feed-in tariff costs from hitting household power bills over the next 6 years.
- d. Reinstating the 44 cent feed-in tariff until 30 June 2020 is estimated to add around \$2.9 billion to Scheme costs, depending on cost drivers such as uptake rates and the amount of solar energy exported to the electricity grid.

## ESTIMATES QUESTION ON NOTICE

No. 11

### QUESTION:

I refer to the Capital Statement for the Department, how much of the capital budget allocated in 2013-14 was expended by the end of the financial year? How much of that budget, if any, has been rolled over into 2014-15?

### ANSWER:

The Department of Energy and Water Supply has expended \$0.338 million in Property, Plant and Equipment (as at 31 May 2014) of the 2013-14 budget of \$11.853 million and \$15.192 million in Capital Grants of the 2013-14 budget of \$51.032 million.

Of the 2013-14 budget allocation, \$2.655 million in Property, Plant and Equipment and \$6.815 million in Capital Grants have been deferred to 2014-15.

Details are provided in the tables below:

Property Plant and Equipment	2013-14 Allocation \$'000	2013-14 Actuals * \$'000	Deferred to 2014-15	Note
Dam Spillway upgrades **	5,567	-	-	1
Non-Commercial Assets Upgrades	4,000	192	633	2
Water Industry Asset Management System ***	2,222	108	2,022	
Plant & Equipment	64	38	-	
<b>TOTAL</b>	<b>11,853</b>	<b>338</b>	<b>2,655</b>	

\*Year to date to 31 May 2014 actuals – June final is pending year end capital reconciliations

\*\*\* This is for a computer system to support regulatory decision making.

Capital Grants	2013-14 Allocation \$'000	2013-14 Actuals * \$'000	Deferred to 2014-15	Note
Dam Spillway upgrades **	51,032	15,192	6,815	3,4

\*Year to date to 30 June 2014 actuals

\*\*In 2004, the Queensland Government approved a dam safety program, part of which was to assist certain dam owners to fund dam spillway upgrades. This long-running program will conclude in 2014-15.

### Notes:

1. This \$5.6 million was fully allocated to the Ibis Dam upgrade program. It was reallocated to the 2012-13 financial year (June 2013) from the 2013-14 year. The expenses were incurred ahead of schedule as the opportunity arose to



commence the upgrade earlier than anticipated. Total expenditure from this allocation in the 2012-13 financial year was \$0.9 million, with the remaining allocation being returned to the consolidated fund.

2. \$3.1 million of the \$4 million allocated for non-commercial assets was moved to operating expenditure as part of an "*equity to output swap*" during the 2013-14 financial year. (\$0.5 million of the \$3.1 million was expended in 2013-14, the remaining \$2.6 million will be deferred to 2014-15 post budget). Of the remaining \$0.9 million allocated to capital expenditure, \$0.3 was expended in 2013-14, and \$0.6 million will be deferred to 2014-15 (post budget).
3. Lower than anticipated expenditure for 2013-14, is due to project delays and there being no remaining eligible (in accordance with the funding program selection criteria) projects. The deferral of \$6.8 million (including post budget deferral of \$0.8 million) relates to a current project which was partially delayed.
4. Of the \$51.032 million, \$29.025 million was returned to the consolidated fund in 2013-14, being the remaining funds for a dam safety program that commenced in 2004. This long running program will conclude in 2014-15.

## ESTIMATES QUESTION ON NOTICE

No. 12

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### QUESTION:

I refer to page 6 of the SDS, will the Minister advise the position name, description, level and location of each of the 25 Departmental positions to be cut in 2014-15?

### ANSWER:

As outlined in the departmental SDS, the anticipated FTEs in 2014-2015 are 25 lower than the 2013-2014 estimated actuals. The completion of a regulatory work program and the further simplification of water supply regulatory arrangements has resulted in around 15 positions no longer being required. It is also anticipated that there will be a further saving of around 10 positions during 2014-2015 due to natural attrition. These are yet to be specifically identified.

Position	Number of Positions	Level	Location
Principal Project Officer	1	AO8	Brisbane
Manager Coal Seam Gas Recycled Water Regulation	1	PO6	Brisbane
Manager Recycled Water Regulation	1	PO6	Brisbane
Principal Scientist / Engineer	2	PO5	Brisbane
Senior Scientist / Engineer	3	PO4	Brisbane
Engineer	1	PO3	Brisbane
Senior Project Officer	1	AO6	Brisbane
Drinking Water Quality Officer	1	AO6	Brisbane
Senior Regulatory Support Officer	1	AO6	Brisbane
Operational Support Officer	2	AO3	Brisbane
Operational Support Officer	1	AO2	Brisbane



## ESTIMATES QUESTION ON NOTICE

No. 13

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### QUESTION:

I refer to page 2 of the SDS and the ongoing development of the 30 year Energy Strategy, will the Minister advise why he has failed to finalise the 30 Year Strategy by the original deadline of the second half of 2013?

### ANSWER:

The importance of Queensland's electricity sector, as well as the long lead-time and operational life of the infrastructure that underpins the system, calls for a long-term strategy to guide the sector through a significant period of transformation.

The 2012-13 Service Delivery Statement indicated that a 30 year strategy for Queensland's electricity sector would be finalised by 30 June 2013.

To develop a meaningful long term strategy, we recognised that it is better to do it right than do it quickly and get it wrong. The State's recent history is littered with poor policy and project outcomes that might have been avoided if more time was spent on getting the strategy right.

Extending the development time for *PowerQ: a 30-year strategy for Queensland's electricity sector*, enabled us to undertake a comprehensive consultation process with a broad range of stakeholders. We released a directions paper and a discussion paper for public consultation in 2012 and 2013 respectively; we facilitated workshops with key stakeholders and advocacy groups; and we asked Queensland residential electricity consumers to volunteer their thoughts and experiences by completing a survey.

The end result is *PowerQ*.

*PowerQ* was launched on 20 June 2014 and is a robust and well-informed strategy developed collaboratively with industry and consumers. *PowerQ* establishes a clear vision for Queensland's electricity sector and will influence its future direction through the government's commitment to deliver on eight strategies and more than 40 actions over the life of the strategy.

*PowerQ* will get our electricity sector ready for the future by delivering a more resilient, competitive, cost-effective and consumer-focused industry to support the economic and lifestyle aspirations of all Queenslanders.

## ESTIMATES QUESTION ON NOTICE

No. 14

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### QUESTION:

I refer to page 2 of the SDS and the desire to deliver better infrastructure and planning, what discussions has the Queensland Government had with the Federal Government regarding the proposal to construct a new coal fired base load power station in north Queensland?

### ANSWER:

The recently published North and Northwest Queensland Sustainable Resources Feasibility Studies Report suggests that a new coal fired base load power station built in North Queensland by 2020 would be commercially viable and put strong downward pressure on electricity prices.

At this stage no proposal for such a power station has been received by the Queensland Government.

My department was not directly involved in the study, which was initiated and funded by the previous Federal Government. However, the Queensland Government was represented on the Steering Committee by a representative from the Department of State Development, Infrastructure and Planning.

Since the report was released, the Australian Energy Market Operator has released new electricity demand forecasts which show continued declines or very slow growth in demand in the National Electricity Market - although Queensland demand does grow as the LNG projects ramp up to full operation. The reduced demand forecasts will affect the financial viability and timing of any new generation development in Queensland.

Whilst this Government supports the development of new electricity generation as required by the market, we strongly believe that such development should be funded by the private sector on a fully commercial basis. It will be the role of the investors to determine both the timing and the location of future generation developments.

The Queensland Government will continue to focus on ensuring that the electricity market operates in a transparent and efficient manner, so as to encourage new investment and minimise electricity prices for all customers.



## ESTIMATES QUESTION ON NOTICE

No. 15

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### QUESTION:

I refer to page 7 of the SDS and the reference to state owned energy entities, will the Minister please advise for each Government Owned Corporation the current number of employees at Ergon, Energex, Powerlink, CS Energy and Stanwell, reported separately by permanent, contract, full time and part time employees?

### ANSWER:

The current full-time equivalent (FTE) number of employees for each Government Owned Corporation (GOC) is provided below:

GOC	2012-13 FTE (actuals)	2013-14 FTE (actuals)
Ergon Energy	4435	4308
Energex	3433	3141
Powerlink	1059	1069
CS Energy	455	414.46
Stanwell	833	726

Breakdown of FTEs by category is provided below:

GOC	Employees as at 30 June 2014					
	Permanent (FTE)	Contracts^	Casual (FTE)	Permanent Part-time (FTE)	Labour Hire*	Total (FTE)/Total Workforce
Ergon Energy	Permanent FTEs: 3821	353	63	71	0	4308
Energex	2780	293	0	68	0	3141
Powerlink	Permanent FTEs (including Permanent part time): 932  Development Program FTEs: 71.5	Temporary FTEs (Fixed term): 16.7	3.4	0	45.3	1068.9
CS Energy	386.02	19	1.94	7.5	0	414.46
Stanwell	387	318	0	21	0	726

**Note\*:**

**\*Labour hire includes full time and part time paid by external labour hire agencies and not directly by entities.**

**^Contracts include full time and part time contract employees.**

Note: the financial figures for 2013-14 actuals are subject to audit changes.



## ESTIMATES QUESTION ON NOTICE

No. 16

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### QUESTION:

I refer to page 2 of the SDS relating to electricity prices, will the Minister please advise out of the total number of residential electricity customers in south east Queensland, how many households are currently on a market contract and how many receive the regulated tariff 11 rate?

### ANSWER:

The actual number of residential customers in South East Queensland (SEQ) who are supplied under either a market contract or at the regulated Tariff 11 rate is not available at this time as this figure is not routinely reported by retailers.

However, according to the Queensland Competition Authority (QCA), as at 31 March 2014, **70.5 per cent** of the total number of electricity customers in SEQ, or just over 976,200 customers, were supplied under a market contract. Around **29.5 per cent**, or approximately 408,500 customers, were supplied at the regulated tariff rates. Whilst these figures include both residential and business customers, the majority would be households.

Competition has developed considerably in SEQ since it was introduced in 2007. According to the QCA, the percentage of customers on market contracts has been generally increasing since March 2011, which suggests that retailers are offering sufficient inducements to encourage customers to move from a standard contract to a market contract.

The move to market monitoring from 1 July 2015 will open up the retail electricity market in SEQ to greater competition and innovation for the benefit of consumers.

Small customers in regional Queensland will continue to have access to regulated tariffs set by the QCA and in line with the Government's commitment to uniform pricing for regional customers. However, work is continuing on a strategy to bring the benefits of competition to regional Queensland.

## ESTIMATES QUESTION ON NOTICE

No. 17

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### QUESTION:

I refer to pages 10 and 11 of the SDS, in both the energy and water sector reporting areas, why has the Minister lowered the performance target for 'Level of stakeholder satisfaction with engagement on key programs/initiatives (rated satisfied or very satisfied)' to 80% instead of attempting to increase performance to reach last year's 90% target?

### ANSWER:

The 2013-14 SDS performance target of 90% was set without the benefit of baseline data.

The result of the May 2013 stakeholder satisfaction survey produced a baseline result of 77%.

Following this, the target was revisited with a view to setting one which demanded an improvement on the previous year.

As a result, the performance target was revised to a very high satisfaction rate of 80%.

The 2014-15 target was based on the May 2013 result of 77% because at the time of developing the 2014-15 SDS the results for 2014 were not known.

Since the publication of the 2014-15 SDS, the May 2014 stakeholder satisfaction survey has provided a new benchmark of 85%.

My department has reviewed its processes in undertaking the stakeholder satisfaction survey and establishing performance targets for the next survey in April 2015 to ensure the survey reflects a commitment to continually improve performance.



## ESTIMATES QUESTION ON NOTICE

No. 18

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### QUESTION:

How much has the Department expended on external consultancies in 2013-14 and how much is budgeted to be spent on external consultancies in 2014-15?

### ANSWER:

The Department of Energy and Water Supply expended \$564,000 on the engagement of external consultants for the period 1 July 2013 to 30 June 2014.

The Department has budgeted \$180,000 for external consultants in 2014-15.

The Department of Energy and Water Supply expended \$5,017,000 on the engagement of external contractors for the period 1 July 2013 to 30 June 2014.

The Department has budgeted \$5,826,000 for external contractors in 2014-15

## ESTIMATES QUESTION ON NOTICE

No. 19

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### QUESTION:

I refer to page 7 of the SDS and the reference to state owned energy entities, how many of Ergon's employees are based in Brisbane?

### ANSWER:

The total number of Ergon Energy employees (including contractors) based in Brisbane is 409.

Note: the financial figures for 2013-14 actuals are subject to audit changes.



## ESTIMATES QUESTION ON NOTICE

No. 20

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### QUESTION:

I refer to page 3 of the SDS, will the Minister provide a list of the non-commercial water assets to be included in the Department's Total Asset Management Plan?

### ANSWER:

Attachment 1 includes a list of the non-commercial water Assets included in the Department of Energy and Water Supply's Total Asset Management Plan.

## Attachment 1

Structure Type	Structure Name	Location (River, Town, Region)
Dams	1. Copperfield Dam	On Copperfield River near Kidston North West Queensland
	2. Corella	On Corella River near Cloncurry North West Queensland
	3. Crooks	On Return Creek near Mt Garnet North Queensland
	4. Slimes (Left and Right Bank)	On Return Creek near Mt Garnet North Queensland
	5. East Leichhardt	On East Leichhardt River near Mt Isa North West Queensland
	6. Glen Niven	On Four Mile creek near Stanthorpe South West Queensland
	7. Jumna	On tributary of Jumna Creek near Irvinebank North Queensland
	8. Loudon	On Gibbs Creek in Irvinebank North Queensland
	9. Wyndham	On Wyndham Creek near Mt Garnet North Queensland
Weirs	10. Bajool	On Eight Mile Creek near Bajool Central Queensland
	11. Barambah Creek	On Barambah Creek near Bjelke Peterson Dam South Queensland
	12. Charles Lloyd Jones	On Alice River near Barcaldine Central West Queensland
	13. Cressbrook Creek	On Cressbrook Creek near Toogoolawah South East Queensland
	14. Lower Cressbrook Creek	On Cressbrook Creek near Toogoolawah South East Queensland
	15. Kariboe	On Kariboe Creek near Thangool Central Queensland
	16. Mungungo	On Monal Creek near Monto Central Queensland
	17. Nanango	On Barker Creek near Nanango South Queensland
	18. Proston	On Stuart River near Proston South Queensland
	19. Thangool	On Kariboe Creek near Thangool Central Queensland



Structure Type	Structure Name	Location (River, Town, Region)
	20. Tipton	On Condamine river near Cecil Plains South West Queensland
Barrage	21. Isis River	On Isis River near Childers Central Queensland
Levees	22. Mary River Agricultural Levees	On Tinnana Creek on Mark River and Saltwater Creek near Maryborough Central Queensland

# Documents Tabled at the Hearing





Tabled Paper No. 1

Date: 17/7/14

Member: Minister McArdle

Tabled, by leave ✓

Meeting: SDIC Estimates Hearing

Clerk at the Table: *ap*

# WATERQ:

a 30-year strategy for  
Queensland's water sector

Great state. Great opportunity.

WATERQ: A 30-YEAR STRATEGY FOR QUEENSLAND'S WATER SECTOR

*WaterQ* provides a high-level framework that will continually adjust to reflect changing community interests and aspirations, support a growing economy, protect the environment and keep pace with innovation and technology.



**LAU, 30,  
FARZANA, 30,  
AND ELIA, 1**

Thanks to *WaterQ*, Lau, Farzana and Elia are looking toward a bright future where our lifestyles, communities and businesses flourish and our environment is protected.



# FOREWORD

*The Queensland Plan* embodies a shared vision of a prosperous and bright Queensland and establishes a shared responsibility to achieve this vision. And, in delivering a strong plan for a brighter future, *WaterQ: a 30-year strategy for Queensland's water sector* provides a high-level framework that will continually adjust to reflect changing community interests and aspirations, support a growing economy, protect the environment and keep pace with innovation and technology.

Our history, geography, climate and growth demonstrate the critical need to properly plan for and manage drought and flood so Queensland and its people continue to grow and prosper. However, while our state was well served by water infrastructure built by previous generations, just seven years ago South East Queensland almost became the first major metropolitan region in the western world to run out of water. In effect, long-term planning was neglected for about two decades. In turn, this led to a very serious water supply crisis and a panic-hurried government response that included debt-funding major infrastructure that is not used today because it is too expensive to operate—but is paid for through higher water bills for future generations.

Given the critical role of the water sector in growing a four-pillar economy of tourism, agriculture, resources and construction, we simply cannot afford to repeat recent-past policy, planning and investment failures in the design of our future water sector. That is why *WaterQ* establishes a necessary long-term framework to deliver a safe, secure and affordable water supply well into the future. And, in pursuing the best possible outcomes, we must leverage the unique advantage of Queensland's water sector: that our water and sewerage services are delivered by local service providers.

Future solutions will require skill and expertise, as well as investment, from all levels of government, the private sector, research organisations, water service providers and the community. Increasingly, collaborative partnerships across

catchments will also encourage water planning and management on a scale that will improve efficiency, environmental outcomes and affordability.

*WaterQ* identifies seven strategic priorities and actions seeking contribution from all Queenslanders to build and maintain a 'water sector that supports increased productivity, economic growth, strong and healthy communities, and a natural environment that is valued'. Importantly, *WaterQ* will be reviewed every five years, ensuring we continuously update our understanding of how we can address the challenges we face and meet our responsibility to our communities.

*WaterQ* is one of several sector-specific strategies that will help deliver the government's vision for Queensland, including:

- *Queensland's agricultural strategy*
- *DestinationQ*, a 20-year plan for tourism
- *ResourcesQ*, a 30-year plan for the resources sector
- *PowerQ*, a 30-year strategy for Queensland's electricity sector
- *Governing for growth economic strategy and action plan*
- *Science and innovation action plan*.

Together these strategies will ensure our future actions align with priorities and values identified by Queenslanders.



Hon Campbell Newman MP  
Premier of Queensland



Hon Mark McArdle MP  
Minister for Energy  
and Water Supply



WATERQ: A 30-YEAR STRATEGY FOR QUEENSLAND'S WATER SECTOR

"Our vision is for a water sector that supports increased productivity, economic growth, strong and healthy communities, and a natural environment that is valued."





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## EVERYDAY QUEENSLANDERS

Water is essential to every Queenslanders. Throughout this report, you'll meet some of the people whose careers, homes and businesses will be touched by the changed future this strategy represents. Enjoy their stories.

This publication has been compiled by the Department of Energy and Water Supply.

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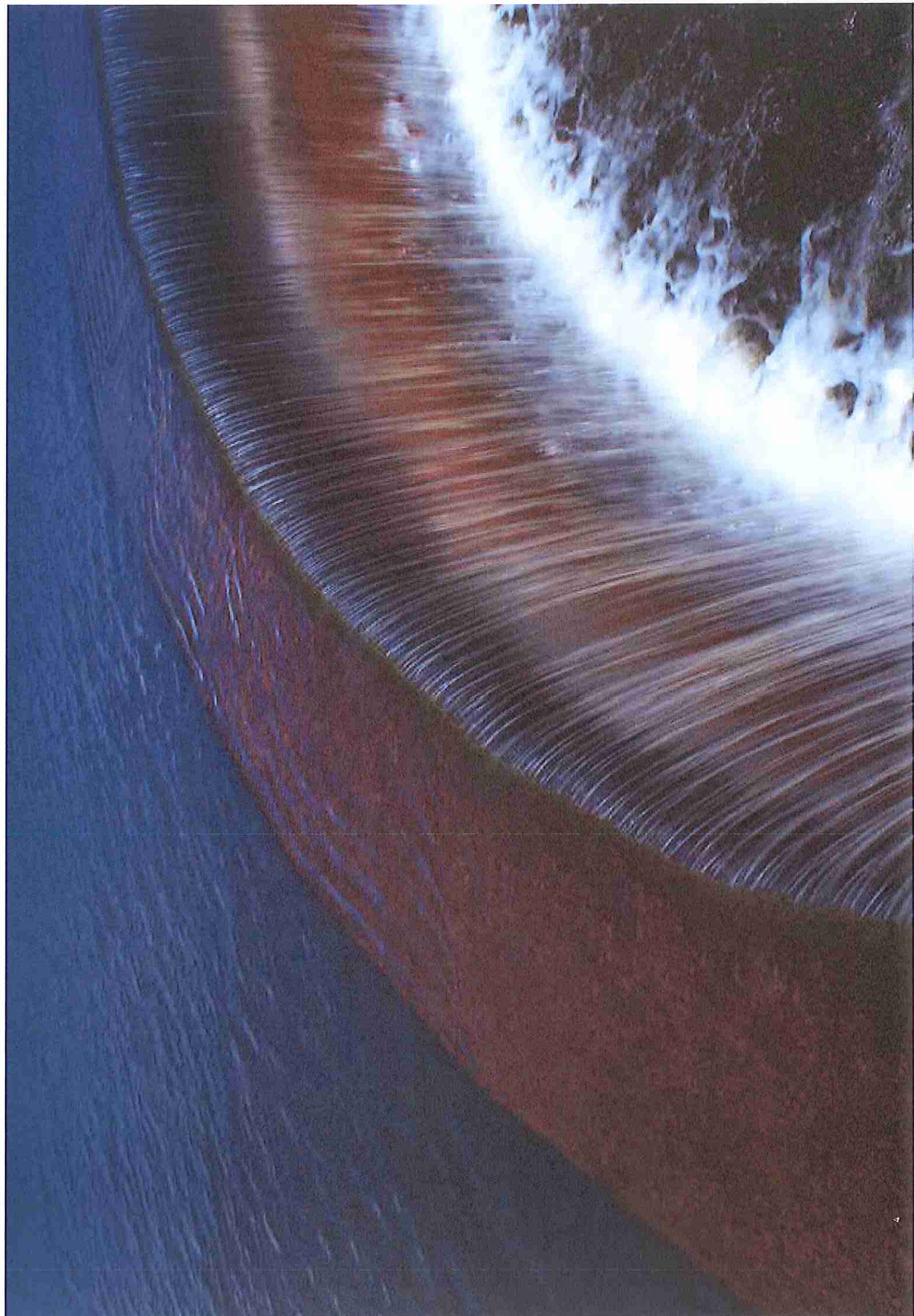
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# INTRODUCTION

Water is essential to Queensland. Life-giving and life-sustaining, water access, affordability and quality are all vital to our future.

*WaterQ* responds to the significant changes and challenges that our state will face in the next three decades. Within this time, more of Queensland's population will live outside of South East Queensland than ever before. Making water available when, where and how it is needed will help to protect our lifestyle, drive our economy, make our regions strong and prosperous and attract people to work and live there.

The strategy sets out the long-term vision for Queensland's water sector, which provides water and sewerage services across the state. Working toward the 30-year vision for Queensland's water sector is a series of actions. The actions for the first five years have been identified and some are under way. These will deliver the sector-wide shifts needed to meet future challenges.

*WaterQ* seeks to revolutionise and empower communities to implement innovative solutions that meet their unique needs. As a diverse sector with more than 170 service providers, one size will not fit all. This strategy seeks to embrace present diversity while readying the sector for the changes and challenges ahead.

The strategy prioritises seven key issues that will enable a secure, prosperous future for Queensland:

- increased customer empowerment and community education
- equitable and affordable water
- efficient and productive water use
- responsible and productive water management across Queensland
- a skilled and sustainable water sector
- smart regulation that encourages private sector investment
- innovative technology and infrastructure.

These priorities bring together the water sector, private sector, community and government. Together, we will redesign a water future for Queensland that is affordable, accessible and where water is at a quality that meets our needs.

## SHARON, 40

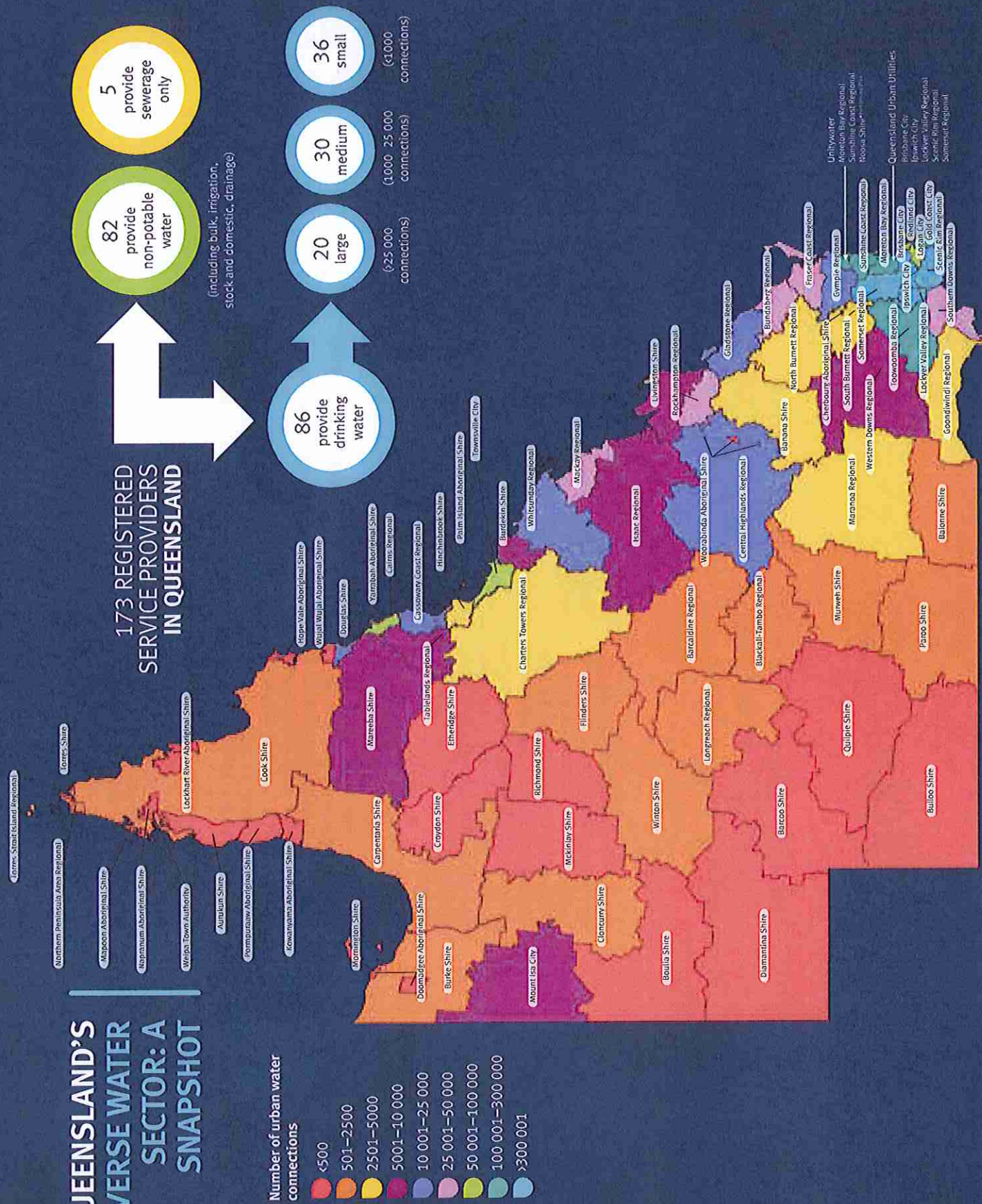
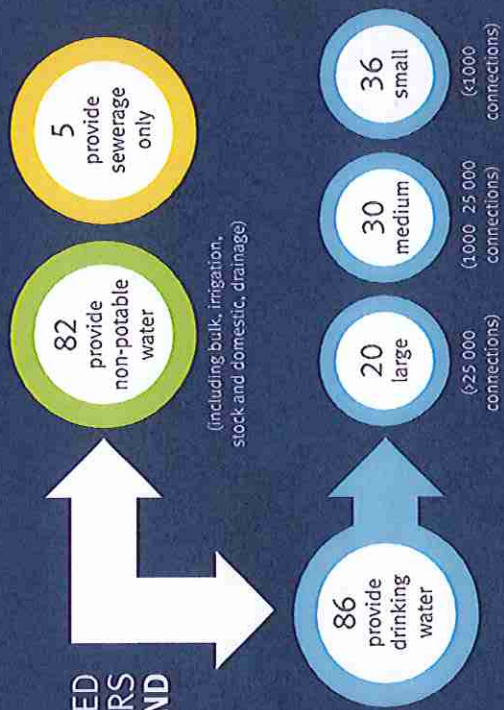
Sharon wants a future where her children and grandchildren always have a safe, secure and affordable water supply. She thinks this strategy is a step in the right direction.





**QUEENSLAND'S  
DIVERSE WATER  
SECTOR: A  
SNAPSHOT**

173 REGISTERED  
SERVICE PROVIDERS  
IN QUEENSLAND





# CHALLENGES FACING QUEENSLAND'S WATER SECTOR

Queensland's water sector has 173 different providers of water, sewerage and drainage services.

The widespread and diverse sector serves communities from just a few hundred people through to millions. It plays a vital role in supporting all water users—households, agriculture, business and industry alike. It directly affects the Queensland economy and provides essential environmental stewardship by managing catchments, dams, stormwater and effluent discharges.

The water sector also faces many challenges and needs a strong, long-term framework to guide it during the next 30 years and beyond.

## UNIQUE DIVERSITY

The diversity of the urban water sector in Queensland is unique.

Local government or local government businesses mostly provide drinking water and sewerage services, while the Queensland Government provides some bulk water supplies.

While diverse in ownership, the sector also ranges in size and capacity. The largest service providers in South East Queensland service a population of more than one million people, while very small service providers serve some of the world's most remote areas in the arid west and wet tropical north. Regardless of size and geography, every service provider needs to deliver services when, where and how they are needed by their local community.

## SYLVIA, 75

Sylvia understands having access to water is essential to our lifestyle choices. She's experienced Queensland's droughts, increasingly tough water restrictions and she remembers how her garden died. She's delighted this strategy will help to deliver better long-term water security for Queensland.



## NATURAL DISASTERS AND CLIMATE VARIABILITY

In each location throughout Queensland, service providers face unique operating challenges. These include dealing with increasingly fragile natural environments and working through adverse climatic conditions, including regular cyclones, floods and droughts.

## INDUSTRIAL AGE URBAN DESIGN

Throughout Queensland, some service providers are serving towns that were planned and built with limited regard for efficient urban design or future-thinking infrastructure.

With size comes different challenges. In larger towns and cities, the water sector has to continually invest in infrastructure to serve a growing population. However, in rural and regional areas, many service providers are grappling with how to maintain the infrastructure they have with a shrinking customer base to pay for it.

## CONSTRAINED CAPITAL

Historically, the Queensland Government has been seen as a provider of last resort to solve water supply shortages or service failures. These reactive infrastructure solutions have often proven to be costly and ineffective in the long term for the government, water sector and community.

The 2013 Commission of Audit recommended any new regional bulk water storages will have to be developed by the private sector unless there are compelling reasons of public good or market failure not to do so. The Queensland Government accepted this recommendation. Together, the private sector and all levels of government must consider viable funding models that enable future infrastructure to be properly planned, built when needed, and paid for when used.



### CASSIE, 32

Cassie runs her own business and understands the benefits of doing business differently. As a water user, she is looking forward to the sector changes bringing better value for money.



### RISING ENERGY DEMANDS

Growth in our population and industries is increasing our demands on energy. The power industry uses large amounts of water to create electricity to match this demand. Just as water is vital to electricity, large amounts of electricity are needed to produce and distribute quality water to a growing population.

### POLLUTION AND DEGRADED CATCHMENTS

As we increase our water, food and energy production, we also need to balance the effects of this demand on our catchments with future development and climatic events.

Catchment health is critical for our state. We depend entirely on natural systems for our water throughout the state. Maintaining healthy waterways, including our reefs and bays, is essential.

Some catchments are already degraded, while others are vulnerable. The water sector and its customers need to address how to best use available water and manage its by-products.

### A FRAGMENTED WATER SECTOR

Presently, the water sector is ill-defined and fragmented as service providers organise and deliver services in many different ways, depending mostly on their size and ability to pay for all aspects of water cycle management. Training and development may vary and many service providers cannot afford all-of-life asset management practices. However, some service providers have recognised the benefits of scale through collaboration and other practices.

### LACK OF INNOVATION

Traditionally, there have not been strong drivers for innovation within the Queensland water sector and more is needed to enable the sector to change. Both the market and customers would benefit from greater innovation including right-sized infrastructure, tailored bills and water-efficient technologies.

### HARD AND FAST CUSTOMER BELIEFS

Emotions run fast when it comes to the topic of water. More than any other natural resource, customers hold a strong belief that free water is a right. While rainwater falls from the sky free of charge, the reality is that water costs begin the moment it does: in its capture, storage, treatment and distribution. A key challenge for the Queensland water sector is to make water prices cost-reflective, not just cost-effective. Importantly, customers need to understand and value the services they receive.



### EDUARDO, 31

Staying healthy is important to Eduardo and so are healthy waterways. He believes the strategy's plan to deliver safe and reliable water in a way that respects and protects the environment is right on track.

# QUEENSLAND'S FUTURE POPULATION PROJECTIONS 2044

QUEENSLAND'S POPULATION 2011 AND 2044  
2011 4.5 million 2044 7-8.9 million

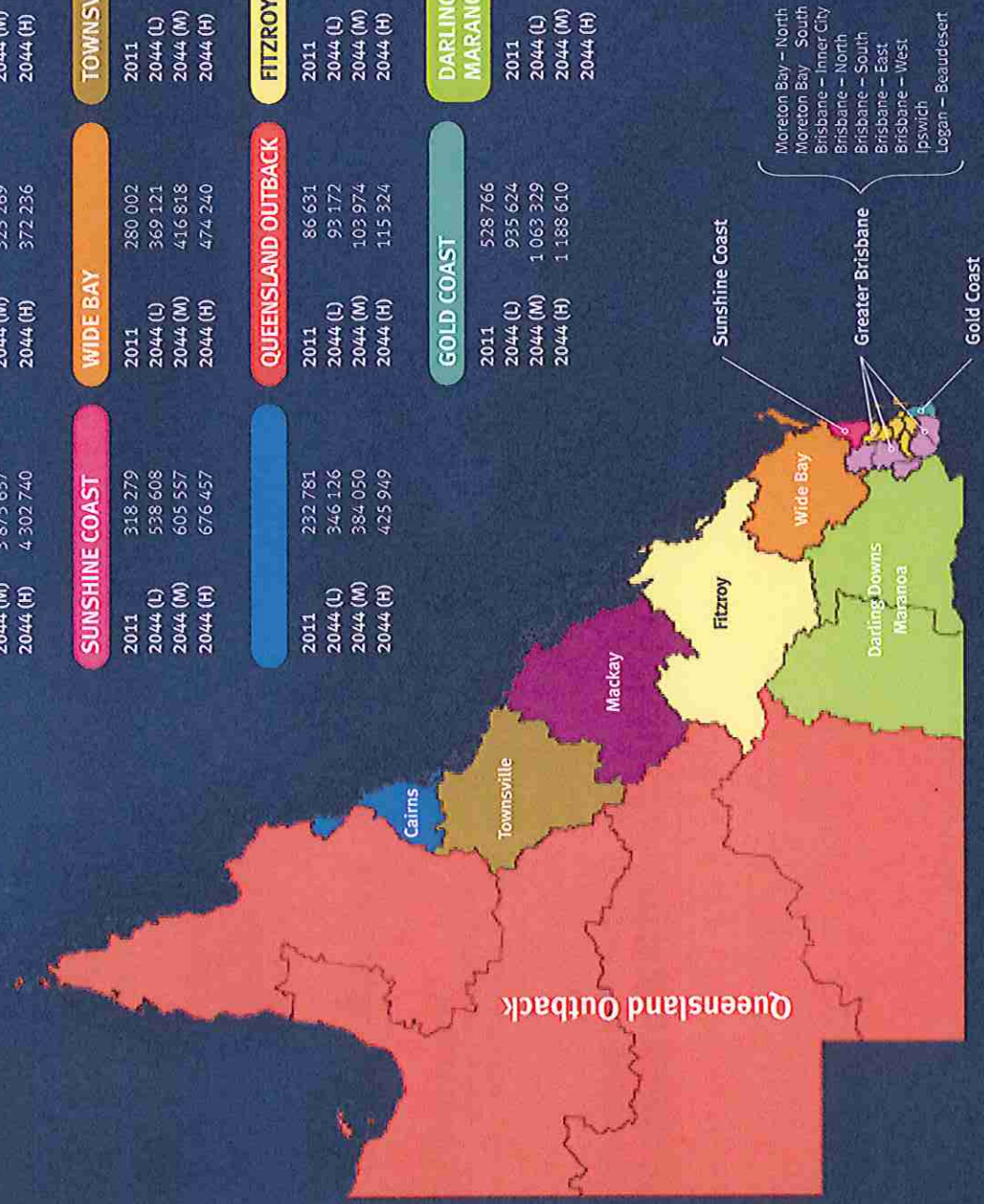
## 2044 POPULATION BY REGION AND LOW, MEDIUM AND HIGH SERIES

GREATER BRISBANE			MACKAY			TOOWOOMBA		
2011	2 147 436		2011	171 564		2011	144 258	
2044 (L)	3 463 023		2044 (L)	284 195		2044 (L)	206 727	
2044 (M)	3 875 657		2044 (M)	325 269		2044 (M)	232 819	
2044 (H)	4 302 740		2044 (H)	372 236		2044 (H)	260 245	

SUNSHINE COAST			WIDE BAY			TOWNSVILLE		
2011	318 279		2011	280 002		2011	224 678	
2044 (L)	538 608		2044 (L)	369 121		2044 (L)	357 769	
2044 (M)	605 557		2044 (M)	416 818		2044 (M)	409 179	
2044 (H)	676 457		2044 (H)	474 240		2044 (H)	470 978	

QUEENSLAND OUTBACK			FITZROY		
2011	232 781		2011	217 123	
2044 (L)	346 126		2044 (L)	364 595	
2044 (M)	384 050		2044 (M)	407 078	
2044 (H)	425 949		2044 (H)	449 253	

GOLD COAST			DARLING DOWNS MARANOVA		
2011	528 766		2011	125 260	
2044 (L)	935 624		2044 (L)	147 460	
2044 (M)	1 063 329		2044 (M)	165 125	
2044 (H)	1 188 610		2044 (H)	187 462	





## POPULATION GROWTH

Current population modelling shows the state's residents will increase from 4.5 million in 2011 to between 7 and 8.9 million in 2044. In South East Queensland, the population will grow from 3.1 million to around 5.7 million while population in the regions will grow from 1.3 million to 2.2 million.

Through *The Queensland Plan*, the people of Queensland have proposed an aspirational target for half of the state's population to live outside of the heavily populated south-eastern corner, which would see more people living in the regions. While it is impossible to predict the exact numbers or population spread, the increased regional growth means there will be a critical need for increased infrastructure investment in water and sewerage services.

The *Queensland's future population projections* map (page 10) will be adjusted to align with the changing trends, especially in the regions.

"There is no 'one size fits all' solution and future decisions around water security and demand management need to be regionally focused, taking into account climatic and cultural variability." *qldwater*

## Growing food supply

As Queensland's population increases, so will demand on our food supply. *Queensland's agricultural strategy* has a vision of doubling agricultural production by 2040. The growing demand for food in Queensland's overseas markets provides an opportunity for the agricultural sector to substantially increase its exports.

The Australian Government's green paper on Developing Northern Australia identified the northern region of Australia—Northern Territory, Western Australia and Queensland—as having the potential to become a major food bowl. Water is essential to realising this potential. CSIRO has been given the immediate task of assessing river catchments across this region to identify the most likely opportunities for water storage.

Increased food output will mean greater pressure on regional water supplies and how water is stored and distributed.

## Water security

Water security is a key enabler of population growth and will maximise Queensland's economic development potential.

To ensure Queenslanders have access to water and sewerage services as their numbers grow, water security assessment and planning that supports population growth will be essential.

This will assist service providers to better understand their water needs.



## DON, 41 AND FINN, 2

Don works in water regulation.

He believes that, as our population grows in the next 30 years, the water sector will also need to grow and strengthen to meet this new water demand.





# STAGES OF THE STRATEGY

Feedback on our water discussion paper has helped to develop the strategy. We will continue to collaborate on the strategy throughout its implementation.

.....

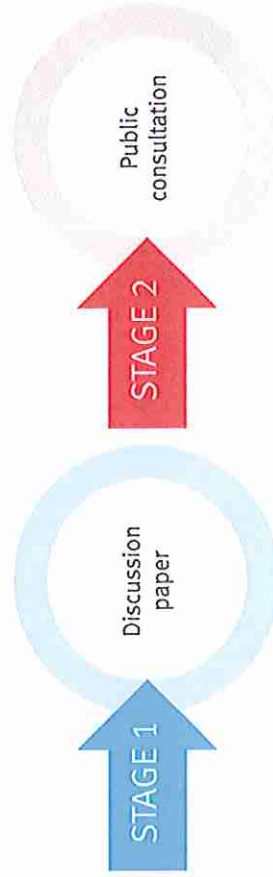
## GUIDING THE STRATEGY'S FUTURE

*WaterQ: a 30-year strategy for Queensland's water sector* will remain relevant and responsive through regular review.

As a dynamic document, the actions of *WaterQ* will be renewed every five years, supported by yearly scorecards and consideration of sector successes around the globe.

Consultation will continue to be pivotal to the strategy, just as the input of community and sector members led to this strategy, we will maintain strong relationships and alliances around the state to ensure future actions continue to reflect their needs.

Two expert groups are essential to supporting strategy implementation and innovation over the life of the strategy.





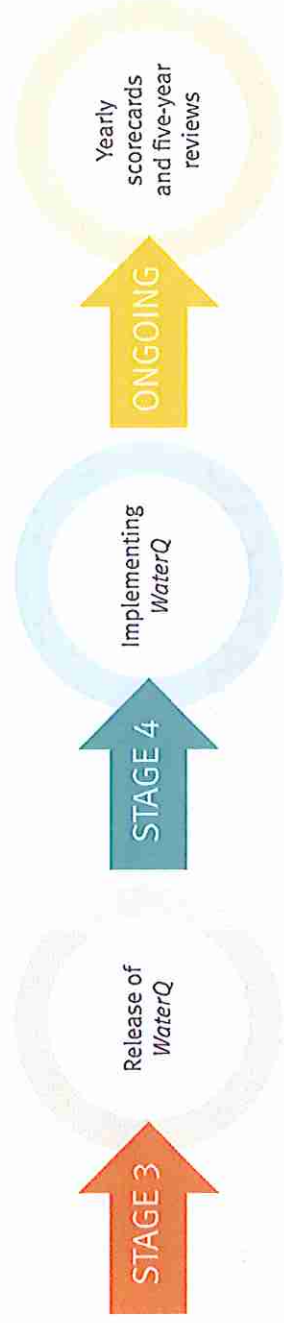
"Integrated scientific research is needed from a wide spectrum of disciplines (e.g. hydrology, ecology, information sciences, climate science, social science), combined with strong engagement between research providers and other stakeholders in the water sector." *CSIRO*

The Strategic Advisory Committee, with experts from the water sector, community, industry and government, is the first. The committee's primary responsibility will be to review progress of partners who are tasked with achieving the actions outlined in the strategy. Committee members will evaluate the effectiveness of the actions and identify any refinements needed to ensure the actions continue to address water sector challenges and opportunities.

Every five years, the Strategic Advisory Committee will also oversee a comprehensive review of the strategy to develop new five-year goals and action plans. Those reviews will also provide an opportunity to evaluate the long-term objectives and measure the progress of the sector toward those objectives.

This will allow the strategy to remain aligned with community needs, economic drivers, environmental imperatives and innovations in technology.

An industry-led water innovation panel is the second expert group. This panel will specifically foster practical solutions that will make a genuine difference to service providers around the state, big and small. The innovation panel will look at solutions around infrastructure, service delivery, water quality and security. It will help translate research and development to deliver tailored solutions, including those not related to technology. While its immediate focus will be to address predominantly regional water sector issues, the innovation panel may also consider solutions for customers in the long term.



**JAMES, 5**

James loves inventing and loves playing in water. It's possible that by the time the strategy ends, James will have created a new way to do more with less water.

# STRATEGIC PRIORITIES TO 2044

*WaterQ: a 30-year strategy for Queensland's water sector sets seven long-term strategic priorities for the state's water sector.*

1

## Customer empowerment and community education

Because of their knowledge and access to information, customers will make informed decisions about what they need and will access many products with flexible pricing options.

Communities will know where their water comes from, where it goes and the impact their activities have on the environment.

2

## Equity and affordability

Customers will access water products and services that are safe and affordable. Water billing and pricing will be transparent and easily understood.

Complaint resolution services will be easily accessible to all.

3

## Efficient and productive use of water

Our natural resources will be managed effectively and our products and services will use less water and energy.

Efficiency will be the norm, including some waste and sewage treatment plants becoming energy generators.

4

## Responsible and productive water management

Water security will be our watchword as we best use our available water to grow our economy and protect our environment.

This will ensure sufficient water is available where and when it is needed, at the right quality for every consumer: households, community, industry, agriculture, mining and energy.

Our infrastructure will suit our changing population and we will look to offset these operational and capital costs in new ways. Local decision-making will drive regional development.

Innovation will be evident everywhere, from private infrastructure investment right through to new technologies that improve how we use water and protect our environment.



## THE FIRST FIVE YEARS ARE CRITICAL

Within each of the seven strategic priorities are immediate actions for the next five years. These early actions are essential to help the water sector begin laying the foundations for the systemic, widespread change that will be needed to meet population growth. Because every region and every provider is different, the actions seek to support this diversity while leading the way to change.



### HAYLEY, 25

Hayley remembers when South East Queensland nearly ran out of water in 2007. She's glad there is now better planning in place and infrastructure will be built and ready when it's needed.

#### 5

##### Skilled and sustainable water sector

Clearly defined skill requirements, along with training and career development pathways, will ensure service providers have the right skills and resources. Recognised and resilient, the water sector will then attract and retain the best people it needs to deliver the best service.

Innovation, local decision-making, economies of scale and increased efficiencies will allow service providers to create better services and price benefits for customers, as well as build and maintain their assets.

#### 6

##### Smart regulation and attracting private sector investment

Light-handed regulation will unleash opportunities for service providers, promoting productivity and innovation while enhancing performance and accountability.

In response, the private sector will develop and invest in innovation and become increasingly active participants in the water sector.

#### 7

##### Innovative technology and infrastructure

The private sector will work closely with the water sector to harness creativity, share ideas and solutions, and embrace new opportunities. Consumers, regions and the environment will all benefit.

Clever technology will help maximise infrastructure and resources, as well as innovative thinking through strong partnerships across service providers, academic, research and professional bodies. The resources and agriculture sectors will also embrace these innovative water solutions.

Throughout Queensland, urban design principles will be the norm to encourage water efficiency, minimise waste and respond to the changing climate.

# HOW WILL WATER CHANGE IN THE NEXT 30 YEARS?

10

YEARS

## TECHNOLOGY

Water-efficient, water-less and other technologies will be part of our homes and industries.

Interactive meters and sensors will be integrated into water and energy systems, providing real-time, accurate information about water consumption. This means customers will be able to make better decisions about how and when they use this valuable resource.

Sewage treatment plants will be used to generate energy instead of just using it.

## BALANCE

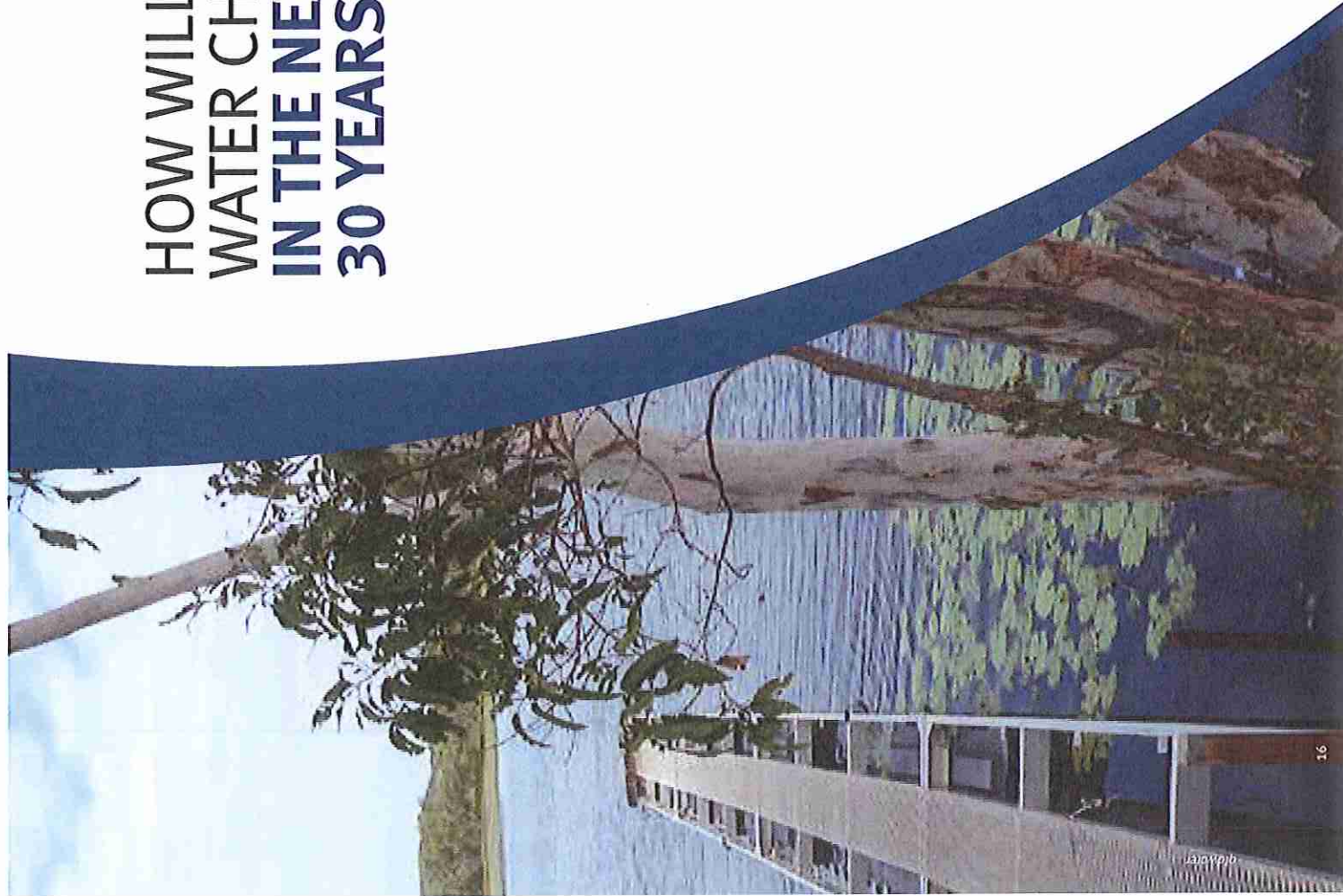
We will balance the effects of supply and demand better between agriculture, mining, urban development and our catchments.

In response, we'll see advances in water quality offsets, a maturing water market and greater reuse opportunities.

## SMARTER THINKING

As the sector matures, our service providers will share their skills, knowledge and investments to deliver better value for money for all.

Developers, water professionals, service providers, governments and customers will all work together.





20

YEARS

## INNOVATION

Cities will install smart systems that not only prevent run-off pollution in rivers and lakes but treat water to provide reuse opportunities.

Advanced water technologies will help cities recycle and reuse water locally, and reduce the energy used to transport water.

30

YEARS

## PURPOSE-BUILT PRECINCTS

Our communities and cities will be lifestyle precincts.

We will live, work and play in these well-planned precincts with low cost, modular water and sewerage services allowing us to use more than one source of water, including rainwater, reuse water and stormwater.

## FIT-FOR-PURPOSE WATER

Fit-for-purpose water will provide the bulk of our agriculture and mining water.

Our industries will be co-located so the waste of one becomes a resource for another. Agriculture and mining waste by-products will generate new business opportunities.

## SUSTAINABLE SECTOR

Our catchments will be sustainable and productive. Water markets, water trading and reuse will be the norm.

Our infrastructure and service delivery approach will reflect our diversity, our needs and our changing climate.

## ADAPTIVE INFRASTRUCTURE

Modular, mobile, low-cost water supply and sewage management infrastructure will be used to meet changes in our economy and population.

We will export our skills and knowledge to help our neighbours develop more sustainable solutions.

## WORLD LEADER

Our water sector will be resilient, innovative and lead global thinking.

Queensland will have world-class innovation with services designed and delivered in collaboration by public and private sector partners.

As Queenslanders, we will only use and pay for what we need.

## COLIN, 49

Colin works in the water sector. He's looking forward to the changes the strategy will bring to grow a resilient and strong sector, protect the environment and encourage smarter water use.



# CUSTOMERS

## STRATEGIC PRIORITY #1

Customer empowerment and community education

Customers will know more about their water services and choose how these services are delivered.

### ACTIONS TOWARD 2044

#### Start: 2015

##### Delivery partners

Service providers, customers, advocacy groups, private sector, state government, local government

#### In the next five years, we will:

- encourage flexible pricing, including new tariff structures, to meet customer and service provider needs  
(Action 1.1—Innovative tariff structures)
- provide greater product choices to customers by championing customer water plans  
(Action 1.2—Customer water plans)
- improve customer awareness of services through engagement and information  
(Action 1.3—Engagement and information).

## EMPOWERING AND EDUCATING CUSTOMERS

Water pricing is a sector-wide challenge. Service providers need sufficient revenue to maintain and build infrastructure and should set prices accordingly. In many small towns, however, there are too few customers to provide that revenue and service providers must also cater for low-income and vulnerable customers.

At present, many customers do not understand the costs involved in providing water and sewerage services and lack awareness of the extensive infrastructure behind these services.

Charging for water services usually has two parts: a variable charge based on consumption and a fixed access charge. The fixed access charges are generally the largest component of a water bill. These charges pay for building and maintaining the water and sewerage networks. Water usage charges (charged per kilolitre of water used) pay for storing, transporting, and maintaining drinking water quality. These charges also pay for issuing and managing customer accounts. These charges may be tiered so the more water you use, the more you pay (user pays).

Customers may be prepared to pay different prices for different standards of service while drinking water quality is maintained.



## CASE STUDY

"The empowerment of customers does not occur if they are not informed about plans for new development service standards and pricing. Openness and transparency therefore become essential if customers are to be supportive of new developments." *National Seniors Australia*

### Action 1.1

#### Innovative tariff structures

Service providers will investigate alternative pricing options to meet customer and business needs.

For example:

- fixed charge for water and sewerage with tiered consumption charging for water
- seasonal/peak tariff, where a varied rate may be charged
- water budgeting where a service provider quantifies the amount of water typically used by a water-efficient customer and sets higher tiers above this.

### Action 1.2

#### Customer water plans

Customer water plans will allow customers to choose the plan that best suits their lifestyle and matches the volume of water for which they are willing to pay.

Water plans will help customers to increase their understanding of their water use and may also encourage water efficiencies. For example, customers could sell back their unused portion of water to the service provider. In turn, service providers may also help customers obtain water-efficient devices.

Transparency and accountability will be part of these plans. Service providers will report on business performance and pricing as part of key performance indicator reporting.

### Action 1.3

#### Engagement and information

Service providers are encouraged to engage with their customers to clearly understand their evolving needs. They will also be encouraged to inform customers on the value of their services.

In many parts of Queensland, water supply and sewerage charges are combined in a rates notice or are not easily identified. This means households find it hard to work out their water use. Better information and comparisons can help raise awareness of water use and costs to influence how people use and value water.

Service providers could also use modern technology to avoid the need for physical meter reads, identify leaks and gather information on network performance. Modern metering technology will also allow customers to monitor consumption.

In the future, a common approach to water and electricity metering may be possible.

## PRICING RIGHT: UNITED KINGDOM

In England and Wales, Ofwat, the water services regulation authority, is the economic regulator for the water industry.

One of Ofwat's roles is to set price controls for the sector. Price controls are set for a five-year period and they determine the prices a service provider can charge, as well as the services they must deliver.

Because consultation is needed to balance required investment with keeping bills down, Ofwat works with industry to make sure each company respects and protects customers' interests, improves its efficiency and ensures the company has enough money to finance its functions.

# CUSTOMERS

## STRATEGIC PRIORITY #2

Equity and affordability

Water services will be affordable, have more transparent pricing and provide customers with specialised dispute resolution.

### ACTIONS TOWARD 2044

#### Start: 2015

##### Delivery partners

State government,  
Residential Tenancies  
Authority, service  
providers, customers,  
advocacy groups,  
Energy and Water  
Ombudsman Queensland

#### In the next five years, we will:

- promote user-pays approach to services  
(Action 2.1—Investigate tenant billing)
- work with community on service standards  
(Action 2.2—Customer service standards)
- create a more efficient and transparent concessions  
program across water utilities  
(Action 2.3—Water concessions)
- provide consistent state-wide dispute resolution  
service for customers  
(Action 2.4—Dispute resolution)

### MAKING WATER MORE AFFORDABLE

The water sector is facing considerable challenges around pricing and affordability. In many small towns, the customer base is too small for customers to share the full cost of the network.

One issue is that service providers must also cater for low-income and vulnerable customers. Presently, eligible customers can access hardship concessions from the state government and service providers.

Another issue is dispute resolution. In South East Queensland, water customers can access the dispute resolution service offered by the Energy and Water Ombudsman Queensland. This service is available if a customer cannot resolve a matter with their service provider. Customers outside of South East Queensland generally access dispute resolution through their local government as their service provider.

Water billing is also an issue. Within Queensland, about 30 per cent of homes are rented and many tenants do not pay for their water usage. Presently, tenants only pay for water consumption if their rental premise is metered and is water efficient and if their tenancy agreement states they should pay.





**GRAHAM, 66**

Graham is an engineer who works in the water sector. He knows the sector's diversity and understands the importance of customers and their needs. He is delighted this strategy will help deliver a better Queensland.

### Action 2.1

#### Investigate tenant billing

Although many landlords strongly argue for direct tenant water billing where the tenant directly receives and pays their water bill, just as many renters argue against it because they don't consider there would be an equivalent reduction in rent.

The Queensland Government will investigate the costs and benefits of full tenant billing. This review will also consider circumstances where a tenant may be billed individually for water if the landlord meets the necessary costs of individual water meters.

In the interim, a plan to allow landlords to pass consumption charges onto tenants—regardless of water efficiency—is being investigated and implemented where practical. Under this plan, the premises must still be metered and the tenancy agreement must allow tenants to pay for their consumption and identify if the premises are water efficient.

### Action 2.2

#### Customer service standards

Service providers already have customer service standards. The next step is to develop those standards to reflect community needs so that customers can understand the costs involved in delivering their services.

These final service standards will be published and accessible to customers.

### Action 2.3

#### Water concessions

Concessions are a critical issue for the community and will be the focus of a report to the Queensland Government.

### Action 2.4

#### Dispute resolution

Under this action, the potential benefits and costs of extending the role of the Energy and Water Ombudsman to large service providers will be investigated. This will enable customers, including tenants, to access external, consistent dispute resolution services. Tenants will also continue to access dispute resolution processes through the Residential Tenancies Authority.

Extending the role will increase the transparency of the water sector and give an important baseline on satisfaction levels within the sector.

Prior to this, a review will be completed, including extending coverage beyond South East Queensland.

# SERVICE PROVIDERS

## STRATEGIC PRIORITY #3

Efficient and productive use of water

Service providers will promote products and services that use less water and energy to help customers embrace efficiency.

### ACTIONS TOWARD 2044

#### Start: 2014

##### Delivery partners

Service providers, industry, agriculture, private sector investors and innovators, research organisations, mining and resources industry, state government, local government

#### In the next five years, we will:

- continue to encourage rural water use efficiency  
(Action 3.1—Rural Water Use Efficiency for Irrigation Futures program)
- advise on appropriate technologies and solutions, via an industry-led water innovation panel  
(Action 3.2—Promote benefits of combined energy and water efficiency)
- increase uptake for fit-for-purpose recycled water by industry, mining and agriculture  
(Action 3.3—Showcase best practice)
- investigate greater opportunities for decentralised systems including micro-utilities to deliver energy and water services  
(Action 3.3—Showcase best practice).

## CHANNELLING ECONOMIC GROWTH

Water and electricity play important roles in industry, mining, energy, agriculture, fisheries, forestry and urban sectors.

### Energy

The Queensland water sector uses significant amounts of energy to treat and deliver clean, safe and affordable water to farms, irrigators, businesses and homes. Similarly, water is essential for energy production. A priority for the water sector is to become more energy efficient.

Water is also a key input in producing energy itself. The International Energy Agency forecasts demand for fresh water for world energy production is on track to increase by 85 per cent within the next 25 years. The Water Services Association of Australia reports that each \$1 increase per megawatt-hour of electricity will result in a \$1 million rise in costs to treat and transport water. It will be equally important for the electricity sector to explore opportunities to reduce water use for their activities.

Activities that use water also generate wastewater products that need to be effectively managed. Advances are being progressively made to utilise this waste better. In some countries, sewage treatment plants are generating energy to meet their plant operation needs and supplying the surplus for other activities.

Striving to achieve efficient practices and technologies across the water and energy sectors will create more resilient and innovative industries.



## Water

The agriculture, industry and mining sectors are integral to the Queensland economy and water is vital for their continued growth. Increasingly, these sectors need to explore innovative ways to do more with less and use finite water resources more than once to sustain their growing demand. Collaborating, co-locating and creating better efficiencies are all possible solutions.

The agriculture sector is the backbone and social fabric of many rural and regional communities. Queensland's agriculture commodities had a gross value of production of \$13.7 billion in 2012–2013. The state government is committed to doubling agriculture production by 2040. *Queensland's agriculture strategy* presents a framework for achieving this goal, including initiatives such as delivering secure and defined water entitlements for agriculture.

The Australian Government is looking to Northern Australia—including Queensland—as the next major food bowl. CSIRO has been tasked to assess opportunities for new dams. More information is at: [www.northernaustralia.dpmc.gov.au/sites/default/files/papers/greenpaper.pdf](http://www.northernaustralia.dpmc.gov.au/sites/default/files/papers/greenpaper.pdf).

### Action 3.1

#### Rural Water Use Efficiency for Irrigation Futures program

The continuation of the Rural Water Use Efficiency for Irrigation Futures (RWUE-IF) program will support the agriculture sector to increase productivity by using less water.

Regions such as the Murray Darling Basin will have reduced water availability and will need the latest information on water use efficiencies. Additionally, new areas such as the Flinders–Gilbert irrigation area will benefit from best management practices.



**SHEAMUS, 18**

*"Water is essential for life; the blood of the earth. We must respect this precious resource in order for it to be readily available."*  
*Winner of 2013 Healthy Waterways Water Warrior Award*

## CASE STUDY

### ENERGY FROM SLUDGE: GOLD COAST

The Coombabah and Stapylton Program Alliance (CaSPA) was awarded the 2013 Infrastructure Innovation Award by the Australian Water Association (Queensland branch) for introducing technological advances.

Since 2012, thanks to innovation, the Coombabah Sewage Treatment Plant has used the biogas (65 per cent methane gas) produced by waste-activated sludge to power the anaerobic digesters within the plant.

*Source: Gold Coast City Council*

### Action 3.2

Promote benefits of combined energy and water efficiency *and*

### Action 3.3

Showcase best practice

Water and energy-efficient technologies, including the role of decentralised systems, will be explored through the industry-led water innovation panel.

Water provision is often highly infrastructure intensive. Optimising the use of this infrastructure has the potential to generate significant efficiencies. Alternative water use technologies such as stormwater and recycling will also form part of our water security future.

Service providers may be able to make commercial decisions about local energy solutions such as on-site energy generation. Service providers will be encouraged to work with power generators and distributors to investigate the feasibility of these opportunities.

Generating energy from waste is another avenue being considered and the Queensland Government is in the early stages of developing a draft energy-from-waste policy. This policy will consider recovering energy and other by-products from waste, including sewage.



# GOVERNMENT AND SERVICE PROVIDERS



## STRATEGIC PRIORITY #4

Responsible and productive water management

Sufficient water will be available where and when it is needed, at the right quality for customers. Innovative approaches will be used to manage water use and environmental health, and generate regional economic opportunities.

### ACTIONS TOWARD 2044

#### Start: 2014

##### Delivery partners

Industry and relevant stakeholders, service providers, private sector, research organisations, wastewater providers, state government, local governments, Local Government Association of Queensland, water users

#### In the next five years, we will:

- provide opportunities for economic growth and development through greater access to water  
(Action 4.1—*Transforming the water business*)
- increase understanding of water supply and demand needs  
(Action 4.2—*Regional water supply security assessments*)
- improve waterway health through innovative management  
(Action 4.3—*Catchment management partnership program*).

## MANAGING OUR WATER RESOURCE

Water is required for continued economic and population growth. Water must be available in sufficient quantities and appropriate quality across all of Queensland—households, communities, agriculture, construction, mining, energy, industry, tourism and the environment. It is also critical to delivering *The Queensland Plan* targets and its aspirations for economic growth and regional expansion. Community wellbeing and economic growth rely on access to secure, affordable and reliable water supplies.

Queensland's water resource planning program provides a strategic framework to best allocate and manage water by setting a responsible balance between the productive use of the resource and providing for non-consumptive uses such as tourism, cultural values, commercial and recreational fishing, and catchment health.

## BEN, 10

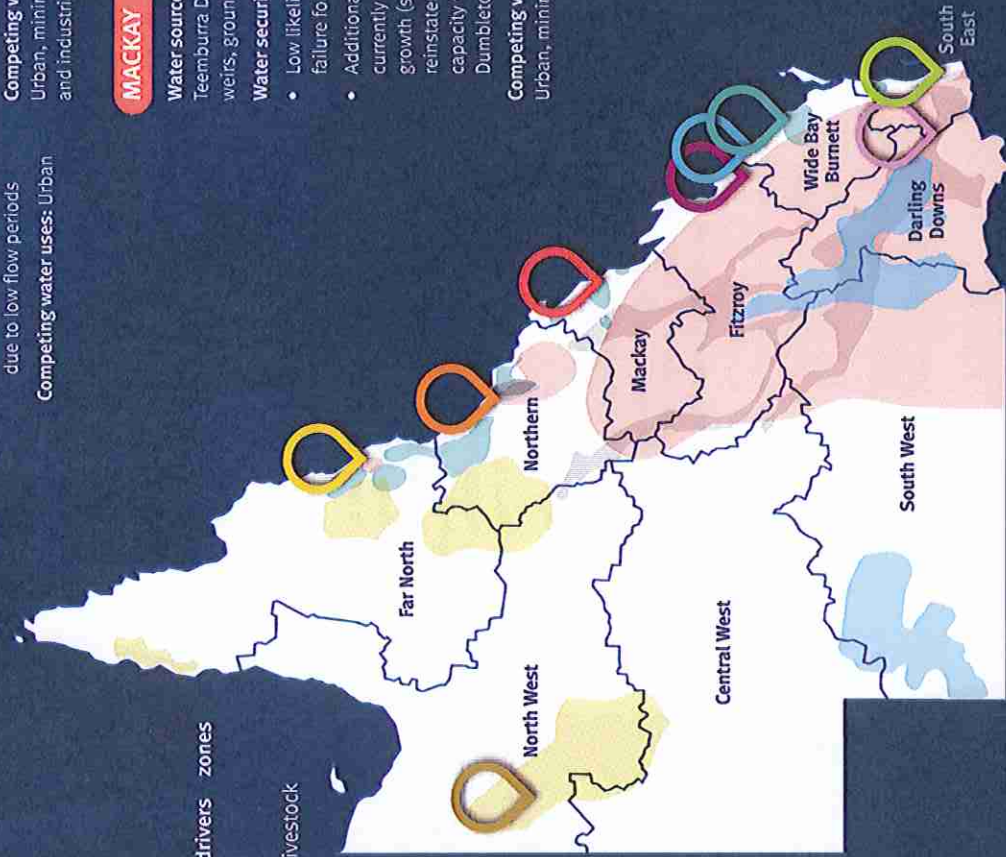
Ben's not sure what he wants to be when he grows up. He could end up a miner, a farmer or a builder. Whatever he does, this strategy will make sure water is available where and when he needs it.



# CURRENT KEY GROWTH AREAS, THEIR WATER SOURCE AND LEVEL OF WATER SECURITY

## LEGEND Regional economic drivers zones

- Gas
- Grain, cotton, livestock
- Minerals
- Sugar
- Coal basins



### CAIRNS

**Water source:** Copperlode Falls Dam, Behana Creek and Lake Morris

#### Water security:

- Reliant on annual inflows
- Moderate likelihood of failure due to low flow periods

**Competing water uses:** Urban

### TOWNSVILLE

**Water source:** Ross River Dam, Burdekin Falls Dam, Paluma Dam, Crystal Creek

#### Water security:

- Moderate likelihood of failure due to low flow periods

#### Competing water uses:

Urban, mining, agricultural and industrial

### ROCKHAMPTON

**Water source:** Fitzroy River barrage

#### Water security:

- Reliant on annual inflows
- Limited response time to low season inflows

#### Competing water uses:

Urban, agricultural and industrial

### TOOWOOMBA

**Water source:** Cooby, Cressbrook and Perseverance dams, groundwater

#### Water security:

- Water supplies adequate for current population

#### Competing water uses:

Urban

### MOUNT ISA

**Water source:** Julius Dam, Lake Moondarra

#### Water security:

- System capacity is good
- Dependent on seasonal inflows
- Few emergency supply options
- Population growth highly variable due to indeterminate industrial growth

#### Competing water uses:

Urban, mining and industrial

### SOUTH EAST QUEENSLAND

**Water source:** Bulk water supply system

#### Water security:

- Water supplies adequate for present population

#### Competing water uses:

Urban, agricultural and industrial

### GLADSTONE

**Water source:** Awoonga Dam

#### Water security:

- Water supplies adequate for current demand with large storage capacity available
- Planned options for connection to Fitzroy River to augment supply for future needs

#### Competing water uses:

Urban and industrial

### BUNDABERG

**Water source:** Fred Haigh Dam, Paradise Dam, groundwater

#### Water security:

- Low likelihood of supply failure for current demand
- Additional entitlement currently available to meet growth

#### Competing water uses:

Agricultural

#### Competing water uses:

Urban, mining and agricultural

### MACKAY

**Water source:** Kinchant Dam, Teimbura Dam, Pioneer River weirs, groundwater

#### Water security:

- Low likelihood of supply failure for current demand
- Additional entitlements currently available to meet growth (subject to the reinstatement of the full capacity for Mirani and Dumbleton Rock weirs)



.....  
"The discussion paper's call for improved long-term planning is possibly the most important requirement for the sustainability of urban service providers in small and remote communities." *qldwater*  
.....

Two major benefits from the water resource planning program have been the creation of about 14 600 tradeable water allocations and about 2 million megalitres of extra water being set aside for future uses (known as unallocated water).

Unallocated water has recently been released by the Queensland Government to support agriculture and industry development as well as to promote town water supply security and residential growth in the Baffle, Great Artesian Basin and Gulf water resource plan areas.

Tradeable water allocations allow users to buy water to expand their operations or sell water they do not need, giving them significant flexibility in their water access and use. Water allocations use the market forces of supply and demand to drive water use efficiency and innovation elsewhere in the economy.

The Queensland Government is modernising its water regulatory framework and streamlining and improving business processes. Through the transformation of its water business, it is putting customers first by delivering seven client benefits:

- protect security of entitlement holders
- support economic growth and development
- increase options for access to water
- increase opportunities for local and self-management of water
- achieve faster and easier ways to complete simple water licence transactions
- modernise and improve options for dealing with government
- quicker and simpler water planning processes.

Major infrastructure to store, treat and distribute water is costly to build, both economically and environmentally. In the foreseeable future, the Queensland Government is unlikely to fund new bulk storages. Greater emphasis will be placed on ensuring the best possible use of existing dams and incentivising private sector investment. If there is a need for new dams, the private sector will have a stronger role.

A major theme in sustainably growing our water demand is doing more with less. This includes using resources more than once and taking a whole-of-catchment approach to use existing water supplies better and for the right purpose.

Connecting stakeholders so they can share local knowledge and information will lead to better planning for future growth at regional or catchment levels. Queensland's regional water supply security assessments encourage local decision-making to meet changing water demands. They will also enable service providers, water users and the community to invest in innovative approaches to water security, as well as make investment decisions that consider social, environmental and financial priorities.





### Action 4.1 Transforming the water business

The Queensland Government has set a very clear path to provide customer-focused and modernised natural resources businesses.

To deliver this, it is making changes to the *Water Act 2000* and streamlining and improving business processes by transforming its water business. These changes are delivering security, certainty and flexibility to water users by balancing economic, social and environmental outcomes.

The government is engaging with its customers and industry representatives about these changes to ensure services are useful, understood, desirable and sustainable, and to provide timely access to a broad range of online services.

Water resource plans will be easier to understand and legislative provisions will be streamlined to deliver these plans quicker through more efficient processes.

Water markets will be expanded across Queensland, starting with converting entitlements to tradeable water allocations in the Wet Tropics, Pioneer Valley aquifers, Burnett Basin aquifers, Condamine and

Balonne, Moreton, Logan, Burnett and Fitzroy areas. This will ensure water is available to support economic development opportunities.

The government will provide proponents of major projects certainty of water access early in their project development. This will enable investor confidence and allow them to progress their development with certainty.

More flexible and simpler options for releasing unallocated water will allow fit-for-purpose processes to provide faster access to the almost 2 million megalitres of unallocated water available for water users and will result in reduced costs to government.

To reduce red tape for water users, the government is looking at ways to remove the need for water licences for low-risk water-taking and interference.

The government is also protecting water rights for bore owners by requiring mining companies to 'make good' where there are impacts on water supply bores. It will provide investment certainty for the resources sector by clarifying and simplifying water rights and obligations in relation to activities affecting groundwater.

These actions and initiatives will protect the security of entitlement holders, increase options for access to water and deliver an overall better water business experience for Queenslanders.

The government also intends to provide an increased opportunity for water users to play a greater role in managing their respective water supply schemes.

Finally, Queensland will transition to a fully realised water market by 2017. To do this, the government will maximise conversions of water entitlements to water allocations, provide efficient regulation for trading and simplify the framework for reserving and releasing unallocated water. This initiative will facilitate water use in higher-value activities, provide greater access to water to allow uptake of development opportunities and drive productivity that is reliant on water.

## LLEW, 82

Llew has spent a lifetime enjoying Queensland's waterways. He agrees the strategy should continue to protect Queensland's enviable lifestyle.



## CASE STUDY

### PRESERVING OUR WATERS: LOGAN RIVER

In January 2014, a five-year project began in the Logan River in South-East Queensland to manage additional nitrogen discharges from the Beaudesert Sewage Treatment Plant.

Modelling helped to show Queensland Urban Utilities what scale of works would be needed to offset six tonnes of total nitrogen from entering the river each year as a result of population growth. In response, the company invested almost \$1 million to repair around 5 km of eroded riparian corridors close to the plant. The works include structural bank stabilisation and riparian planting.

These nitrogen savings will allow the treatment plant to continue to operate safely at its current capacity in the short term without undertaking expensive upgrades. This will release about \$6 million for investment elsewhere in the sewage network.

#### Action 4.2 Regional water supply security assessments

Working in partnership with service providers during the next three years, the Queensland Government will facilitate water supply security assessments for potential high-growth regions.

These assessments will forecast water demand for various population growth scenarios, taking into account water availability, reliability and multiple water users—such as urban and agriculture—sharing the same resource. These will also consider the effects of changing climate conditions, including drought and flood. This work program will help service providers to better understand their water needs. Service providers will be responsible for consulting, determining and implementing water supply solutions for their communities.

These providers will also engage with their communities to consider infrastructure solutions, as well as demand management and water efficiency as part of an overall solution.

A working group comprising the state government and Local Government Association of Queensland will oversee and provide strategic direction specific to this work program.

#### Action 4.3 Catchment management partnership program

The Queensland Government, with key partners, will develop a catchment management partnership program to design and oversee innovative management approaches to deliver targeted actions across catchments. This will improve waterway health and other natural resource management outcomes.

The program may include best practice guidelines, stakeholder engagement, market mechanisms and incentives, and offset programs. Working across governments and in partnership with stakeholders, the aim is to deliver solutions that optimise outcomes at least cost with no new regulation.



#### AASMI, 6

At school, Aasmi is learning about water and how important it is for her, her family and to many Queenslanders. Thanks to this strategy, better sharing of water will mean the environment is protected and the economy will continue to grow.



# GOVERNMENT AND SERVICE PROVIDERS

## STRATEGIC PRIORITY #5

Skilled and sustainable water sector

Service providers will have the skills and resources to respond to the challenges of the future, deliver services and secure opportunities for economies of scale.

### ACTIONS TOWARD 2044

#### Start: 2014

##### Delivery partners

Local Government Association of Queensland, state government, local government, *qlwater*, federal government, educational institutions and service providers

#### In the next five years, we will:

- improve the strength of service delivery through collaboration  
(Action 5.1—Extend QWRAP to build regional collaboration)
- create a culture of region-wide capital planning  
(Action 5.2—Promote and support service provider-led regional capital advisory boards)
- support the needs of water sector professionals  
(Action 5.3—Create competency-based frameworks)
- establish a multi-disciplinary workforce to deal with climate variability, population growth and ageing infrastructure  
(Action 5.4—Develop business skills programs to support service providers).

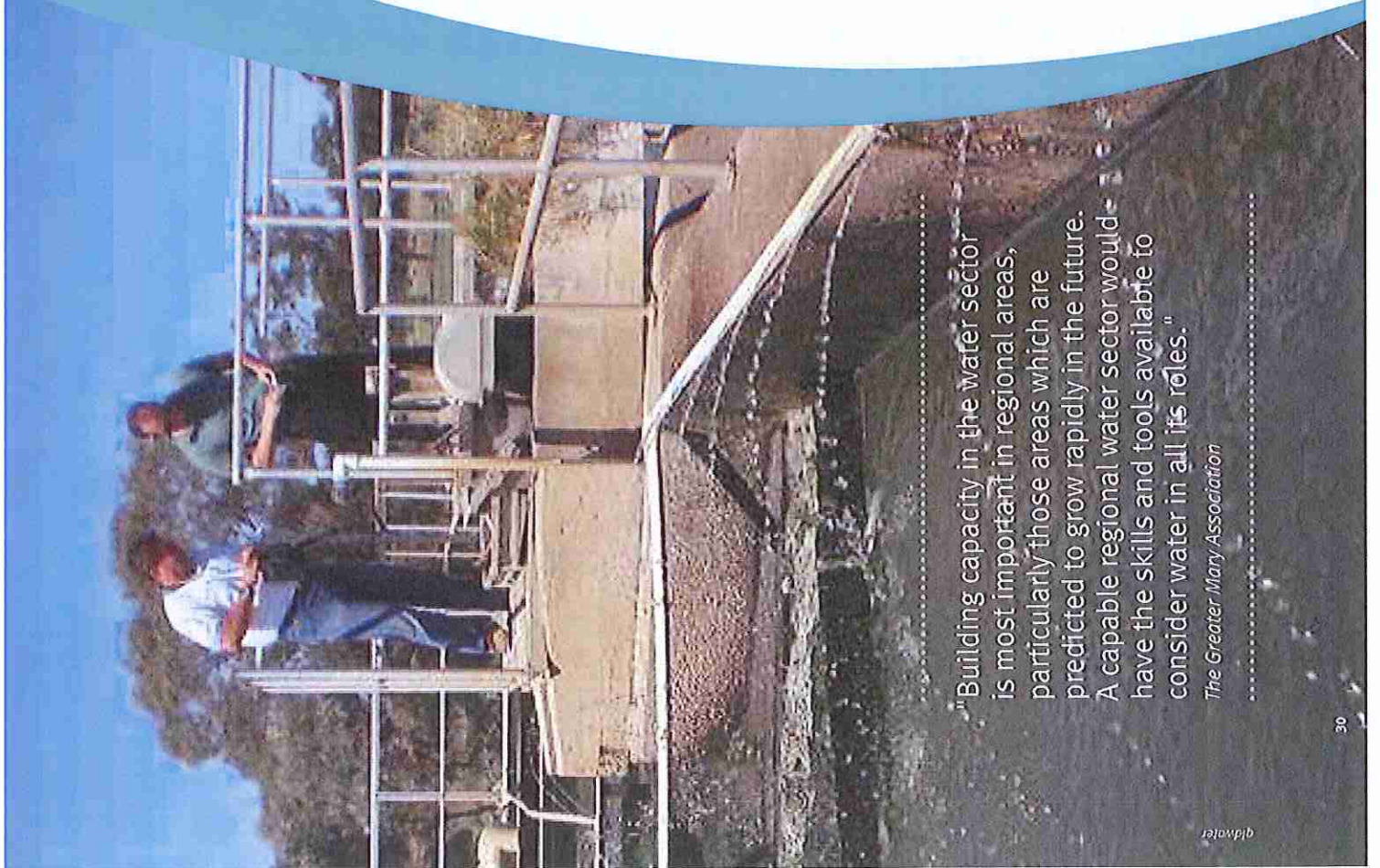


#### GREG, 65

LOCAL GOVERNMENT  
ASSOCIATION OF QUEENSLAND

"Business as usual is no longer an option for maintaining Queensland's high urban water quality standards. More than ever we must embrace innovation, re-think funding and procurement models, develop collaborative arrangements and invest in capability and skills development."





"Building capacity in the water sector is most important in regional areas, particularly those areas which are predicted to grow rapidly in the future. A capable regional water sector would have the skills and tools available to consider water in all its roles."

*The Greater Mary Association*

## SKILLED STAFF WILL LEAD THE SECTOR

Appropriately qualified staff are essential to deliver safe and secure water supply. However, attracting and retaining skilled staff can be difficult for service providers, especially in rural and remote Queensland where there is a smaller population and strong competition from the resources industry for skilled staff.

Increasingly, the delivery of services is proving to be more complex and pressure is mounting on service providers and their staff. This includes greater complexity in protecting public and environmental health through water services and increasing community expectations.

Another key challenge for the sector is developing new skills. The knowledge base of the future workforce will need to be broader than its historical focus on civil engineering and physical sciences.

The Water Industry Skills Taskforce, led by the Australian Water Association, oversees a nationally coordinated effort to address the skills shortage in the water sector. The taskforce identified four priority issues:

- The water industry is not clearly defined.
- There are concerns relating to the breadth, quality and delivery of training.
- Information coordination is fragmented within the sector.
- There are differences in the size and location of organisations in the water industry.

The Queensland Government, in partnership with the water sector, will encourage and facilitate water sector skills and job requirements to complement state and national frameworks.

Greater collaboration across regions is also encouraged. This will create an innovative water sector better able to create value solutions through economies of scale and efficiencies. This approach has the strong support of many local governments and the Local Government Association of Queensland, which see benefits in collaborations such as Queensland Water Regional Alliance Program (QWRAP) and the Cairns, Townsville and Mackay Water Alliance.



## CASE STUDY

### MACKAY REGIONAL COUNCIL

The Mackay Regional Council has adopted a best practice approach to reviewing its capital expenditure program by establishing a water and sewerage capital advisory committee.

The committee of external experts provides an independent perspective on capital projects, including the effects and benefits of proposed capital investments from community and commercial perspectives, as well as a strategic review of project planning and execution.



**JINARAJ, 58**

Jinaraj is passionate about making sure the water sector, particularly in regional areas, delivers the right training for the right people to develop the right skills.

"LGAQ strongly urges the government to further politically and financially support the extension of QWRAP beyond the initial investigatory phase, as well as the expansion of QWRAP into other regional areas." *Local Government Association of Queensland*

#### Action 5.1

**Extend QWRAP to build regional collaboration**

QWRAP is a local government-led initiative to extend regional collaboration and suggest possible models for improved urban water services outside of South East Queensland.

Four pilot trials, led by *qlwater* and the Local Government Association of Queensland, are under way: Remote Area Planning and Development Board, Far North Queensland Regional Organisation of Councils, Wide Bay Burnett Regional Organisation of Councils and Whitsunday Regional Organisation of Councils.

To support regional collaboration, other parts of Queensland will be encouraged to adopt the successful outcomes of QWRAP.

#### Action 5.2

**Promote and support service provider-led regional capital advisory boards**

The success and approach of the Mackay Water and Sewerage Capital Advisory Committee will be evaluated to determine if it can be extended to other councils, or adopted as a regional model.

In the long term, QWRAP will look to incorporate regional external capital advisory boards. This will support smaller councils where the scale of capital works does not support the overheads of individual boards. Over time, this approach will help to create a culture of region-wide capital planning where providers operate at a scale that delivers services and price benefits to customers while building and maintaining assets.



## JOHN, 70

John's worked in the water sector for more than 40 years. He supports the strategy's goal to recognise a professional water sector.

### Action 5.3 Create competency-based frameworks

There are opportunities to implement common industry-based competencies across Queensland's water sector through the National Certification for Operators of Drinking Water Treatment Facilities Framework. This will help to address the practical and cost challenges of training faced by rural, remote and small drinking water service providers. It will ensure there are appropriate training providers available.

The National Water Industry Occupation and Competency Framework, developed by Government Skills Australia, will define the competency requirements for specific occupations within the water sector (such as processing and treatment, networks, asset management and quality management). The water sector, in partnership with governments, will continue to encourage and facilitate this important national work wherever possible.

### Action 5.4 Develop business skills programs to support service providers

Industry-led skills enhancement and business skills programs will be developed to support service providers.

The future workforce of the water sector will need a wide range of skills and knowledge beyond its traditional base, including information management, data analysis, economics, community engagement and general business skills.

Queensland's reformed vocational education and training sector will ensure training is more accessible and matches employment needs. Within the water sector, industry and government will work together to identify low-cost training solutions such as mentoring programs, short-term staff rotation programs and potential online skills development courses.



## QWRAP PILOT COLLABORATIONS

### Far North Queensland Regional Organisation of Councils

Cairns Regional Council  
Cassowary Coast Regional Council  
Cook Shire Council  
Croydon Shire Council  
Douglas Shire Council  
Etheridge Shire Council  
Mareeba Shire Council  
Tablelands Regional Council

### The Whitsunday Regional Organisation of Councils

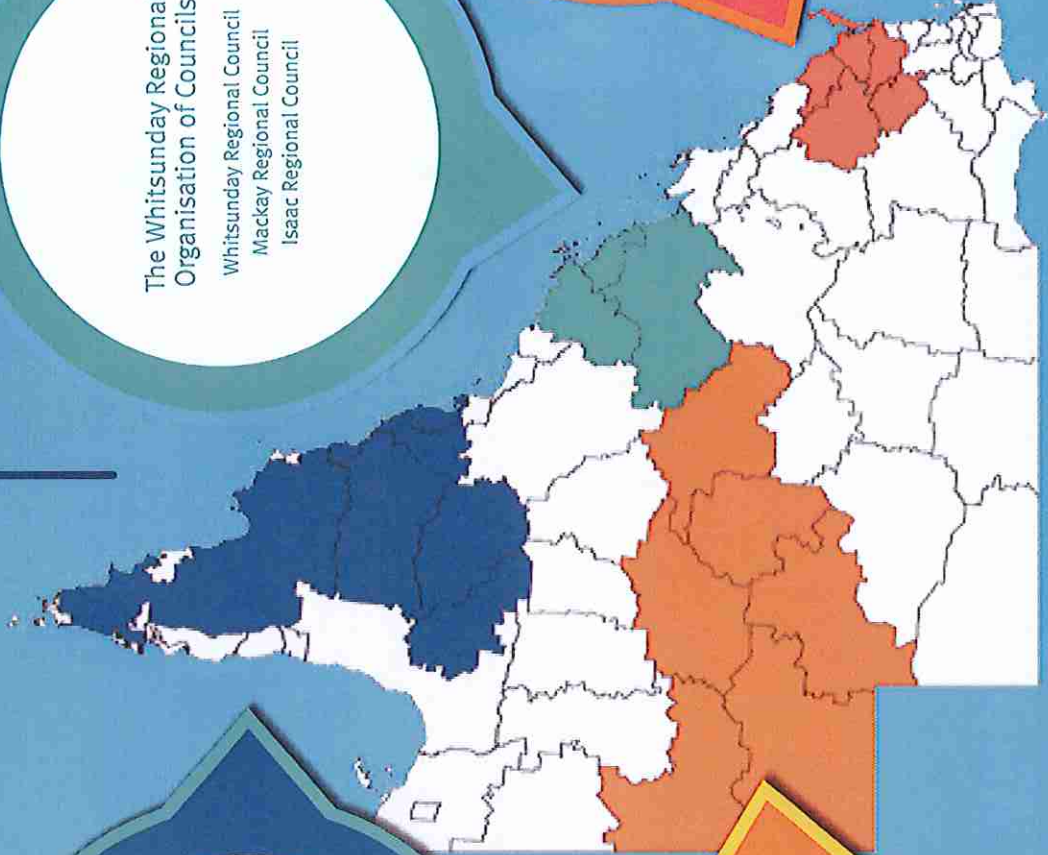
Whitsunday Regional Council  
Mackay Regional Council  
Isaac Regional Council

### Wide Bay Burnett Regional Organisation of Councils

Bundaberg Regional Council  
Fraser Coast Regional Council  
Gympie Regional Council  
North Burnett Regional Council  
South Burnett Regional Council

### Remote Area Planning and Development Board

Barcaldine Regional Council  
Barcoo Shire Council  
Boulia Shire Council  
Diamantina Shire Council  
Longreach Regional Council  
Winton Shire Council



# GOVERNMENT AND SERVICE PROVIDERS

## STRATEGIC PRIORITY #6

Smart regulation and attracting private sector investment

Performance-based regulation will provide a level playing field for service providers, transparent information and consumer protection for the community, mobilise the private sector and reward innovation.

### ACTIONS TOWARD 2044

#### Start: 2015

##### Delivery partners

State government, Local Government Association of Queensland, *qldwater*, service providers, local government, private sector, regulators, water users, industry, agriculture, mining and resources industry, Queensland Competition Authority

#### In the next five years, we will:

- reduce red tape and promote transparency and accountability  
(Action 6.1—Develop key performance-based indicator reporting and benchmark framework)
- encourage greater use of recycled water through risk-based regulation  
(Action 6.2—Streamline recycled water regulation)
- use a coordinated approach to support catchment based, total water cycle solutions  
(Action 6.3—Review regulations to support catchment based, total water cycle solutions).

## MAKING THE RULES SIMPLER AND CLEARER

Queensland's water sector is predominantly regulated by state government legislation.

*The Water Supply (Safety and Reliability) Act 2008, Public Health Act 2005 and Environmental Protection Act 1994* regulate water supply and sewerage services, drinking water quality, and sewage treatment and disposal. These focus on a safe and reliable water supply and protecting public health and the environment. Water allocation, planning and trading is covered by the *Water Act 2000*. Service providers, which are predominantly local governments, are also governed by the *Local Government Act 2009* or the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*.



## GOVERNMENT AND SERVICE PROVIDERS STRATEGIC PRIORITY #6



Over time, the regulatory burden placed on service providers has increased with little regard for existing regulatory outcomes or on the ability of the providers to comply. For many years, the water sector has said the current way of regulating service activities is not working.

The Queensland Government is committed to reducing red tape by 20 per cent by 2018. To cut red tape in the water sector, the government will create a smarter, outcomes-focused regulatory framework. Service providers will be responsible for achieving these outcomes in the way that best suits their communities and will openly demonstrate their performance to government and customers. This new framework will allow providers to transparently balance competing public interests, including water security, water quality and environmental protection. It also allows the government to change to a regulatory oversight role.

### DARCY, 13

Darcy strongly believes in fairness. She thinks simpler rules, stronger compliance and better community knowledge will all help to make water safe, accessible and more affordable for all Queenslanders.

## CASE STUDY

### REWARDING INNOVATION

For its work in introducing sustainability in Brisbane's Southbank precinct, Business South Bank was a Premier's Sustainability Award Winner in 2013.

The Southbank precinct has achieved significant savings in potable water use. Through its Rain Bank facility, the precinct can harvest and recycle up to 77 megalitres of storm water to irrigate the parklands.

This project demonstrates how collaborative effort between local, state and federal governments can lead to innovative solutions.

#### Action 6.1

**Develop key performance-based indicator reporting and benchmark framework**

New key performance-based indicators and a benchmark reporting framework will remove the need for most water management plans, replacing them with annual performance reporting. This is a fundamental shift that will enable service providers to monitor and benchmark their own progress against key performance indicators.

Under the changes, service providers will engage more closely with their customers on service decisions. This will ensure greater accountability for service providers and give customers greater transparency.

#### Action 6.2

**Streamline recycled water regulation**

The Queensland Government will remove the need for lower risk recycled water schemes to submit a recycled water management plan and will replace it with registration. Higher risk recycled water schemes, such as dual reticulation, will continue to be tightly regulated. Recycled water will not be used for drinking water.

#### Action 6.3

**Review regulations to support catchment-based, total water cycle solutions**

The Queensland Government will review the regulatory framework to support total water cycle solutions and streamline reporting and administration for service providers. This will help to support a whole-of-catchment approach, reduce overlap and better coordinate water sector regulations.

During this review, there is also scope to simplify operational regulation by clarifying the roles and responsibilities of different regulators and ensuring only one regulator leads on any given issue.

### MARK, 29

Mark is looking forward to better outcomes for the water sector and water customers through smarter regulation.





# INNOVATION

## STRATEGIC PRIORITY #7

Innovative technology and infrastructure

We will develop our knowledge and skills, and exploit these through innovation and technology to improve the environment and support community-led solutions.

### ACTIONS TOWARD 2044

#### Start: 2014

#### Delivery partners

State government, service providers, water users, industry, agriculture, private investors and innovators, research organisations

#### In the next five years, we will:

- create an environment that fosters innovation, encourages Queensland-specific solutions and showcases best practice  
(Action 7.1—Create an industry-led innovation panel)
- remove barriers to innovation  
(Action 7.2—Review water legislation to remove barriers to innovation).

### CHAMPIONING INNOVATION

Innovation will be critical to ensure the water sector and Queensland communities are equipped to manage future population, economic and environmental challenges.

Queensland's significant population growth in the next 30 years will see our urban centres building up rather than out. This shift will drive better understanding and control of water use and improve our reuse of water. The quality and quantity of wastewater entering our sewerage systems will also change. Less will be discharged and its quality will be improved.

The great diversity in Queensland's water sector means there is no 'one size fits all' solution. An industry-led water innovation panel will help the sector find and apply the right technologies and guide appropriate research into the challenges facing the sector during the next 30 years.

Worldwide, many organisations are researching and investing in emerging technologies for water supply and sewage treatment.

## CASE STUDY

### CENTRAL PARK: SYDNEY

Central Park is a large, mixed-use urban renewal project that delivers savings and drought-resistant water supply to 20 000 customers.

Based on the site of a former brewery in Chippendale, water and wastewater services are delivered via a privately designed and conducted local network operated by Central Park Water. Central Park Water is a private utility owned by Flow Systems and is licensed to provide drinking water, recycled water and wastewater services.

The network design emphasises sustainability and features less reliance on drinking water through harvesting, treatment and reuse of wastewater throughout the site. Due to the development footprint, developing the site's independent water and wastewater network was cheaper than connecting to the public utility. Its speed of construction meant quicker land releases and sales.

Customers receive more frequent water billing and more information about their water use. Their bills are lower because the water they use costs less than drinking water from Sydney Water.

### Innovation for service providers

Two technologies are already used that could help service providers stay ahead of maintenance and supply.

The first is smart water grid technology, which combines sensors and software to monitor pressure, flow and noise in underground water mains. It provides real-time monitoring and condition assessment to target growing leaks before water mains break.

The second is fixed transmission main leak detection, which uses acoustic-based technology with GPS and cellular telemetry to monitor pipes. If a leak is detected, the provider is alerted to the size and location of the leak via email, text or through a web-based user interface.

### Innovation for customers

Water and information technologies can combine to create a powerful medium for customers to manage their own water use.

One example is meters that allow real-time water use monitoring for households and businesses. They can let the user know where they use the most water, such as in the laundry or bathroom.

Web-based consumer portals can also provide information on usage and methods to improve efficiency.

### Innovation for water and energy

Innovation can also play a role in providing quality water that maintains community health.

As our urban communities become denser, innovative and water-sensitive design will help shape our cities and towns as well as encourage water efficiency and minimise waste.

An example is Masdar City in Abu Dhabi, which is being built as a sustainable eco-city that accommodates rapid urbanisation while dramatically reducing energy, water and waste. Special facades, passive designs and multifaceted energy and water conservation systems have reduced the energy consumption of buildings by 50 per cent, cooling load by 40 per cent and water consumption by 54 per cent.

Other innovative water solutions being applied worldwide include filtering greywater through a membrane bioreactor before it is used as irrigation water and for micro-irrigation.

### BETH, 12

Beth has grown up with technology. By the time she's moved out of home, she'll be monitoring her water use via regular text updates to her phone.





## Innovation in farming

Advances in technology are helping to combat evaporation losses from water storages. These innovations are proving to be successful not only in reducing evaporation but, in some cases, also generating new energy supplies.

Research in Japan has found soil-less farming can deliver water savings of up to 90 per cent and increase food production by 50 per cent. Soil-less farming uses a biodegradable hydro-membrane that absorbs water and nutrients without leakage. The membrane prevents evaporation and leaching and also stops plants from excessively absorbing water.

## Queensland-driven innovation

Queensland has many research bodies advancing innovation. These include the Cooperative Research Centre for Water Sensitive Cities, Advance Water Management Centre, SmartWater Research Centre, the Australian Water Recycling Centre of Excellence, the International WaterCentre and The University of Queensland's Dow Centre for Sustainable Engineering Innovation. Major water users, including the resources and agriculture sector, are also undertaking research to improve their water use patterns and reduce their environmental impacts.

However, despite the large amount of research being undertaken, there is little coordination between the innovator, end user and investor. An improved regulatory framework will promote innovation in water and sewerage services by fostering more effective collaboration and co-investment. This will enable new ideas, technologies and economic opportunities to emerge across the regions.

## Action 7.1

### Create an industry-led water innovation panel

An industry-led water innovation panel will advise the water sector on emerging technologies and their likely application in Queensland. The expert advice will enable service providers, researchers and implementers to work together on developing and applying Queensland-specific solutions that meet customer needs.

The panel will also be tasked with showcasing best practice, water-sensitive urban design that encourages water efficiency and minimises waste.

The panel will create a skill base in technologies that suits arid and tropical environments. In the future, this specialist knowledge will be used to help other regions and countries address the challenges of climate variability, water security, water quality and sewage disposal.

Sharing lessons and outcomes from these activities will encourage continued innovation. It will promote better planning, support investment in innovation, infrastructure and technology, and increase customer awareness of innovation and its benefits.



## SCOTT, 36

Scott works in the water sector. He knows the sector is committed to innovation, environmental protection and finding better, cheaper, smarter ways to deliver water and sewerage services for our growing communities. He hopes the strategy will provide the building blocks needed to strengthen the sector to achieve these outcomes.

## CASE STUDY

### FITZGIBBON CHASE: BRISBANE NORTH

Fitzgibbon Chase, about 12 km north of the Brisbane CBD, aims to incorporate best practice, water-sensitive urban design principles and maximise water reuse in an urban setting.

When completed, the Fitzgibbon Stormwater Harvesting Project (FiSH) will supply 89 megalitres of treated stormwater a year to around 1200 homes. Diverting stormwater run-off via a channel system, FiSH will filter, disinfect and distribute treated stormwater through a third pipe (dual reticulation). The treated stormwater will only be used for non-potable activities such as watering gardens, flushing toilets, washing cars and cold-water laundry. FiSH is expected to provide around 84 per cent of the precinct's non-potable water needs.

A second aspect to Fitzgibbon Chase is the Potable Roof Water Project (PotaRoo) which, upon completion, will send 44 megalitres of treated roof water as drinking water into the town water network. Roof water will be collected from a number of communal tanks located throughout Fitzgibbon Chase, pumped to a central storage and water treatment plant for treatment and then into the town water network. The water will undergo a high level of treatment to achieve drinking water quality and will be carefully monitored.

## HANS, 31

Hans knows innovation takes more than just good ideas. It also takes removing legislative barriers and encouraging demonstration projects. He's confident the strategy will deliver an environment where innovation can succeed.



### Action 7.2 Review water legislation to remove barriers to innovation

The Queensland Government will review water legislation to remove barriers to innovation and to encourage the use of innovative approaches.

Changing the regulatory focus by implementing performance-based indicators and a benchmark reporting framework is the first step toward an innovation-friendly environment.

Demonstration projects will also assess the effectiveness of innovation in achieving regulatory outcomes. This is particularly relevant where market-based or non-infrastructure solutions might deliver environmental outcomes such as water quality offsets but further scientific, economic and environmental assessment is still needed to support its implementation.

Service providers wanting to trial new technologies and practices will continue to be subject to tailored regulation and will need to closely monitor key risks, including drinking water quality.

Development projects could also include catchment-wide solutions undertaken in partnerships between service providers, the private sector and research agencies. Results from these trials will be shared across the sector.



## CASE STUDY

### MAKING A DIFFERENCE

Remoteness has always driven innovation and collaboration across regional Queensland but increasing financial pressure has made these a necessity.

Tweaking how regional businesses work and think outside the square is resulting in better outcomes for customers, value for money and helping services to recover faster from climatic events.

#### North Burnett Regional Council

An overhaul of the lagoon sewage treatment plant in Biggenden has been undertaken, including rock-filtering wastewater before it is reused on the golf course or discharged into the environment.

This \$100 000, low-technology focused solution has meant construction of a new treatment plant has been deferred indefinitely. This has resulted in significant savings to the council and its customers.

#### Diamantina Shire Council

Water to businesses and homes in Bedourie is supplied by the Great Artesian Basin through free-flowing bores, at a temperature of around 45°C.

Responding to community wishes and to improve general safety, the council constructed cooling ponds that allow the water to travel through a pipe that sits in the pond. The pipe was designed like a toaster heating element, spanning the length of the pond. This innovative low-cost technology results in an 18–20°C decrease in water temperature. The strong water pressure from the bore allows the cooled water to travel to users without the need for additional pumps, reservoirs or heat exchangers. For this project, Diamantina Shire won the 2013 Institute of Public Works Engineering Australasia Queensland Division Excellence Awards—Innovative projects under \$1 million category.

#### Gympie Regional Council

When it comes to recovering quickly from flood events, this council is ahead of the game. The council has optimised its processes and procedures to help minimise service disruptions from floods, including installing removable switchboards at pump stations and developing an effective action plan. This means the time taken to be back online and post-flood recovery costs to the community are significantly lower than in regions where flooding is less common.

#### Carpentaria Shire Council

Normanton and Karumba bores have a high naturally occurring fluoride level, which meant this water source could not be used for drinking water purposes without significant filtration costs. To guarantee water security for the township and to meet legislative requirements for fluoridation, this bore water has been ‘shandied’ with surface water. This has meant potential improvements to oral health and increased water security.

#### Cairns Regional Council

A new system of bag filters is being trialled to manage cryptosporidium and giardia. Installed at the river intake, these filters help remove the organisms from the raw water. The new system, together with UV and chlorine disinfection, forms part of the council’s multiple barrier treatment process. While in its early days, monitoring has shown water supplied to homes, businesses and industries through the reticulation network has been free from these organisms. The system is showing early signs of promise as a technology that is cost-effective and fit for purpose.



# ALIGNING WITH THE QUEENSLAND PLAN

*The Queensland Plan* will serve as a valuable compass for the state's future development.

More than 78 000 Queenslanders contributed their ideas to *The Queensland Plan*, which will establish a shared, long-term vision for Queensland to have the best opportunities, the brightest minds and a prosperous and resilient economy.



## WaterQ: a 30-year strategy for Queensland's water sector

Strategic priority 1: Customer empowerment and community education  
Strategic priority 2: Equity and affordability

Strategic priority 4: Responsible and productive water management  
Strategic priority 5: Skilled and sustainable water sector

Strategic priority 3: Efficient and productive use of water  
Strategic priority 4: Responsible and productive water management  
Strategic priority 5: Skilled and sustainable water sector

Strategic priority 3: Efficient and productive use of water  
Strategic priority 4: Responsible and productive water management

Strategic priority 3: Efficient and productive use of water  
Strategic priority 4: Responsible and productive water management  
Strategic priority 7: Innovative technology and infrastructure

Strategic priority 6: Smart regulation and attracting private sector investment  
Strategic priority 7: Innovative technology and infrastructure



Strategic actions	Queensland in 30 years' time
<ul style="list-style-type: none"> <li>1.1 Innovative tariff structures</li> <li>1.2 Customer water plans</li> <li>1.3 Engagement and information</li> <li>2.2 Customer service standards</li> <li>2.3 Water concessions</li> <li>2.4 Dispute resolution</li> </ul>	<ul style="list-style-type: none"> <li>• Customers have a greater say and more product choice</li> <li>• Greater community and stakeholder engagement in local decision-making</li> </ul>
<ul style="list-style-type: none"> <li>4.1 Transforming the water business</li> <li>4.2 Regional water supply security assessments</li> <li>4.3 Catchment management partnership program</li> <li>5.1 Extend QWRAP to build regional collaboration</li> <li>5.2 Promote and support service provider-led regional capital advisory boards</li> </ul>	<ul style="list-style-type: none"> <li>• Water is available when and where it is needed and at the right quality</li> <li>• Greater preparedness for drought and floods</li> </ul>
<ul style="list-style-type: none"> <li>3.1 Rural Water Use Efficiency for Irrigation Futures program</li> <li>4.1 Transforming the water business</li> <li>4.2 Regional water supply security assessments</li> <li>5.3 Create competency-based frameworks</li> <li>5.4 Develop business skills program to support service providers</li> </ul>	<ul style="list-style-type: none"> <li>• Investment in innovative technology and people</li> <li>• Reliable water and sewerage services delivered across Queensland</li> </ul>
<ul style="list-style-type: none"> <li>3.2 Promote benefits of combined energy and water efficiency</li> <li>3.3 Showcase best practice</li> <li>4.3 Catchment management partnership program</li> </ul>	<ul style="list-style-type: none"> <li>• A natural environment that is valued</li> </ul>
<ul style="list-style-type: none"> <li>2.1 Investigate tenant billing</li> <li>3.2 Promote benefits of combined energy and water efficiency</li> <li>4.2 Regional water supply security assessments</li> <li>7.1 Create an industry-led water innovation panel</li> </ul>	<ul style="list-style-type: none"> <li>• Better planning for water supply and demand</li> </ul>
<ul style="list-style-type: none"> <li>6.1 Develop key performance-based indicator reporting and benchmark framework</li> <li>6.2 Streamline recycled water regulation</li> <li>6.3 Review regulations to support catchment-based, total water cycle solutions</li> <li>7.2 Review water legislation to remove barriers to innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Decision-making at a local level</li> <li>• Outcome-based regulation</li> <li>• Continuous improvement for service delivery</li> </ul>







Tabled Paper No. 2

Date: 17/7/14

Member: Minister McArdle

Tabled

Tabled, by leave ✓

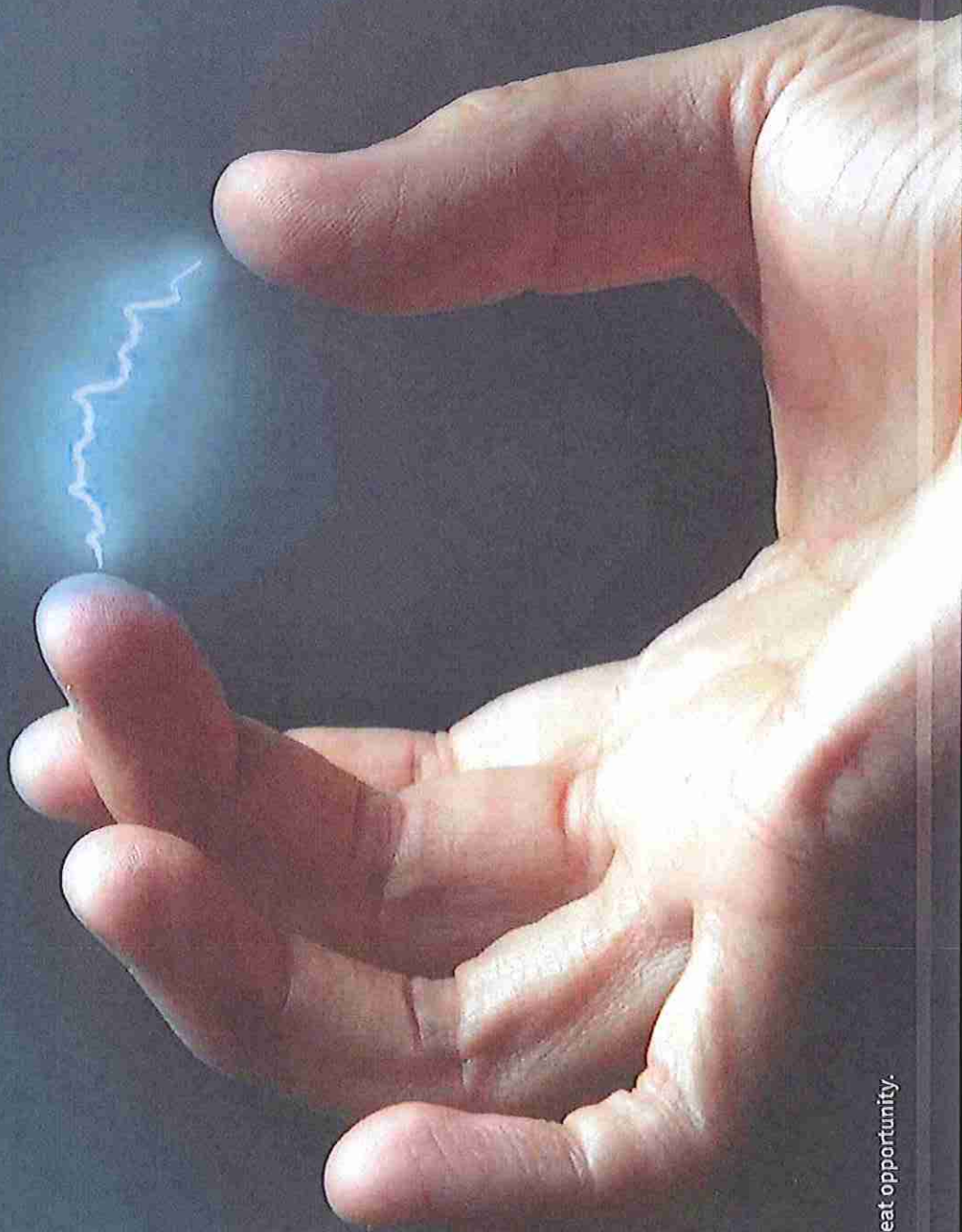
Meeting: SDIIC Estimates Hearing

Clerk at the Table: ap.

Department of Energy and Water Supply

# POWERQ:

a 30-year strategy for  
Queensland's electricity sector



Great state. Great opportunity.



### QUEENSLAND'S VISION

We will have an electricity supply system that is *resilient, cost-effective* and *consumer-focused* to support the economic and lifestyle aspirations of all Queenslanders.

### NICK, 25

Nick is an electrical engineer for one of Queensland's electricity providers. He thinks big benefits will come from the changes ahead for his sector.



# FOREWORD

*The Queensland Plan* sets out a shared vision for our state: a place that is vibrant and prosperous with the right catalysts to drive our economy, regions and communities. *PowerQ: a 30-year strategy for Queensland's electricity sector* will help to achieve this vision by establishing a resilient, cost-effective and consumer-focused electricity supply.



Hon Campbell Newman MP  
Premier of Queensland

While Queensland was well served by electricity supply infrastructure built by previous generations, in 2004 it was so run-down our state experienced an electricity supply crisis. The decade of unsustainable electricity price increases that has followed—linked to past planning failures, reckless spending and political intervention in the energy market—reflect today's increasingly higher cost of supply, including very big debts that need to be paid and unnecessarily high operating costs. Indeed, Queensland's recent experience shows that a failure to properly plan for, manage and invest in our future electricity supply will result in unacceptable quality-of-life stress and reduced affordability for future residents and businesses.

Given the critical role power plays in growing a four-pillar economy of tourism, agriculture, resources and construction, we simply cannot afford to repeat past policy, planning and investment failures in the design of Queensland's future electricity sector. Consumers, the market and government all have important roles to play in putting downward pressure on future electricity prices.

Because the government cannot do it alone, *PowerQ* establishes a clear vision for Queensland's electricity sector and influences its future direction through a series of goals and actions. Developed in consultation with Queenslanders and other industry experts, this long-term plan proposes a high-level, long-term framework that defines the role of consumers, market and government, and is responsive to the changes that lie ahead.

*PowerQ* is one of several sector-specific strategies that will help deliver the government's vision for Queensland, including:

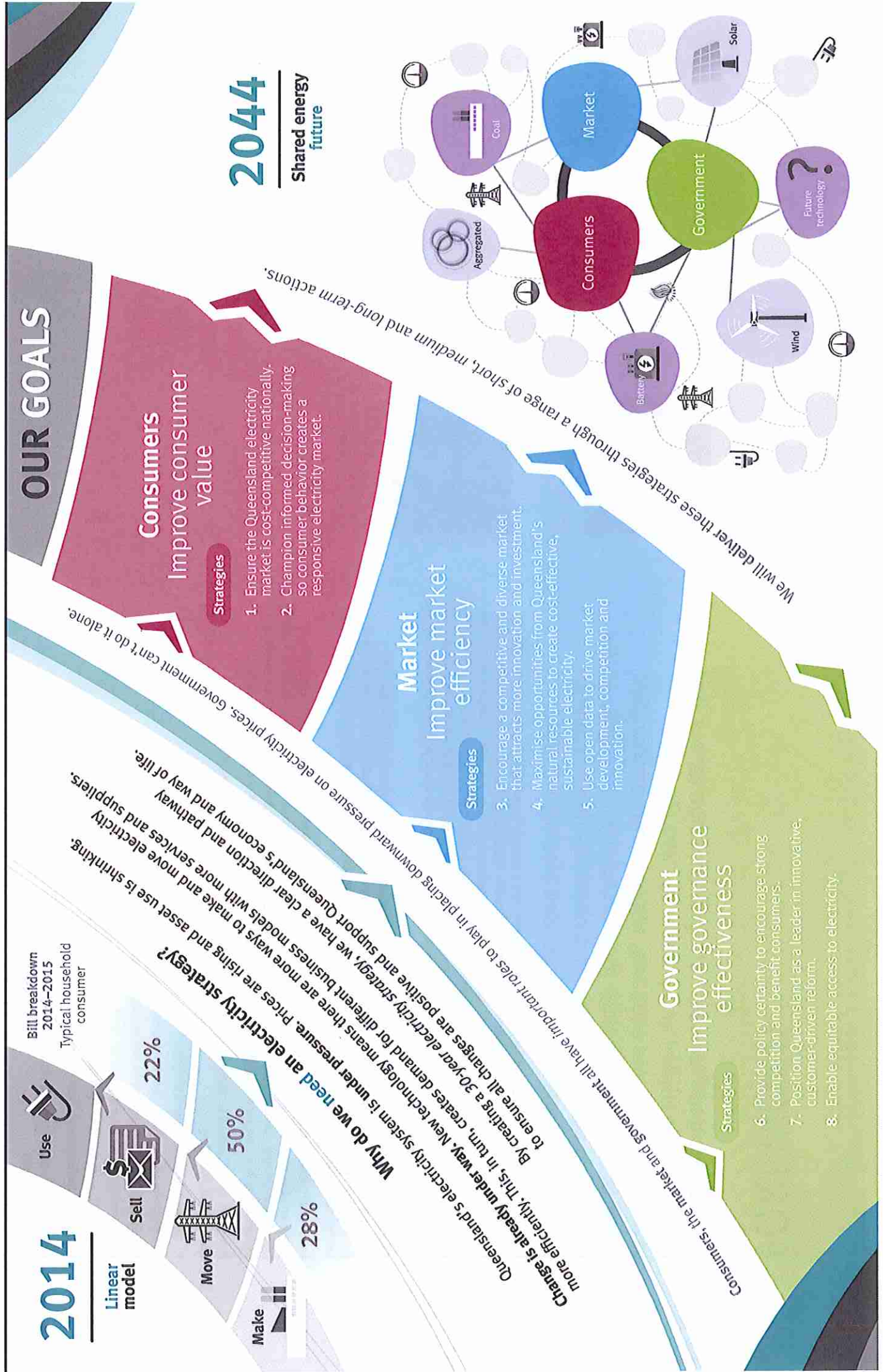
- *Queensland's agriculture strategy*
- *DestinationQ*, a 20-year plan for tourism
- *ResourcesQ*, a 30-year plan for the resources sector
- *Governing for growth economic strategy*
- *WaterQ*, a 30-year strategy for Queensland's water sector
- *Science and innovation action plan*.

Together, these strategies will ensure our future actions align with the priorities and values identified by Queenslanders.



Hon Mark McArdle MP  
Minister for Energy  
and Water Supply

# 30-year electricity strategy at a glance





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## EVERYDAY QUEENSLANDERS

Every Queenslanders uses electricity. Throughout this report you'll meet just some of them. Some work in the field of electricity and all have lives that will be impacted by the changed future this strategy pursues. Enjoy their stories.

This publication has been compiled by the Department of Energy and Water Supply.  
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# INTRODUCTION

Change has always driven the electricity sector. Population and policy changes are just two of the many factors that have influenced the sector in the past 30 years.

However, the pace of change now facing the sector is unprecedented. We know the electricity sector is on the cusp of significant change as the way Queenslanders make, move, sell and use electricity shifts. Our state's future prosperity relies heavily on the traditionally slow-moving electricity sector being able to rapidly transform and respond.

The early effects of these changes have already been felt in Queensland. Increased environmental costs, falling demand and growing infrastructure costs contributed to price hikes over the past decade, with the average household electricity bill more than doubling during that time. In 2013, to stabilise the market, the Queensland Government introduced a significant number of urgent short-term electricity reforms to:

- Stop building unnecessary infrastructure and improve the efficiency of network businesses.
- Maximise the benefits of competition while protecting consumers.
- Develop a more effective role for government.

**PowerQ** uses these important reforms as its foundation for the future.

Queensland presents unique opportunities and challenges. We have the advantage of rich natural resources but distinct challenges because our small population is spread over vast distances. Retail competition is continuing to develop in the south-east corner of the state but is limited in regional areas.

Recognising Queensland's unique situation, we talked to consumers, community members and a wide range of industry stakeholders about the challenges we face and the changes they'd like to see happen. Through extensive community consultation around our directions and discussion papers, the goals and actions in this strategy became clear.

By leading and guiding the electricity sector through the changes that are ahead, this strategy will ensure decisions and actions are proactive, timely and focused squarely on consumer needs. Using the short-term reforms as its foundation, this strategy looks forward to a future when consumer value, an efficient market and effective government are hallmarks of our electricity supply system.

## JIM, 67

Jim's a pensioner on a fixed income and sometimes finds it hard to make ends meet. He wants to be sure he'll continue to have support in meeting his costs and accessing essential electricity services as the market changes.



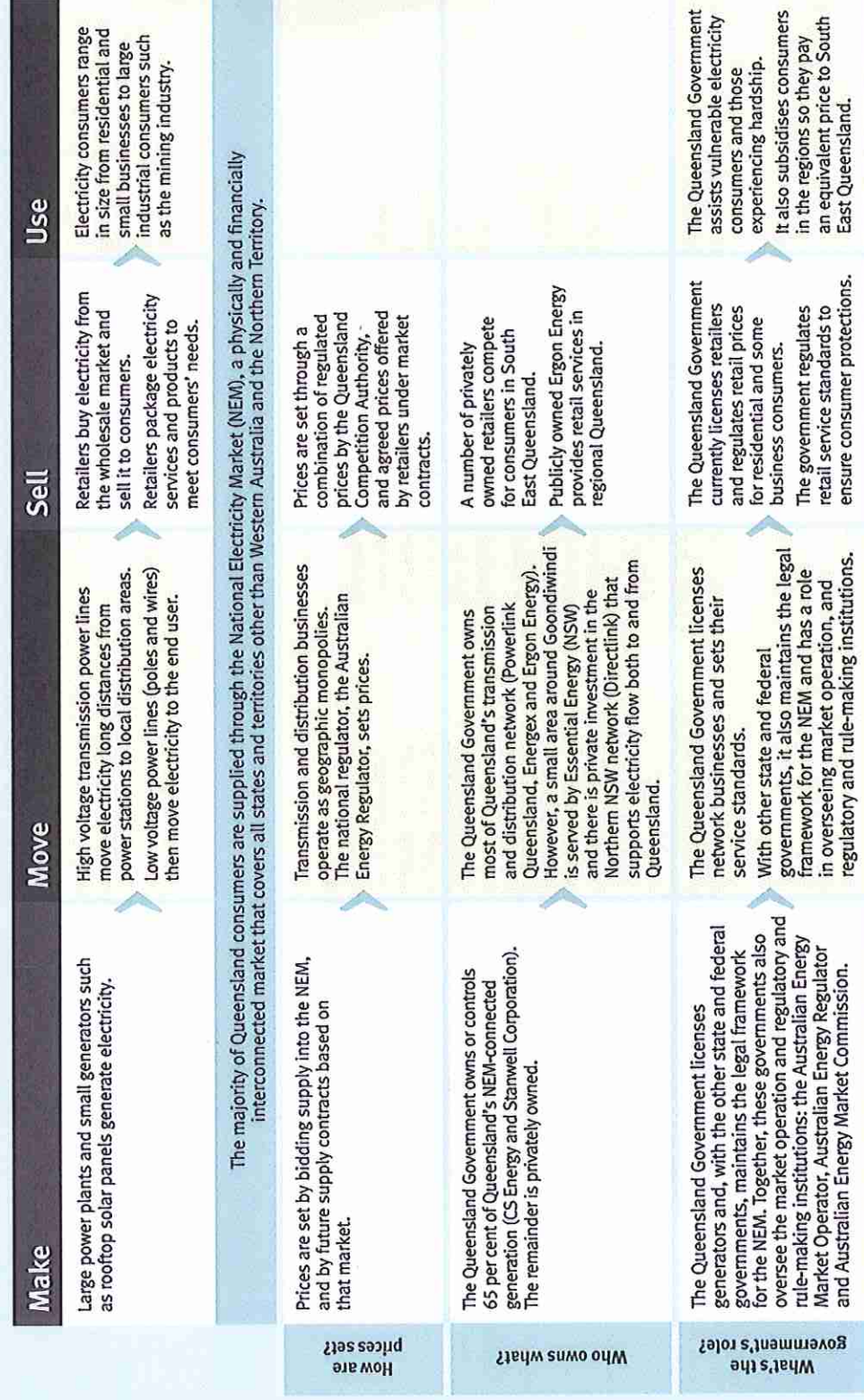


# UNIQUELY QUEENSLAND

*There is no place like Queensland*

Queensland has unique opportunities, resources and challenges. This strategy has been purpose-built to reflect these.

## HOW OUR ELECTRICITY SYSTEM WORKS



## A CHANGING SUPPLY CHAIN

Queensland is fortunate to have secure and reliable electricity infrastructure. A nationally interconnected wholesale market, which trades electricity across multiple geographic zones, provides additional flexibility and security.

Until recently, Queensland has used a traditional, linear electricity system. Historically, it has served us well. However, it cannot adapt to the changes that lie ahead. For example, technological and economic shifts in the future could decentralise decision-making and allow consumers to become electricity generators, sellers, storers and users. New types of service providers such as demand aggregators and micro-grids will enter the market as a result.

## DIVERSITY SUPPORTS RESILIENCE

Fuel diversity is an important part of creating resilient electricity systems. Queensland could improve the way it uses its natural resources to develop greater diversity, according to the University of Queensland's Global Change Institute.

Local energy resources in the state include coal, gas, solar and wind. In the long term, this diversity provides an opportunity for market-based investments to build Queensland's electricity system resilience, contribute to the National Electricity Market and provide the state with a genuine competitive advantage.

## QUEENSLAND'S WEALTH RELIES ON ELECTRICITY

Queensland is Australia's third largest economy after New South Wales and Victoria but uses more electricity than these states to produce its wealth and lifestyle.

Electricity-intensive industries such as mining, agriculture and manufacturing are expected to remain important parts of Queensland's economy for decades to come. These industries must have access to competitively priced electricity to develop and grow the state's economy.

## KRISTEN, 33

Kristen has been worried about the cost of electricity for a few years now. She plans on enjoying retirement by 2044 and hopes this strategy will ensure more affordable power, leaving more money for her retirement—especially travel.



**LINDA, 53**

Linda's looking for a better deal on electricity but doesn't know where to start with suppliers. It's important to her to have easy comparison tools she can trust so she can see all the different products and choose the best one for her.



"Queensland should embrace the opportunities and economic benefits of renewable energy in rural and off-grid locations." *Clean Energy Council*

"Coal will remain an important part of the generation mix." *Rio Tinto*

# UNIQUE OPPORTUNITIES

Queensland has an abundance of natural resources presently used to generate electricity in Australia and abroad, including black coal and gas. It also has solar resources and some potential geothermal, wind and uranium resources. By leveraging off these, Queensland's electricity sector can position itself to take advantage of, and better meet, changing global and local energy needs.

## COAL

- Black coal provided three-quarters of Queensland's electricity needs in 2012.
- Black coal produces cheap, reliable base load supply but emits higher levels of greenhouse gases.
- Queensland has 62 per cent of Australia's black coal reserves, the largest of any state.

## GAS

- Gas provided about 20 per cent of our state's electricity needs in 2012.
- Gas-fired generators can quickly increase and decrease output, making them very responsive to fluctuations in demand.
- Queensland has 95 per cent of the east coast's coal seam gas reserves and a liquefied natural gas (LNG) industry preparing to export. Gas prices will rise and fall in line with international markets.

## SUN

- More than 322 000 Queenslanders have small-scale rooftop solar systems, equalling about 30 per cent of Australia's solar capacity. These have a generating capacity of more than 1GW of solar electricity, equal to a large power station.
- Rooftop solar systems in South East Queensland export enough energy to meet 11 per cent of daily residential needs, but historical subsidy arrangements have contributed to cost pressures.
- Queensland's abundant resources and existing base of users position the state well for future solar growth in both small and large-scale systems.

## GEO THERMAL

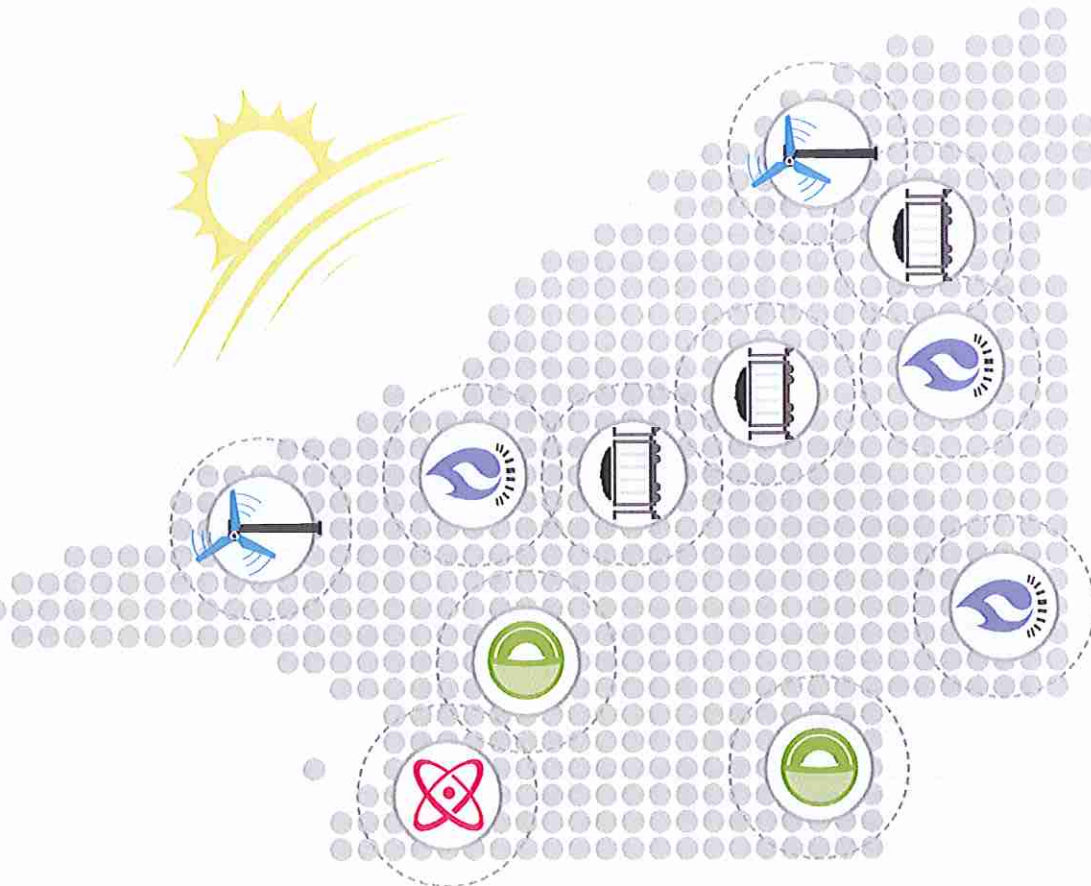
- Despite their remote location, Queensland has highly prospective geothermal resources which may provide good sources of energy in the future.

## WIND

- While Queensland's wind energy resources are not as large as those in other states, there is good potential in some areas.

## URANIUM

- The Queensland Government has ended the prohibition on uranium mining, enabling more jobs through the opportunity to mine and export uranium to countries that use nuclear power.
- While the local use of nuclear energy is still prohibited, understanding its potential and developing our resources will give us long-term flexibility in meeting global energy needs.





# UNIQUE SIZE

## INFRASTRUCTURE AND POPULATION SPREAD

There are 4.6 million Queenslanders, and our numbers are growing fast. Between 2010 and 2013, Queensland's population grew by almost 100 000, making it the second-fastest growing state behind Western Australia.

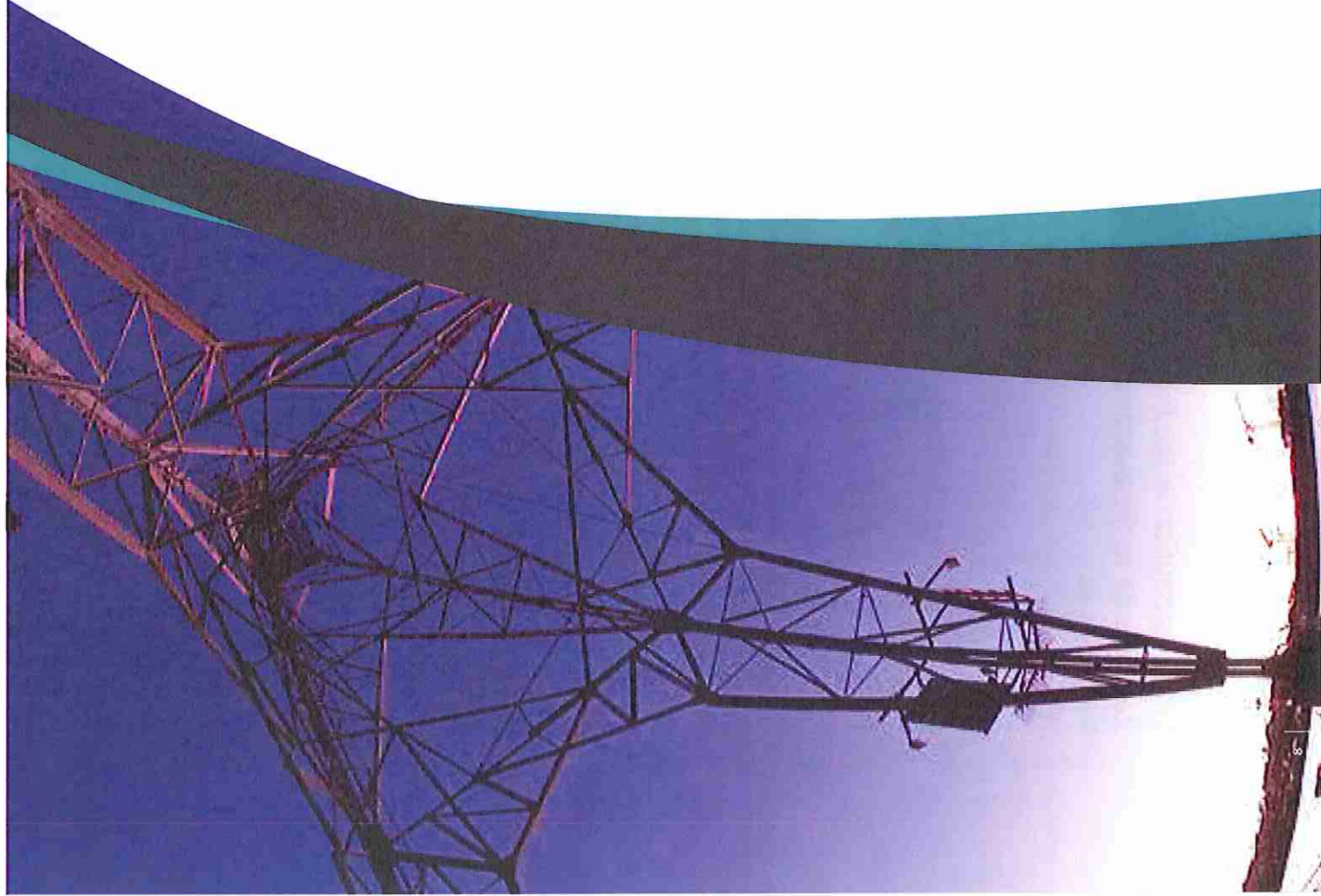
The population is small compared to its land size. In June 2010, Queensland's population density was 2.6 people per square kilometre, with less than one person per square kilometre in 92 per cent of the state.

Queensland's low-density population spread over large distances means its electricity sector requires a vast network of power lines and poles to transport electricity to its consumers. It is expensive to service the most remote areas of our state through the traditional grid approach of poles and wires. Independent regional grids serve the Mt Isa region, while 34 small communities in remote areas have isolated generators and localised distribution networks.

The state's extensive transmission and distribution network is valued at more than \$29.2 billion, or 35 per cent of the network value in the National Electricity Market. This valuable infrastructure is severely underused.

Critical peak demand occurs only a few times a year, usually when the weather is extremely hot. Extra infrastructure costing millions of dollars must be built to cater for these peak demand times. Unfortunately, this infrastructure remains unused for the rest of the year. Energex estimates 16 per cent of its network has been built to service a demand that only occurs for the equivalent of three days a year.

Queensland has significant opportunities to reduce its infrastructure costs without losing service quality. These include balancing out use of the system by shifting the load away from peak times and introducing innovations in embedded generation for remote and isolated communities.



"Any competition in the industry in Far North Queensland can only be to the customer's advantage."

*Regional resident*

The power lines that make up the state's electricity network are more than 205 000km long—enough to wrap around the earth five times.

#### WHAT YOU TOLD US... ABOUT ELECTRICITY INFRASTRUCTURE

The cost of maintaining the distribution networks (poles and wires) was identified as a contributor to rising electricity prices. Stakeholders also told us that greater responsiveness was needed from these networks to enable timely and competitive investment, particularly in major projects.

Stakeholders also raised concerns about who bears the risk of over-investment in network infrastructure, including the impact on consumers' bills.

Finally, the monopoly business model—which protects network business owners from the risk that assets built now won't be needed in the future—may need to change. This will reflect the competition that these businesses now face. New technologies are emerging that will have the potential to challenge monopolies in the future.

#### WHAT YOU TOLD US... ABOUT REGIONALISATION

Stakeholder interest in regional issues was high, including the importance of electricity for regional economic development and the challenges and opportunities in providing electricity to these communities. Many highlighted the potential for new technologies and models to help meet regional consumers' needs over time without high capital expenditure.

#### KAMALAYAN, 58

Kamalayan remembers many times over the past 30 years when electricity supply was uncertain, particularly the blackouts and brownouts of 2004.

He's counting on this strategy to ensure that, regardless of Queensland's growth, we'll never have to experience those times again.



# UNIQUE STATE, SIMILAR PRESSURES

The Queensland system is under pressure from many competing issues. While many of these can be found in other states, combined they create a set of circumstances unique to Queensland.

## PRICE SHOCKS

Prices have more than doubled for the average consumer in the past decade. Two factors were major contributors.

First, in response to significant supply failures in 2004, very large investments in network infrastructure have delivered more reliable electricity during infrequent periods of high peak demand. This has caused network costs to more than double since 2007–2008. However, demand growth has slowed, and the gap between peak and average demand means this infrastructure has excess capacity.

The second factor influencing price rises is the number and cost of environmental schemes. Scheme costs have risen 1 200 per cent since 2007–2008. These include the Renewable Energy Target, the carbon tax, and subsidies paid under the Solar Bonus Scheme. All of these have contributed to higher electricity prices.

### WHAT YOU TOLD US... ABOUT ELECTRICITY PRICES

Price rises are a concern for all consumers: residential, commercial and industrial alike.

Whether the cost of electricity affected the household budget or the profitability of a business, consumers wanted the 30-year strategy to look into ways to make electricity affordable and prices more stable.

"We cannot afford higher prices."

*South East Queensland resident*

## MOLLIE, 7

Mollie's pretty sensible for a girl her age. She loves to do her bit and is great at turning lights off when she leaves her room. At age 37, she'll be managing a whole house but will probably have devices that turn the lights out for her.



## CONSUMERS ARE STRUGGLING

Queensland has a high rate of residential consumer disconnection as a result of unpaid bills. The number of participants in electricity retailer hardship programs in Queensland has increased by more than 33 per cent from September 2010 to June 2013.

The rising cost of electricity also places additional strain on commercial and industrial consumers. This limits their opportunity to expand into new markets. Commercial and industrial use accounts for around 80 per cent of total electricity use in Queensland. These businesses must have access to competitively priced electricity to grow Queensland's economy.

Industries trading globally are unable to pass on the higher electricity cost. In particular, agricultural users and the mining and resources industry have identified rising electricity prices as a major challenge. These industries already face significant pressure from international competitors, many of whom have lower labour costs and favourable exchange rates. Many of these electricity-intensive industries are concentrated in regions such as central Queensland and Townsville.

## WHAT YOU TOLD US... ABOUT CONSUMERS

All electricity stakeholders believed effective consumer engagement was fundamental to the success of any reforms. All electricity consumers, from households to very large business users, said they faced increasing cost pressures and were seeking options to reduce these.

"Keep comparisons simple  
i.e. compare apples with apples."

*South East Queensland resident*

## TARIFF AND PRICING STRUCTURES

Today, most consumers pay the same rate for using electricity regardless of when they use it or how much demand they are placing on the system. But major and rapid changes in electricity use mean this 'one size fits all' approach no longer suits.

Increased use of energy-intensive appliances such as air conditioners has placed additional demand on the network, requiring significant investment in infrastructure to provide reliable power at peak times. All consumers pay for this infrastructure through higher prices, while much of it is under-used most of the time.

Aided by generous, long-lived subsidies, consumers have responded to price rises by seeking alternative electricity sources such as rooftop solar to reduce their bills. However, this has also had some broader consequences. The cost of early solar subsidies is well above market value for the energy produced and is passed on to all electricity consumers, causing further price hikes.

Solar is also having the opposite effect of air conditioning by reducing demand (but not peak demand) in the electricity network. This means there is a smaller volume of electricity sales across fewer consumers. Prices must increase to recover the cost of infrastructure investments.

Unless some adjustments are made, we risk a spiral of higher prices falling hardest on consumers who cannot afford or access air conditioning or rooftop solar. In extreme cases, this could result in some existing assets no longer being needed.

As more consumers take up these and other technologies that change the way they use the system, it will be important for these developments to be integrated into the system in a way that offers value and is fair to all users.

## MULTI-LAYERED AND PROBLEMATIC REGULATION

There are many regulations affecting the Queensland electricity sector. Some extend across the entire National Electricity Market while others only apply in Queensland. National and state-based policies have not always been aligned and can add complexity and cost to the system.

Climate change policy has often been multi-jurisdictional and subject to regular and significant change, which contributes to the uncertainty of the investment environment.

Policy certainty and effective regulation can reduce complexity, improve the investment environment and reduce costs.



## CASE STUDY

### CONSTRAINING ELECTRICITY PRICES DELIVERS STRONG BENEFITS IF WE DO IT RIGHT

In developing the 30-year electricity strategy, we studied economic models that compared a baseline electricity price-rise with scenarios in which prices were held 1 per cent lower per year through either a subsidy or productivity gains in the electricity supply chain.

#### The results were very clear.

The subsidies necessary would cost more than \$10 billion per year by 2044–2045. However, they would make very little difference to economic growth. While they would allow electricity-reliant industries to expand faster, this would draw resources from other sectors and would not change overall economic growth.

Productivity improvements in the electricity supply chain were a different story. These offered significant long-term financial benefits to Queensland—another 1 per cent increase in gross state product and \$1.8 billion of consumption (in 2014–2015 dollars) across the state.

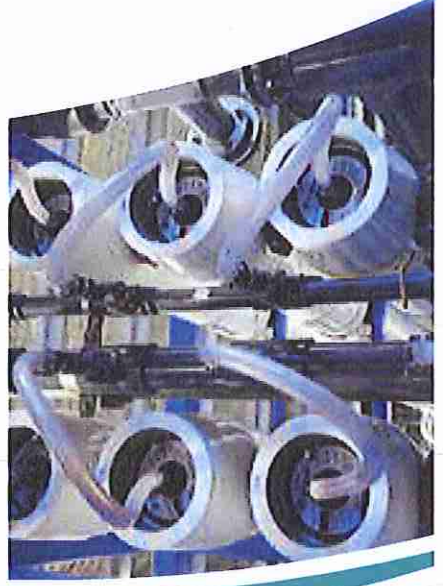
These types of improvements would provide enduring benefits to all electricity users and our energy-intensive economy.

### WHAT THIS MEANS FOR QUEENSLAND

PowerQ will encourage a prosperous, diversified state through cost-competitive electricity supply that meets consumers' different needs. One of the key actions to deliver this strategy will be to examine how productivity improvements can best be delivered, including which parts of the supply chain could deliver the greater efficiency gains and how this could be achieved.

## PRODUCTIVITY MATTERS

Productivity in the electricity sector is declining. That is, we are using our infrastructure less efficiently than we did and prices are going up.



## WHAT YOU TOLD US... ABOUT GOVERNMENT'S ROLE

Respondents believed the 30-year electricity strategy should support the state's wider vision and goals for the future. Where possible, they believed Queensland's approach to electricity should capitalise on the state's strengths.

Many respondents noted the government plays several roles in the electricity sector, from owner and shareholder to regulator and policy-maker. Respondents believed that a successful strategy should clearly explain the future role of the government in the sector.

Stakeholders called for more effective nationwide collaboration to address industry challenges and to help Queensland succeed in the national market. Specifically, industry participants believe there is a need for consistent policy and a framework that better aligns with and, where possible, harmonises regulations to benefit both the market and consumers.

Stakeholders were also seeking a more responsive policy framework that could act on challenges and address change.

"There is a role for government where there is market failure. Otherwise, it is important to establish stable, clear and transparent policy outcomes and a framework that allows business to respond."

*Energy Users Association of Australia*

## GRAHAM, 52

Graham likes to plan for the future and knows today's easy option is not always the right decision over the long term. He expects decisions in the electricity sector will be made with a long-term, strategic view so he can be confident in the choices he makes for his family and business.



## REBECCA, 30

Rebecca runs her own small business, which means she juggles lots of tasks. She manages everything—cashflow, business development, employees—so she's keen on more affordable electricity bills making at least one of these jobs easier.

## CASE STUDY

### TELECOMMUNICATIONS OFFERS A GLIMPSE OF THE TRANSFORMATION FACING ELECTRICITY

Thirty years ago, almost every home in Queensland had a landline phone that was connected, supplied and serviced by a monopoly telephone company. We all received a similar service for a similar price.

Today, the telecommunications industry is radically different as a result of competition and major technological change. These have transformed the traditional supply chain, business model and end product.

There are now more mobile phones in Australia than people. The landline infrastructure is used to transmit data as well as voice calls (only 16 per cent of us cited fixed line voice calls as our most used communications service) and there is a product or service to cater for every lifestyle. These range from 'unlimited' mobile-internet-home-data bundles, to commitment-free 'pay as you go' SIM-card-only products.

The traditional landline network remains an important piece of infrastructure. But it now competes with mobile and Wi-Fi infrastructure to deliver consumers their voice calls, internet access, apps and other forms of content. This has changed the valuation and market performance of telecommunications companies and assets.

Consumers have demonstrated an ability and willingness to change telecommunications suppliers. Strong consumer appetite for the latest, smartest and fastest devices drives the industry to continually offer innovative products to retain their existing consumers and attract new ones.

Indeed, competition and consumer satisfaction informally regulate the telecommunications industry to some extent. The industry also submits to a voluntary Telecommunications Consumer Protection Code with the government retaining 'backstop' powers where it finds the market has failed to adequately protect consumers.

The telecommunications industry has transcended its traditional function to become an essential stepping stone to products and services that interact and augment every part of consumers' lives.

Technology, changing consumer needs and competition all have the potential to reshape the electricity supply chain and business models in a similar way. The key question is: how will the electricity market respond?

# UNIQUE FUTURE

Queensland's electricity sector will be shaped by significant, permanent changes in the next 30 years.

## EMISSIONS REDUCTION ACTION

Global and national action on carbon emissions will have major impacts on the sector, including:

- costs of producing and consuming electricity
- relative competitiveness of different sources of electricity
- stimulating demand for new technology.

We don't yet know what actions will be required. This means the electricity sector needs to be adaptive and responsive.

"The energy market is constantly evolving, and a more innovative and commercially viable business model that takes a more holistic view of the whole customer value chain is required." <sup>ENERGEX</sup>

## DEMAND GROWTH

Global and national economic changes, patterns of use and population growth all affect electricity demand. These factors, including in regional communities and among different electricity users, will determine future demand.

## BUSINESS MODEL DISRUPTION

In the near future, technologies such as rooftop solar, small-scale wind generators and fuel cells will support increasing consumer independence from the grid. These consumers may look to the network and retailers for back-up electricity and to sell their own electricity production to the market. Electric vehicles offer a potential new market for electricity but also risk increasing the inefficiency of the grid if they're not well integrated into the system.

The traditional business model will be altered. New types of providers such as demand aggregators, energy management and global data companies will create new ways to produce and use electricity.

## NEW LARGE-SCALE GENERATION ALTERNATIVES

At present, new large-scale technologies that use Queensland's natural resources—including solar thermal, carbon capture and storage, and geothermal technologies—are limited in terms of cost or technology.

A lack of fuel diversity could leave Queensland exposed to market fluctuations and less able to respond unless cost-effective, new generation alternatives are introduced to promote the effective use of the state's range of energy resources.

## WHAT YOU TOLD US... ABOUT THE FUTURE

Electricity stakeholders anticipate a number of economic, technology and demand-driven mega-shifts will force the sector to change.

They believe *PowerQ* is an essential step to deal with the challenges these shifts will bring.



Queensland is looking for ways to balance its dual goals of sustaining its economic prosperity and preserving its natural environment.

Around the world, environmental challenges will change the way economies conduct business.

An electricity sector that responds to these challenges in a way that is cost-efficient and avoids disruption to reliability will benefit Queensland.

## BEN, 27

Ben installed solar panels on his house two years ago and his family's electricity bills have dropped substantially as a result. Thanks to this small win, he's now watching with interest for other products, such as battery storage, that can help him control his electricity needs.

## INCREASED INVESTMENT

While right now there is more generation capacity than consumers require, this is unlikely to always be the case. Eventually, demand could require new capacity to be built, while older generation assets will need to be replaced.

The market will need to attract investment while dealing with future financial, policy, fuel, technology and demand-based challenges.

## ECONOMIC IMPACTS

The electricity sector plays an important role in delivering infrastructure that supports economic development by:

- continuing to provide high quality electricity services that are essential for economic activity
- ensuring those services are competitively and efficiently priced.

This requires long-term thinking about the need for new infrastructure and how it can be delivered, as well as better use and operation of existing infrastructure.

## CONSUMER ACTION

More data and clearer prices means consumers can become active participants, producing, storing and trading electricity as well as using it.

Meanwhile, increased consumer choice will create more complex purchase decisions, and some consumers may risk being left behind unless they are unable to overcome barriers.

## WHAT YOU TOLD US... ABOUT RENEWABLE ENERGY

Some residential consumers and environmental groups strongly supported investment in renewable energy. While industry stakeholders agreed, they generally favoured a market-driven transition to new technology over direct subsidies that 'pick winners'.

Stakeholders also identified the need to pursue renewable energy in a way that balances costs and allows the market to develop innovative, competitive alternative energy solutions. There were also concerns about schemes that encouraged additional supply (and cost) into a generation market that is suffering the impact of reduced consumer demand.

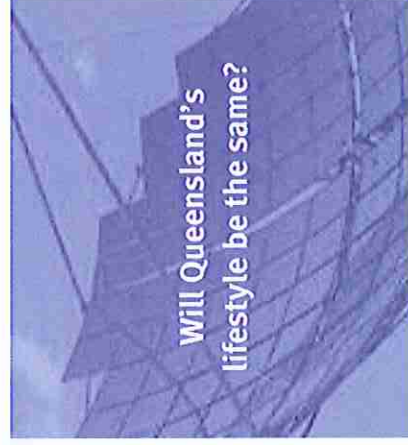
## HOW WILL QUEENSLAND'S ELECTRICITY SECTOR CHANGE?

We don't know exactly what the future will hold but we do know that a number of factors will shape the electricity sector. Technology, government policy, demand and price pressures will all lead to significant and continual changes.

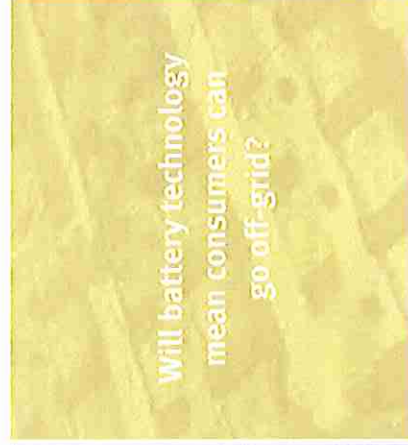
Through *PowerQ*, we are creating a policy and regulatory framework that is ready to respond to the changes that lie ahead and will benefit everyone.

*Powering Queensland's future: the discussion paper for the 30-year electricity strategy* explored scenarios of what the future could look like. To read more, go to [www.dews.qld.gov.au](http://www.dews.qld.gov.au).

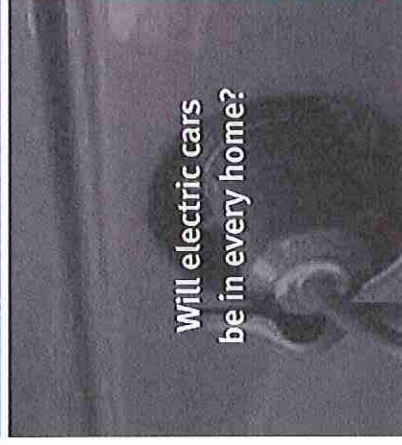
## UNIQUE FUTURE



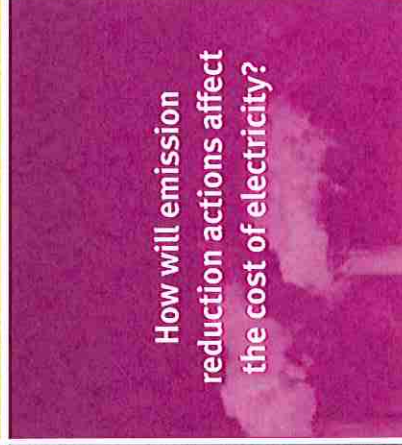
Will Queensland's lifestyle be the same?



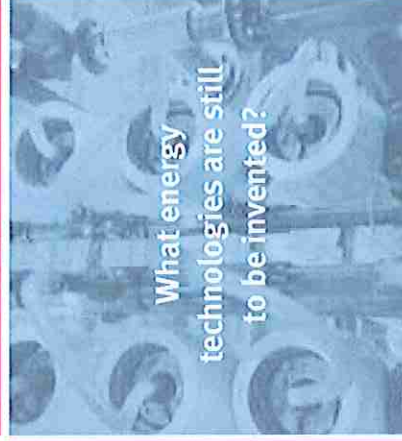
Will battery technology mean consumers can go off-grid?



Will electric cars be in every home?



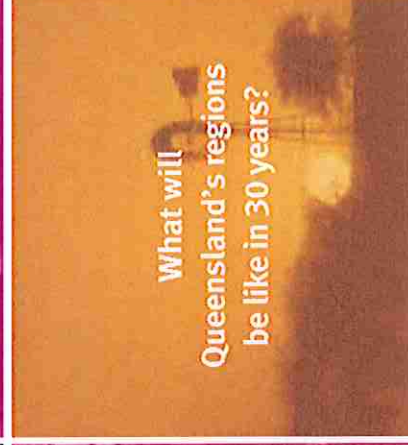
How will emission reduction actions affect the cost of electricity?



What energy technologies are still to be invented?



How much competition is enough?



What will Queensland's regions be like in 30 years?



What's the future role of consumers, market and government?



# DEVELOPING THE STRATEGY

*PowerQ: 30-year strategy for Queensland's electricity sector* reflects the valuable contributions made by community members and industry stakeholders.

To develop the strategy, the Queensland Government wanted to understand the needs and wants of all energy consumers in the context of the state's unique strengths and characteristics. Its research identified how the present supply system would need to change in order to become more consumer-focused, cost-effective and resilient.

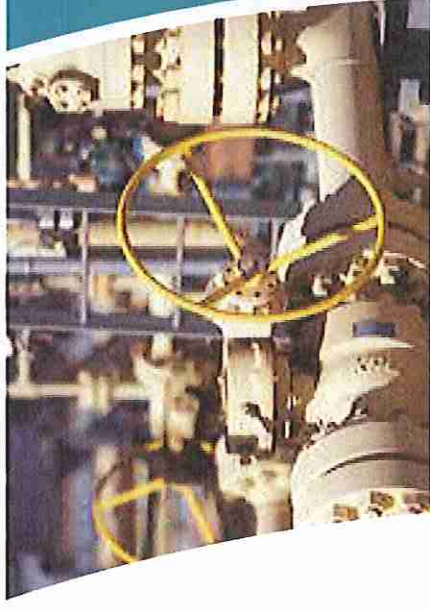
In December 2012, the government published a directions paper that defined the challenges ahead and set the foundation for developing a long-term strategy. Community and industry feedback was sought.

Then, in late 2013, the Queensland Government began its second stage of consultation via a discussion paper. *Powering Queensland's future: the discussion paper for the 30-year electricity strategy* sought feedback on the government's short-term reform agenda as well as the long-term challenges facing the sector.

Electricity industry representatives and members of the broader community were all encouraged to share their ideas for the future through written submissions and by participating in workshops, meetings and online surveys.

In total, more than 220 written submissions and 1300 survey responses were received from a range of stakeholders. These included generation and network businesses, retailers, unions, industry advocacy organisations, universities, and residential and business consumers. Their views have been invaluable in developing *PowerQ*.

To view submissions and past papers, go to: [www.dews.qld.gov.au](http://www.dews.qld.gov.au).



## STRATEGY PATHWAY

Directions paper > Feedback > Analysis > Discussion paper > Consultation > Feedback > Analysis > PowerQ

## BEST IDEAS WILL MEAN STRATEGY SUCCEEDS

As new challenges emerge throughout the 30-year horizon of the strategy, we will need to understand them and respond quickly.

To ensure the strategy's long-term success, the Queensland Government will establish a panel of experts to critically examine emerging market challenges and opportunities and recommend action.

Panel members will include some of the best minds in Australia, including people who may not be directly involved in the electricity sector. Members will regularly change to ensure the panel has the skills and expertise necessary to understand emerging issues. Bringing fresh perspectives to present and future changes, they will provide expert insight.

The panel will exchange ideas, knowledge and expertise. It will complement, rather than duplicate, the work of other organisations.

While the topics for consideration will shift over time, stakeholders' viewpoints will remain central. Potential panel considerations will include:

- future trends and approaches to improving demand forecasts
- opportunities for supply chain productivity improvements
- impacts of emerging technologies, including competitive advantages for Queensland to develop and deploy these technologies
- effects of new business models on consumers and market participants.

The Minister for Energy and Water Supply will convene the panel's inaugural meeting in 2014.

"Having a long-term outlook is important to ensure the electricity industry is flexible and adaptable enough to deal with changing market conditions." *AGL*





# DELIVERING THE STRATEGY

## SHARED ACCOUNTABILITY MODEL

Consumers, the market and government all have important roles to play in creating a better electricity future. Government can't do it alone, so PowerQ is framed around a shared accountability model.

This model places great importance and responsibility on the roles of the consumer, the market and the government in shaping Queensland's future electricity supply.

### CONSUMERS

- actively participate in the market
- seek out products that meet their needs
- understand the cumulative impact of individual usage and purchase decisions on the market

### MARKET

- compete to deliver value and cost-effective services for consumers
- embrace new technologies to develop innovative products and services
- deliver safe, reliable services that achieve high levels of consumer satisfaction

### GOVERNMENT

- reduce regulatory risk and uncertainty
- address equity concerns
- ensure policy keeps pace with change
- address market failures

"There is much to be done to realise the potential of the energy sector to enable Queensland small businesses to make a significant contribution to our economy."

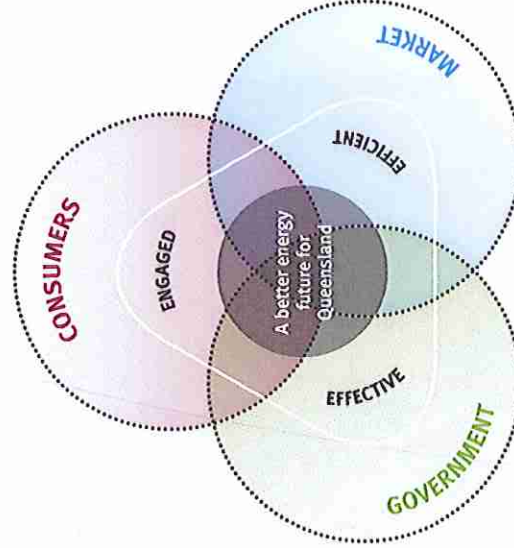
*Chamber of Commerce and Industry Queensland*

## REFORMS ARE UNDER WAY

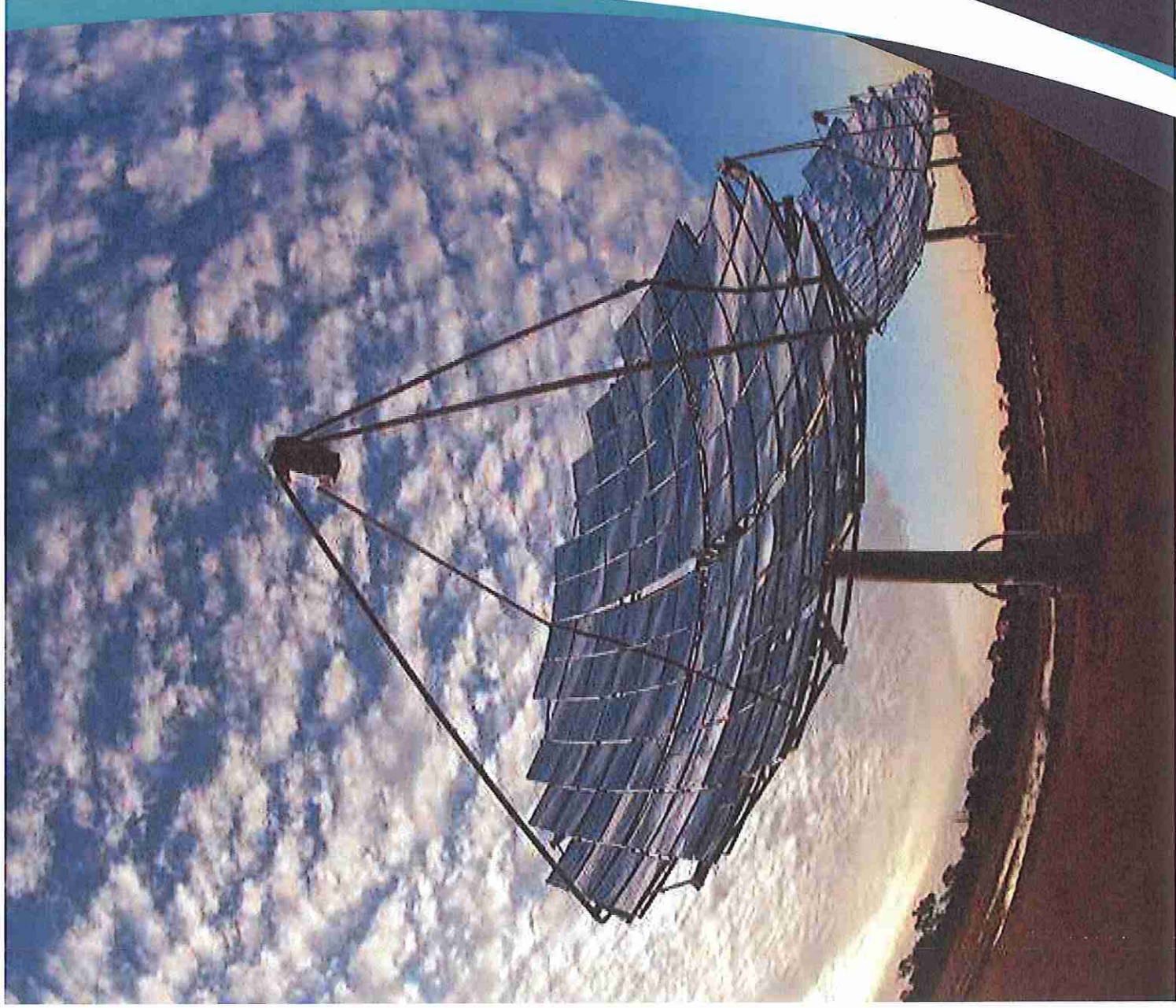
In June 2013, the Queensland Government commenced the most significant reforms to the electricity sector in more than a decade. We have made significant progress in implementing these reforms to deliver the following outcomes:

- ensuring consumers pay the right price by introducing advanced metering, tariff reform and changes to solar bonus scheme arrangements
- opening up the market for increased retail competition and consumer choice by introducing price monitoring in South East Queensland in 2015 and later in regional Queensland
- helping vulnerable consumers to better manage future price increases through an agreed concessions and hardships framework
- balancing investment needs, costs and savings through improved network efficiencies.

The strategies and actions set out in the following pages include and build on these actions to deliver a better energy future for Queensland.







## DELIVERING THE STRATEGY

### THREE PLANNING HORIZONS IN 30 YEARS

#### *Stabilisation*

##### **2014–2016**

The first phase aims to ready the electricity sector for change by encouraging stability.

Short-term reforms aim to repair the sector and lay the foundations for successful responses to future challenges.

#### *Focused transformation*

##### **2016–2026**

Success will come from genuine collaboration across the supply chain and between jurisdictions as the sector adjusts to changes in how parts of the supply chain operate and relate. Achieving positive change will foster a market capable of taking advantage of technological advances, new service models and sector-wide shifts, rather than waiting too long, which would be more costly and lead to further problems.

#### *Adaptive approach*

##### **2026–2044**

The final stage of the strategy allows for greater ease of adaptation as consumers, the market and government respond to changing conditions and new challenges. Nimble, responsive and consumer-driven, the electricity sector will be competitive and resilient.



# CONSUMERS

*PowerQ* will empower consumers—big and small—to become active players in the electricity market, dynamically shaping the market for their own benefit.

Government and the market will work with consumers, supporting them with tools and options that steady their footing.

New products and services will encourage consumers to reach for even higher levels in participation.

In response to consumer need, the market will develop increasingly innovative service offerings.

## GOAL: IMPROVE CONSUMER VALUE

Queensland will have the most competitive electricity prices in Australia. Empowered and informed, consumers will continually challenge the market to deliver innovative products and services that meet their needs.

## FUTURE VISION

### 2014–2016

Consumers begin this timeframe with limited choice and understanding of their options in the electricity market. Thanks to timely information that is easy to understand and compare, they will become increasingly aware they can make informed decisions about their electricity needs.

As electricity sector reforms in Queensland begin to take effect, consumers will start saving money.

Meanwhile, more large industrial consumers will pursue increasingly energy-efficient methods as well as new options to manage their supply and better control their operating costs.

### 2016–2026

Prices will stabilise as reforms take effect and electricity sector productivity is improved. This will deliver lifestyle benefits to Queenslanders and contribute to strong economic growth.

In the medium term, consumers will become adept at picking the right electricity products and services for them. In addition, the market will offer consumers the ability to creatively tailor products and services and achieve greater control and flexibility.

Changes in the way consumers use electricity will be evident everywhere.

Consumers will no longer see electricity as ‘one size fits all’. They will expect electricity services to match their individual business and lifestyle needs.

This growing interest will, in turn, force the market to work harder and become more consumer-focused. This will be a significant shift in power, with great benefits for the consumer.

## 2026-2044

In this shared energy future, consumers will wield significant power and influence as users, generators and traders of electricity.

A new generation of service providers will make it easy for consumers to do as little or as much as they want in the electricity sector, and demand will drive the development of new and innovative products and services.

Through new technology, some consumers will generate more power than they can use. In response, the market will offer even more ways to share electricity, which should lead to more options for consumers to control their use and costs.

Queensland will have a strong and diversified economy.

## HOW WILL WE KNOW WE'VE SUCCEEDED?

In the future, the value that consumers get from electricity services will be higher. Higher value means more competitive pricing, and high quality and reliable electricity services. Consumers will also feel they are getting value when they can choose the service that best suits their needs from the many that will be available. As their requirements and judgments mature over time, consumers' definition of what is good value will change, too.

## MARK, 35

Mark is a dad and shares responsibility for the household budget. He's been concerned with the rising cost of electricity these past few years and wants to see electricity become more affordable and his bills more predictable.



# STRATEGY 1

Ensure the Queensland electricity market is cost-competitive nationally.

## ACTIONS TO ACHIEVE THIS STRATEGY

### 2014–2016

- 1.1 Implement immediate reform program.
- 1.2 Identify opportunities for productivity improvements.
- 1.3 Support consumer advocacy.

.....

### 2016–2026

- 1.4 Implement productivity improvements.
- 1.5 Make sure the tariff settings are right.
- 1.6 Encourage low-cost solutions in remote and isolated communities.

.....

### 2026–2044

- 1.7 Monitor market changes.

## WHY THESE ACTIONS?

Taken together, these actions will:

- stabilise electricity prices to improve affordability and stimulate Queensland's economy
- drive better value from the electricity assets we have and avoid building unnecessary infrastructure
- give consumers a stronger voice on the issues that matter to them
- ensure the policy framework is responsive to change.



## HOW WILL WE APPROACH THESE ACTIONS?

### ACTION 1.1

#### Reforms already under way

The Queensland Government is already targeting those costs within its influence by:

- driving efficiencies into the network businesses
- adjusting reliability standards to balance service levels and costs to consumers
- removing red tape
- addressing state-based schemes, such as the Solar Bonus Scheme and Queensland Gas Scheme, to relieve cost pressures
- developing a tariff reform and metering strategy to give consumers more information about their electricity usage, greater choice in managing their costs and to address longer term price pressures.

We will continue to implement the urgent short-term reforms agreed in June 2013.

### ACTIONS 1.2 AND 1.4

#### Seeking productivity improvements

We will undertake an economic analysis of where and how productivity improvements could lower costs across the electricity supply chain. The scope of this economic analysis will be developed in consultation with electricity users. It could include consideration of wholesale market competitiveness, asset utilisation across the supply chain, and transmission and distribution infrastructure needs and pricing over the long term.

The analysis would identify how and where productivity gains could best be made. Implementation of the findings would target these high value areas.

### ACTION 1.3

#### Supporting consumer advocacy

The Queensland Government will push to ensure consumer interests are better reflected in national electricity reforms. This will include seeking better advocacy arrangements through both national and state-based bodies to ensure consumers have an effective voice.

### ACTION 1.5

#### Getting tariff settings right

This action builds on reforms already under way to improve tariff settings. It will ensure the right signals are in place ahead of any increase in demand and the settings are responsive to changing usage patterns. This will encourage the most efficient use of assets and delay capital investment.

### ACTION 1.6

#### Low-cost solutions for isolated communities

The Queensland Government will work with Ergon Energy, other technology and service providers and remote communities to explore new, low-cost options for remote and isolated electricity services.

### ACTION 1.7

#### Monitoring market changes

The government will continue to monitor market changes as they occur to understand their impact on cost-competitiveness. This will be informed by regular stakeholder consultation as well as the work of the expert panel that will be established to critically examine emerging market challenges and opportunities.

## SHORT-TERM REFORMS HAVE LONG-TERM EFFECTS

The Queensland Government has already acted to reform the electricity market. Actions to date include:

- removing red tape by closing the Queensland Gas Scheme, saving industry almost \$1 million per year in compliance costs
- closing the premium 44c feed-in tariff to new consumers and moving the 8c solar feed-in tariff to a market-based scheme in South East Queensland to reduce electricity bills
- saving \$197 million through network efficiencies since 2012.



## STRATEGY 2

Champion informed decision-making so consumer behaviour creates a responsive electricity market.

### ACTIONS TO ACHIEVE THIS STRATEGY

#### 2014–2016

- 2.1 Adopt national consumer protections and retail standards.
- 2.2 Increase consumer engagement in the electricity market.
- 2.3 Support higher voluntary standards for product comparison services.

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#### 2016–2026

- 2.4 Adjust engagement strategies as market conditions change.
- 2.5 Set new goals for improved consumer experience.

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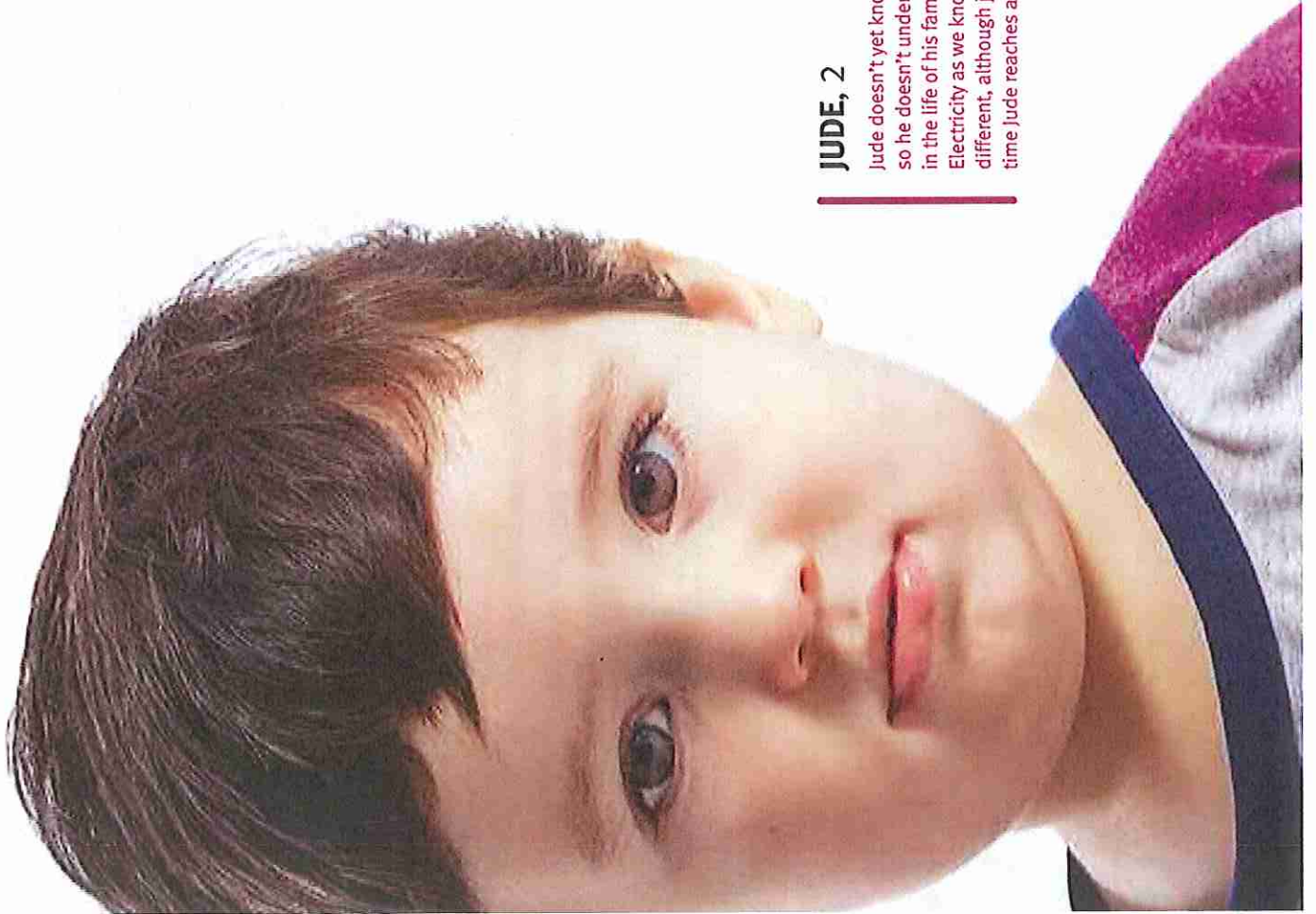
#### 2026–2044

- 2.6 Address emerging impediments to ongoing consumer engagement.
- 2.7 Champion continued improvements in consumer service levels.

### WHY THESE ACTIONS?

Taken together, these actions will:

- provide higher levels of consumer protection and drive more effective retail competition with less red tape
- help consumers make effective decisions and play their part in the evolving electricity market
- support increased market transparency and integrity, and higher service levels, as the market evolves.



## JUDE, 2

Jude doesn't yet know what electricity is, so he doesn't understand the role it plays in the life of his family and his community. Electricity as we know it will be radically different, although just as essential, by the time Jude reaches adulthood.

## HOW WILL WE APPROACH THESE ACTIONS?

### ACTION 2.1

#### Adopt national consumer protections and retail standards

We will put in place legislation to harmonise consumer protections and retail standards across National Electricity Market jurisdictions. This legislation has been developed in consultation with consumers, industry stakeholders, other states and the Australian Government over several years. It will contain appropriate measures to account for Queensland's specific circumstances and will be taken to Parliament in 2014. This will enable the new framework to come into effect in 2015.

### ACTIONS 2.2, 2.4 AND 2.6

#### Improving consumer engagement in the market

Improving consumer engagement in the market means helping consumers to become more active and successful in seeking out suppliers and products that best meet their needs. In the short term, the Queensland Government is examining options to trigger greater (and more effective) consumer activity. These may include better targeting of information and support for more effective decision-making tools and processes.

The government's role in this area will evolve over time as consumer skills grow. The aim is to build a self-sustaining level of consumer participation in the market.

### ACTIONS 2.3, 2.5 AND 2.7

#### Improving transparency and service levels

In the short term, the Queensland Government will support moves for a national, industry-led approach to improving service levels. This includes improved disclosure and a voluntary code of conduct for electricity comparison services.

The focus of these efforts will change over time to ensure consumer service levels are maintained as new products and services emerge.



## CASE STUDY

### RETAIL MARKET REFORM BENEFITS CONSUMERS

In 1995, the state of Texas in the United States began a strategy to reform its electricity market.

A competitive wholesale market began that year, followed by the retail market in 2002.

The strategy allowed the retail market five years to transition from 'price to beat' regulated pricing to market-based retail pricing. This timeframe encouraged more competitors to enter the market.

Despite a period of initial price rises, the Texas Legislature and Public Utilities Commission resisted pressure to change the strategy, holding firm to the belief that competitive markets deliver better long-term outcomes than heavy-handed government intervention.

They were right. When regulated pricing stopped in 2007, product innovation and differentiation increased, and the average price charged by electricity retailers decreased over time.

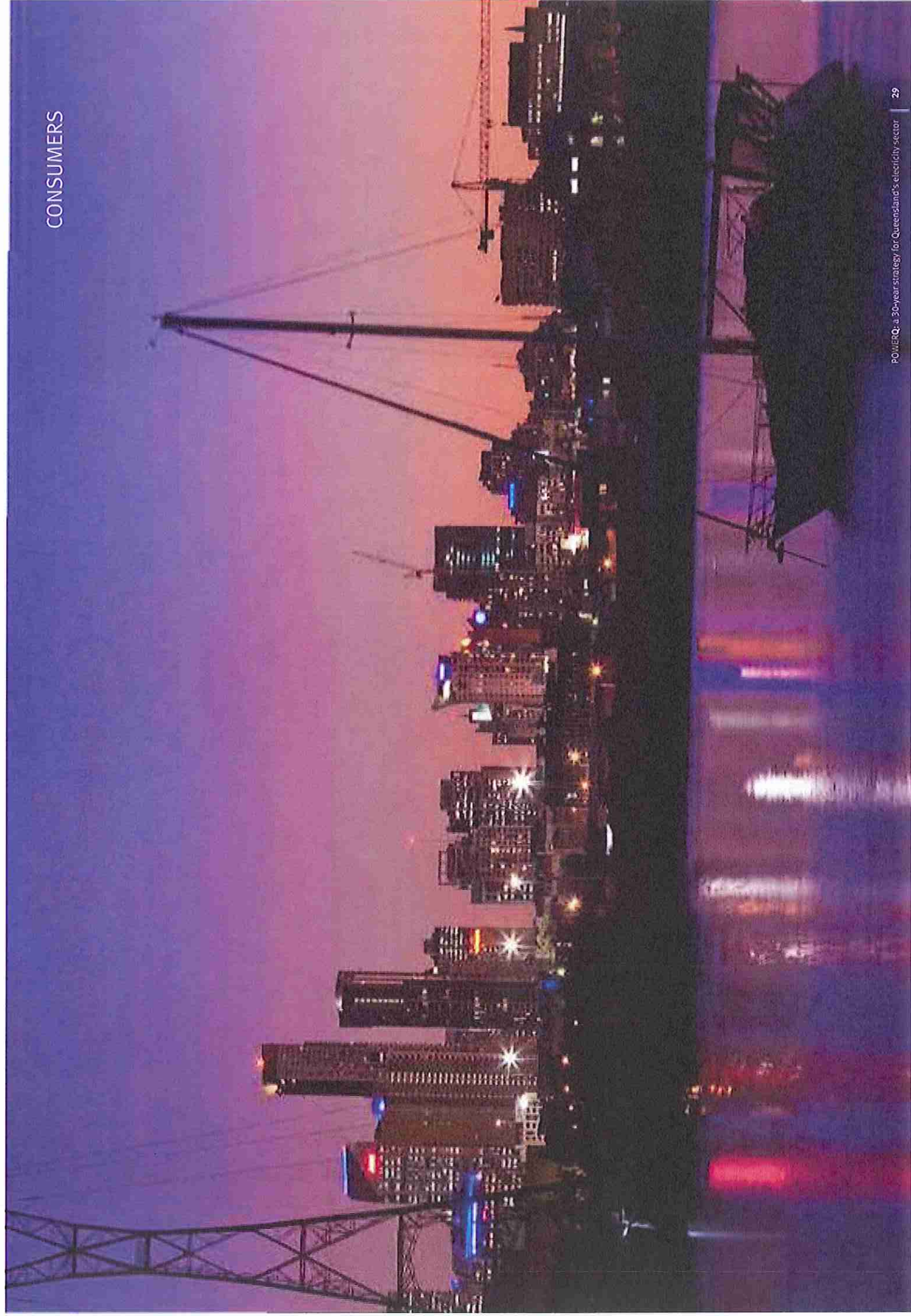
Texas has achieved one of the most successful retail market reform programs in the United States. It has the country's most competitive retail electricity market, with more than 50 retailers offering over 300 products. It also has high levels of switching among all consumer classes—all signs of an engaged, educated market.

## WHAT THIS MEANS FOR QUEENSLAND

The Texan example reinforces the need for a committed, long-term strategy that encourages a strong and competitive market and advocates for consumers.

Through its 30-year electricity strategy, the Queensland Government will encourage market development by championing consumers.

## CONSUMERS





# MARKET

During the next 30 years, the electricity sector will become a more competitive, resilient marketplace that responds to consumer needs.

The way electricity is made, moved, sold and used will change. This will revolutionise the electricity supply chain, infrastructure needs and market relationships.

In the future, electricity and related services such as storage, demand response and data will be continually traded and moved between the market and consumers.

## GOAL: IMPROVE MARKET EFFICIENCY

Queensland's thriving, competitive and efficient electricity market will promote timely investment, be open to new entrants and meet the changing needs of consumers across the state.

## FUTURE VISION

### 2014-2016

The market is in a state of flux.

Contributing factors include consumers' changing demand and usage patterns, driven by the popularity of energy-efficient products and rooftop solar systems.

In response, new pricing structures will begin to show the true cost of supply and encourage consumers to use electricity in ways and at times that do not add to cost pressures and give them greater control over their bills.

The retail market in South East Queensland will soon strengthen as the benefits of competition and supporting reforms take effect.

### 2016-2026

In the medium term, most consumers will feel the benefits of true retail competition for the first time.

Across the state, new forms of generation and storage will become commercially viable, creating challenges and opportunities for existing infrastructure. Advanced metering and the roll-out of new tariffs will drive new efficiencies, and consumers will feel the benefits.

As communications and data technology improve, matching supply and demand will be easier. Smarter grids will incorporate advanced metering, communications and control. New, smarter technologies will mean less costly infrastructure is needed. More homes and businesses may be powered independently, perhaps by cheap, organic photovoltaic cells, batteries or fuel cells. These premises will have the technology to know when power is needed, and will be able to monitor appliances and identify those that aren't running effectively.

A changed regulatory model will recognise market shifts and that network businesses are competing with new technologies to provide greater service to consumers. Consumers will also change: they will now produce and store electricity and supply the surplus back into the market.

For Queensland's big energy users, new sources of energy could power operations, including solar thermal, geothermal or wind supported by gas. Technologies such as carbon capture and storage could see coal-fired generators maintaining their market share.



All of these changes release the market to create cost-effective, unique energy solutions. This thriving electricity market, together with clear policy and regulatory frameworks, will make Queensland attractive to investors and accelerate the state's economic growth.

#### 2026-2044

Innovation will be the byword for the long-term future of Queensland's electricity market. Technologies considered advanced today will be the norm tomorrow, with new products and services yet to be invented.

New, non-traditional service providers will enter the market in competition with the existing participants. The lines between sellers and consumers of electricity will blur as consumers simultaneously produce, use, store and trade electricity.

Technological advances in data communication will affect every aspect of the electricity market, from alternative supply and demand response through to self-healing smart grids that will detect and isolate network faults and dynamically reconfigure the system in response.

At the heart of the market changes will be the consumer, whose diverse needs and demands will be met to increasingly higher standards.

#### HOW WILL WE KNOW WE'VE SUCCEEDED?

New products and suppliers will easily enter the market and there will be vigorous competition, nimble responses to change and high innovation. This means we will have a strong and competitive market where electricity can be generated and traded by consumers.

#### LIAM, 19

Liam, who's an entrepreneur at heart, is studying business at uni. He recently completed an assignment on the electricity sector that sparked some ideas for exciting business opportunities to help consumers manage their electricity usage and costs.



## STRATEGY 3

Encourage a competitive and diverse market that attracts more innovation and investment.

### ACTIONS TO ACHIEVE THIS STRATEGY

#### 2014–2016

3.1 Stimulate the retail electricity market by:

- removing price regulation in South East Queensland, subject to meeting certain preconditions
- investigating options to provide increased competition in regional areas.

3.2 Review the potential impacts of, and opportunities from, new technologies.

.....

#### 2016–2026

3.3 Review retail competition across Queensland.

3.4 Implement actions from the review of new technologies (action 3.2).

.....

#### 2026–2044

3.5 Review the policy framework in light of changes to the supply chain.

### WHY THESE ACTIONS?

Taken together, these actions will ensure:

- all consumers can benefit from greater competition, including greater choice and better services, while maintaining adequate protections
- new technologies will be efficiently deployed to make best use of our existing electricity infrastructure
- new market forces are able to flourish, delivering more choice and better value for consumers.

## HOW WILL WE APPROACH THESE ACTIONS?

### ACTION 3.1 AND 3.3

#### Stimulate retail electricity markets

The Queensland Government will amend legislation to replace price regulation in South East Queensland with a price-monitoring regime. This will enable a July 1, 2015, start to the new regime, but price regulation will not be removed until important pre-conditions are met, including:

- ensuring there is sufficient retail competition to allow consumers to benefit
- adopting harmonised consumer protections and retail standards (see action 2.1)
- implementing a consumer engagement strategy (see action 2.2)
- establishing an effective price-monitoring regime to ensure retailers are offering the best deals and services
- developing a suitable approach to setting prices outside South East Queensland that maintains support for regional consumers.

The Queensland Government is considering options to improve the structure of regional subsidy arrangements. This is being conducted in parallel with reforms to Ergon Energy's retail business. It addresses the ways subsidies are paid to enable new retailers to offer competitive deals to consumers. However, this work does not alter the state government's commitment to support regional consumers by subsidising electricity prices.

In the medium term, following the implementation of retail competition reforms, the state government will review whether consumers are benefiting from retail competition in south east and regional Queensland, and act to remove any identified barriers, where possible.

### ACTIONS 3.2 AND 3.4

#### Review new technology

This review will examine the expected uptake and applications of new electricity technologies at residential, commercial and industrial scales. Technologies under consideration would include battery storage and electric vehicles. The review will consider the potential effects of these technologies on market dynamics—including electricity demand and consumption patterns, asset utilisation, costs and competition—as new providers enter the market. The aim will be to ensure new technologies are efficiently deployed to make the best use of our infrastructure.

### ACTION 3.5

#### Review policy framework in light of changing business models

This review will consider whether the policy and regulatory framework remains appropriate as the market develops. The goal will be to ensure policy and regulatory settings encourage innovation and new market forces that deliver better, more efficient services. A focus of the review will be the need to transition from, rather than protect, existing regulatory and business models.

### KEELEY, 15

In five years, Keeley will have finished uni and moved out of home. Confident and informed, she'll also be part of the new wave of consumers who will use technologies like her smartphone to control her electricity use.



## STRATEGY 4

Maximise opportunities from Queensland's natural resources to create cost-effective, sustainable electricity.

### ACTIONS TO ACHIEVE THIS STRATEGY

#### 2014-2016

- 4.1 Ensure policy settings support efficient investment choices.

.....

#### 2016-2026

- 4.2 Remove barriers to new generation sources and technologies.
- 4.3 Assess Queensland's ability to contribute to emissions reductions.

.....

#### 2026-2044

- 4.4 Facilitate the development of clean and energy-efficient technologies.
- 4.5 Monitor the market's ability to provide a generation fuel mix that meets consumer needs.

#### AMANDA, 37

Amanda has been hearing a lot about electric cars being the way of the future. She isn't ready to invest in one just yet, but she wants to know more about how they will operate—where could she recharge one, and how much would it cost to run?



## WHY THESE ACTIONS?

These actions will ensure there are fewer barriers to entry for new technologies that can maximise Queensland's competitive advantages, increase competition, reduce costs and address emissions reduction requirements.

## HOW WILL WE APPROACH THESE ACTIONS?

### ACTIONS 4.1

#### Support efficient investment choices

This action will help to ensure the policy and regulatory framework does not discriminate against alternative technologies. This will include continually monitoring where new energy technologies, services or efficiency measures can add value for consumers, address challenges in the supply chain or increase competition.

### ACTIONS 4.2 AND 4.4

#### Facilitate new technology

The Queensland Government's role in facilitating technology development will be to remove barriers and build strategic relationships with knowledge partners and the Australian Government. Our focus will be on new technologies that provide benefits to consumers or build on Queensland's unique strengths. For example, carbon capture and storage, solar thermal and geothermal technologies all have the potential to increase the use of Queensland's natural resources in a lower emissions environment, maximising the state's unique competitive environment.

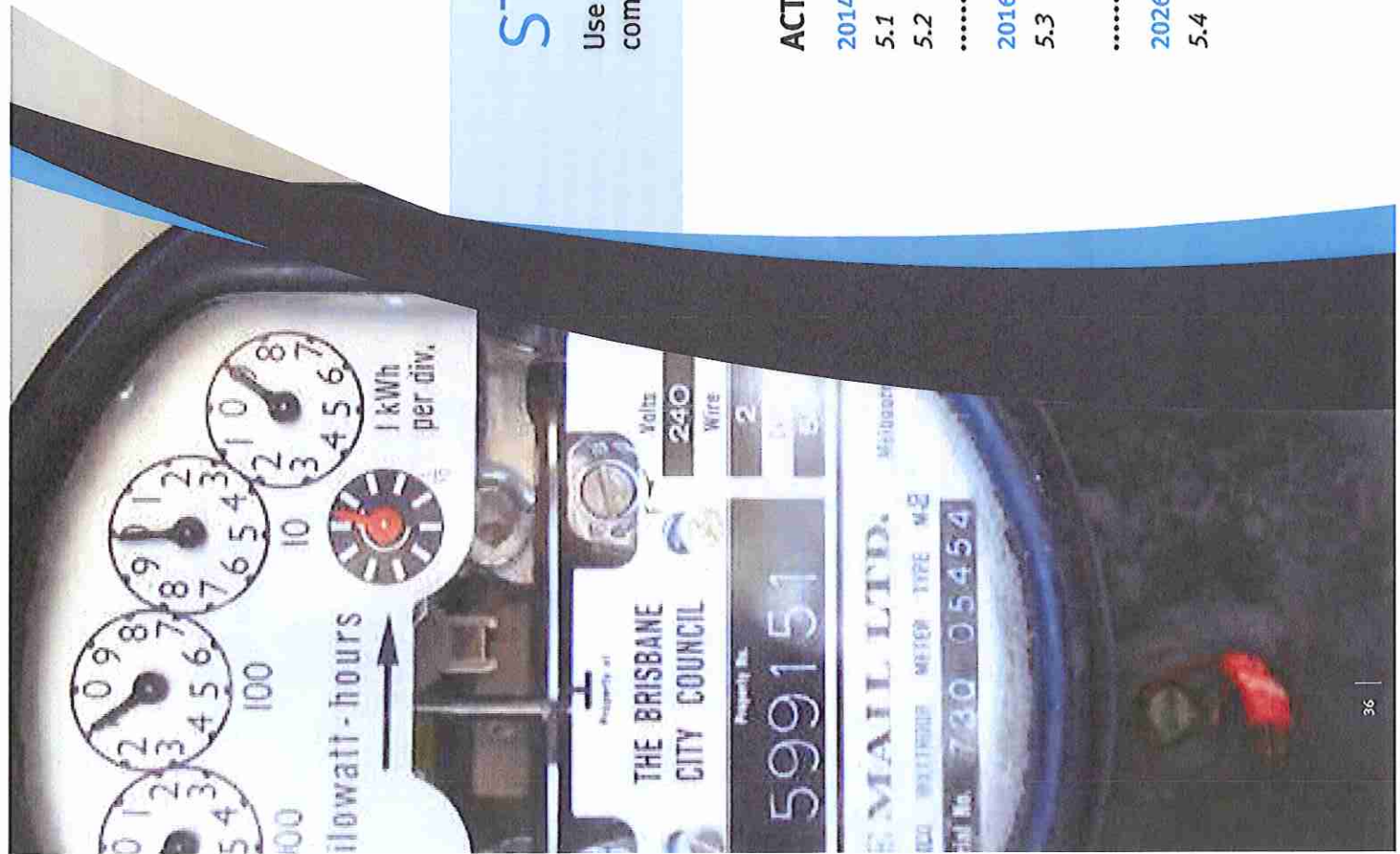
It will then be up to market forces to determine the generation technology and fuel mix based on prevailing commercial and environmental considerations.

### ACTIONS 4.3 AND 4.5

#### Emissions reduction requirements

Emissions reduction efforts will be driven by global developments and Australian Government policy. The Queensland Government does not intend to increase costs or distort the market by duplicating these efforts. Instead, the Queensland Government will monitor emissions-reduction commitments globally to investigate the impacts and opportunities for the state. This will include participating in national debate about emissions policy and leveraging Queensland's unique strengths to address the environmental impact of electricity use.





# STRATEGY 5

Use open data to drive market development, competition and innovation.

## ACTIONS TO ACHIEVE THIS STRATEGY

2014-2016

- 5.1 Develop an advanced metering framework.
- 5.2 Establish an electricity data hub.

2016-2026

- 5.3 Work with knowledge partners to share data analysis and information.

2026-2044

- 5.4 Identify new opportunities for open data.

## WHY THESE ACTIONS?

Greater availability of data has the potential to drive innovation. It will mean the market has better data with which to develop new products and services that can provide more choice and control over costs to consumers and help use our assets more efficiently.

## HOW WILL WE APPROACH THESE ACTIONS?

### ACTION 5.1

#### Advanced metering

The limited functionality of most existing electricity meters in Queensland limits options for new types of tariffs, more frequent billing and other types of product innovation. The Queensland Government supports a market-led approach in which consumer needs drive the roll-out of advanced meters and the resulting product innovation. The government has ruled out a mandated distributor-led roll-out of advanced meters.

### ACTIONS 5.2, 5.3 AND 5.4

#### Facilitating open data

The Queensland Government will investigate opportunities to build on the state's existing open data initiative to support innovation in the electricity sector. This could include sharing data on topics such as electricity usage and our energy resource potential. It could also include real-time system information to increase the efficient use of electricity infrastructure.

The state government will look for ways to expand this initiative over time, including by partnering with universities, education, research and development bodies to find other data-sharing opportunities. These will include the public findings of research activities as they emerge.

## PRIVACY WILL BE PARAMOUNT

Strategy 5 of *PowerQ* identifies actions the Queensland Government can take to leverage the extensive data that exists around electricity supply and demand.

Any actions undertaken will protect the privacy of Queensland consumers.

### JUSTENE, 30

Justene develops projects for a Queensland energy supplier. She's proudly working on projects now that will play a pivotal role in the way electricity is generated and delivered to customers over the next few decades.



## CASE STUDY

### GOOGLE AND BIG DATA POINT TO A BETTER ELECTRICITY FUTURE

The advent of 'big data' brings big opportunities as the electricity sector evolves.

Case in point: the average suburban meter box. At the moment, most meter boxes in Queensland reveal only the most basic information about electricity consumption. This is because the details are only gathered four times a year when the meter is read. However, even now, advanced metering systems can take more frequent readings. If taken every half-hour, that works out to 17 520 times a year. That's a lot more information about how and when electricity is used.

Innovative companies are taking a keen interest in this potential deluge of raw data. In January 2014, Google bought Nest, which produces an energy-efficient thermostat, for \$3.2 billion. Nest's smart product uses metering data to learn its owner's schedule, and then programs itself to operate energy-efficiently and save the household money. Nest's products can also be controlled remotely using an internet-enabled phone.

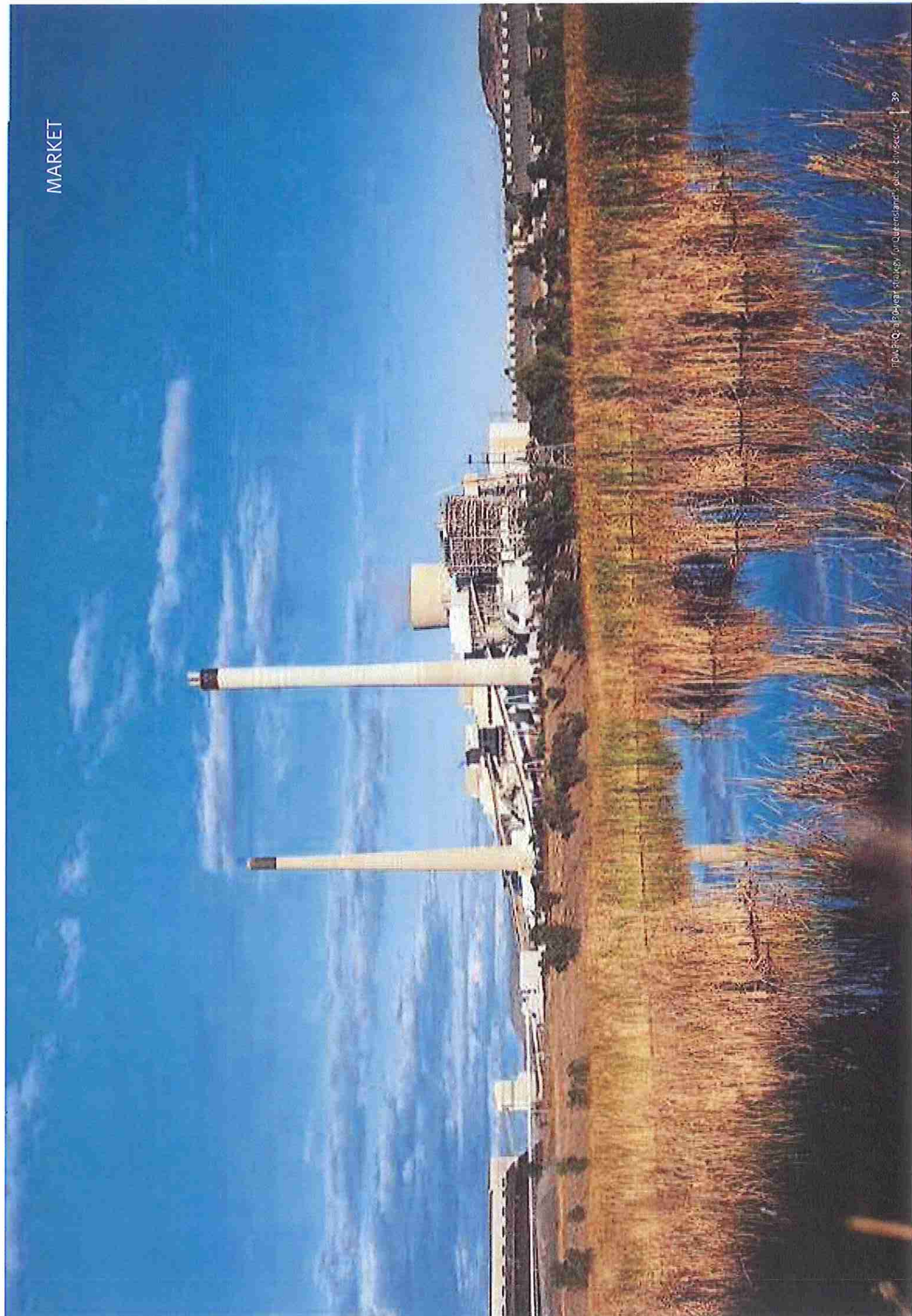
Google's investment shows a broader market understanding that information leads to product and service innovation and smarter consumer behaviour, and helps network infrastructure to be better used.

In the future, home energy management products like Nest's will help consumers shift their electricity use from peak times. Infrastructure owners will use the improved data to help manage demand and only build assets where they are really needed. Market and consumers alike will use data to better understand energy needs, and enable everyone to participate, making sure the billions invested in the electricity sector are used wisely.

### WHAT THIS MEANS FOR QUEENSLAND

*PowerQ* will promote consumer understanding and market innovation by leveraging the data collected and used in the electricity market.







# GOVERNMENT

During the next 30 years, the Queensland Government's role in the electricity sector will permanently transform.

Once a heavy-handed system owner and regulator, the government will instead become a watchful facilitator of the market focused on the best outcomes for Queensland consumers.

## GOAL: IMPROVE GOVERNANCE EFFECTIVENESS

The Queensland Government will provide an operating environment for the electricity sector that promotes efficient markets, helps protect consumers and addresses market failures.

## FUTURE VISION

### 2014–2016

Short-term reforms to stabilise the Queensland electricity market will have a positive effect felt by consumers and the market for years to come. By removing the distorted market and regulatory frameworks that contributed to recent unsustainable price rises, the Queensland Government will pave the way for a better electricity future.

### 2016–2026

The medium-term years will be a period of transition as new technologies and business models transform the sector.

Taking a system-wide view, governments at all levels will work together to guide the electricity sector through this transformation.

### 2026–2044

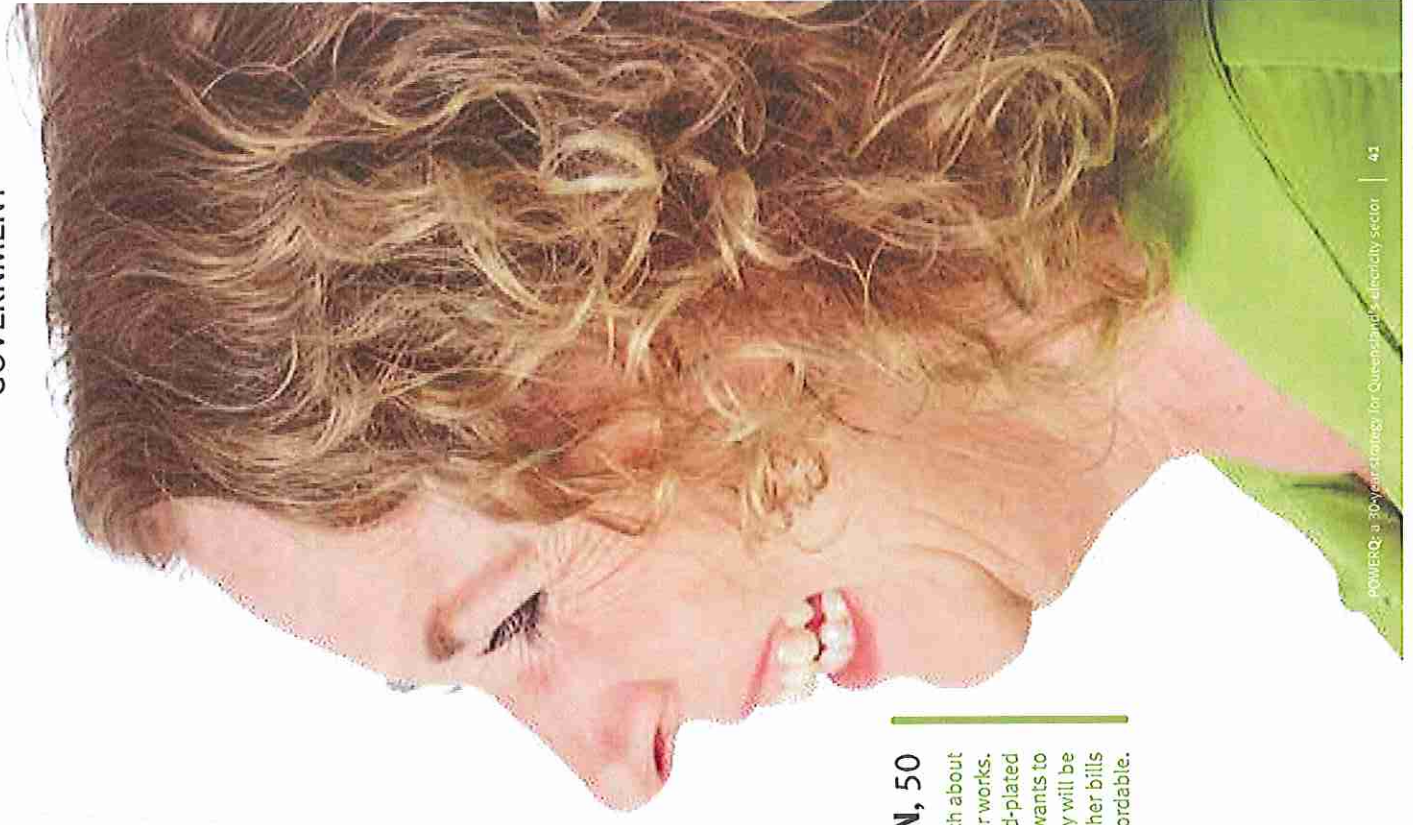
By this time, the Queensland Government's role will have changed to watchful facilitator. It will respond quickly to the evolving and dynamic marketplace to ensure consumers and all of Queensland benefit in the new market.

## HOW WILL WE KNOW WE'VE SUCCEEDED?

The Queensland Government will protect consumers, promote efficient markets and be responsive to change. It will provide a clear pathway to investment. Interventions, if any, will be clearly explained and understood. While the best solution will generally be to allow the market to respond to new challenges, the government will retain a role in monitoring the effects of this strategy on consumers.

### KAREN, 50

Karen doesn't know much about how the electricity sector works. She's heard a lot about gold-plated poles and wires, and wants to know how the cost of supply will be managed in the future so her bills are more affordable.





# STRATEGY 6

Provide policy certainty to encourage strong competition and benefit consumers.

## ACTIONS TO ACHIEVE THIS STRATEGY

2014–2016

6.1 Clarify the Queensland Government’s role in the electricity market.

6.2 Review the *Electricity Act 1994*.

.....

2016–2026

6.3 Implement outcomes of the *Electricity Act 1994* review.

.....

2026–2044

6.4 Maintain the Queensland Government’s role as a proponent of effective, outcomes-based regulation.

## WHY THESE ACTIONS?

These actions will ensure:

- the electricity market has a clearer understanding of the Queensland Government’s role and how it will conduct itself
- opportunities for further red tape reductions and additional reforms are identified as the market evolves.

## HOW WILL WE APPROACH THESE ACTIONS?

### ACTION 6.1

#### Clarify the state government's role

The Queensland Government will clarify its role across the electricity sector in a number of ways, including by:

- moving to a price-monitoring framework in South East Queensland and investigating ways to improve regional retail competition (see action 3.1)
- ensuring any new generation assets required in the future are funded by private investment (as the market is mature and working effectively)
- conducting scoping studies and community consultation on its ownership of electricity generation and retail assets, and potential private investment in future network assets. From this research, the Queensland Government will establish a clear position on its intentions for its shareholding interests in these assets, including seeking an electoral mandate for any proposed asset sales
- implementing the outcomes of the review into the *Government Owned Corporations Act 1993* to ensure any ongoing shareholder role does not conflict with its policy-maker and regulator roles.

### ACTIONS 6.2 AND 6.3

#### Review the *Electricity Act 1994*

This review will build on the existing reform agenda to examine opportunities for further red tape reduction and any other reforms necessary to promote a modern and efficient market. This review could take into account issues such as:

- the maturing of a competitive market, with new product offerings and new service providers
- the changing role of the consumer, as buyer, maker and trader of electricity
- service delivery models such as Total Energy Planning for new residential and industrial estates.

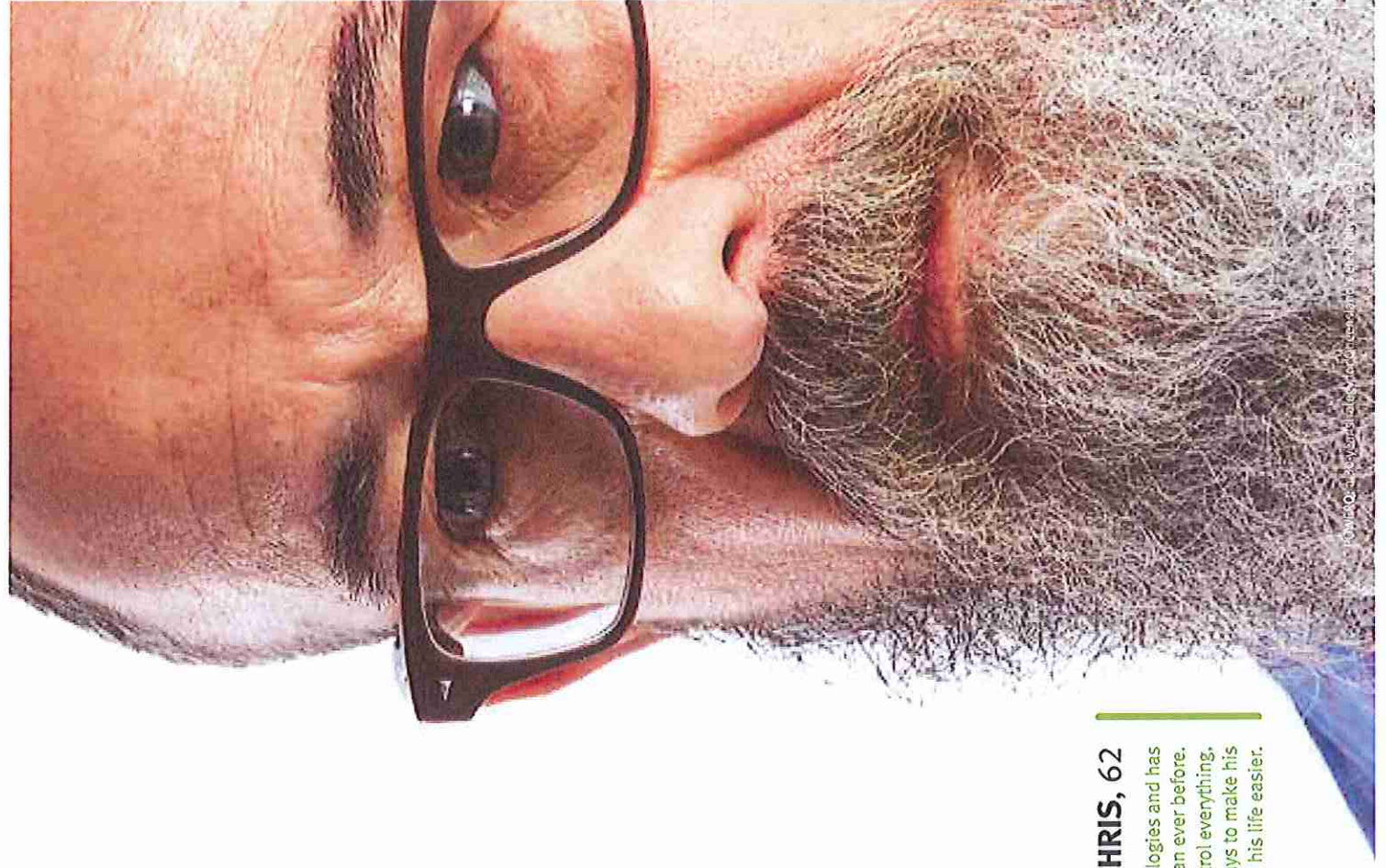
### ACTION 6.4

#### The Queensland Government will be a proponent of effective, outcomes-based regulation

This action reflects the ongoing shift in the Queensland Government's role in the sector from prescriptive regulator to facilitator and proponent of outcomes-based regulation across the National Electricity Market.

## CHRIS, 62

Chris is an early adopter of new technologies and has more devices needing electricity than ever before. His smartphone and tablet help control everything, but he's keen to find even smarter ways to make his bills more affordable and his life easier.





## STRATEGY 7

Position Queensland as a leader in innovative, consumer-driven reform.

### ACTIONS TO ACHIEVE THIS STRATEGY

#### 2014–2016

- 7.1 Drive national consideration of supply chain disruptions.
- 7.2 Advocate for a more strategic approach to national reforms.
- 7.3 Emphasise whole-of-system electricity productivity as a policy objective.
- 7.4 Work with the Australian Government on the Renewable Energy Target review and the Direct Action Plan.

#### 2016–2026

- 7.5 Monitor the effectiveness of the wholesale market design.

#### 2026–2044

- 7.6 Review the scope and operation of the national reform agenda.

### WHY THESE ACTIONS?

These actions will ensure:

- Disruption to the supply chain and the market's evolution are understood and progressed at a national level and in a timely manner.
- The national reform program is responsive and targeted.
- Both the national and state policy agendas seek opportunities for enduring improvements in value-for-money electricity services.
- The Queensland Government understands and addresses any implications of changes to renewable energy and climate change policies.

## HOW WILL WE APPROACH THESE ACTIONS?

### ACTIONS 7.1 AND 7.5

**Drive national consideration of disruption to supply chain and wholesale market design**

In the short term, the Queensland Government will work with other members of the Council of Australian Governments (COAG) Energy Council to drive national consideration of the potential for fundamental disruption to the existing generator-to-consumer supply chain. Topics to be considered could include:

- the potential for new technologies and service models to disrupt the present supply chain and business models
- any policy and regulatory responses needed at the national level.

In the medium term, the Queensland Government will, with the COAG Energy Council, monitor the ongoing effectiveness of the wholesale market's design. This will include examining the impact of the consumer's changing role to electricity producer and trader, as well as developments such as demand-response trading.

### ACTION 7.2

**Advocate for a more strategic and urgent approach to national reforms**

The Queensland Government will push to refine the COAG Energy Council's work plan to ensure the focus is appropriately strategic and future-focused, and that issues are resolved in a timely manner. This will include seeking more timely and strategic treatment of issues by the national rule-making bodies and regulators that are governed by the council, including the Australian Energy Market Commission, Australian Energy Regulator and Australian Energy Market Operator.

### ACTION 7.3

**Emphasise whole-of-system electricity productivity as a policy goal**

The Queensland Government will push for a greater focus on electricity sector productivity in the national reform agenda. This will include seeking opportunities for the national reform agenda to contribute to delivering improvements identified in action 1.2.

### ACTION 7.4

**Work with the Australian Government on the Renewable Energy Target review and Direct Action Plan**

The Queensland Government will work with the Australian Government to understand the costs, benefits and opportunities arising from any changes to the Renewable Energy Target and the implementation of the Direct Action Plan. This will include identifying any necessary policy responses and seeking opportunities for collaboration.

### ACTION 7.6

**Review the scope and operation of the national reform agenda**

The Queensland Government will work with the COAG Energy Council to maintain the effectiveness of its charter and the Australian Energy Market Agreement. The intent is to ensure these documents continue to set out an appropriate reform agenda and governance arrangements for Australian electricity markets as they evolve.





## STRATEGY 8

Enable equitable access to electricity.

### ACTIONS TO ACHIEVE THIS STRATEGY

#### 2014–2016

- 8.1 Review the hardship and concession framework.

.....

#### 2016–2026

- 8.2 Review the arrangements for the Uniform Tariff Policy.
- 8.3 Review the impact of the changing market on consumers.
- 8.4 Assess whether existing consumer protections remain relevant.
- 8.5 Align Queensland and Australian Government assistance measures.

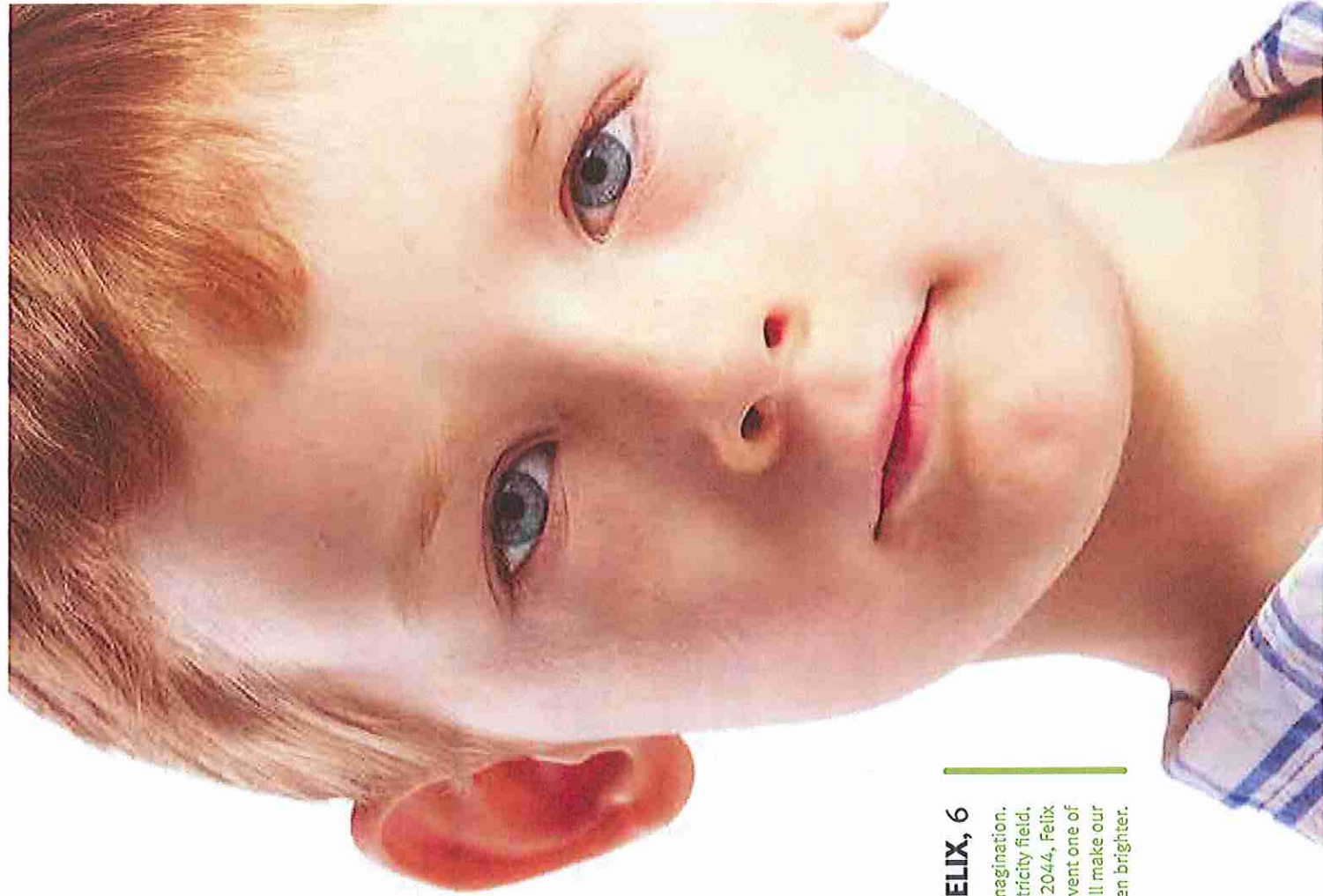
.....

#### 2026–2044

- 8.6 Assess support mechanisms as the market evolves.

### FELIX, 6

Felix has a powerful imagination. His Dad works in the electricity field, so it's possible that, by 2044, Felix will have helped to invent one of the technologies that will make our electricity future even brighter.



## WHY THESE ACTIONS?

These actions will ensure:

- the hardship and concession framework supports people who are most in need while being affordable for Queensland
- consumer protections and hardship arrangements remain appropriate as the market evolves.

## HOW WILL WE APPROACH THESE ACTIONS?

### ACTIONS 8.1 AND 8.2

#### Evaluate consumer assistance measures

In the short term, these actions will focus on existing hardship and concession measures such as the Electricity Rebate. The review of the framework will include investigating whether there are ways to improve the eligibility criteria or the structure of existing assistance measures. Any changes will need to be made in a way that is financially sustainable for Queensland.

In the medium term, the Queensland Government is considering ways to better target the assistance given under the Uniform Tariff Policy, in line with the existing reform agenda. However, the government remains committed to supporting regional electricity consumers.

### ACTIONS 8.3, 8.4 AND 8.6

#### Monitor consumer assistance and protections as the market evolves

In the medium and longer term, the Queensland Government will continue to monitor the impact of the changing product mix on consumers, as well as consumer needs. It will consider whether any changes are required to consumer hardship arrangements or protections as the market evolves so vulnerable consumers are not left behind.

### ACTION 8.5

#### Align state and Australian Government assistance measures

The Queensland Government will work with the Australian Government and other states and territories to examine ways to harmonise and improve the delivery of support to people who are most in need. This may be through targeted concessions, social security payments, or a combination of the two.



## CASE STUDY

POLICY SHIFTS WITH UNINTENDED CONSEQUENCES:  
THE GERMAN ELECTRICITY MARKET

In 2000, most electricity generated in Germany was from coal (52 per cent) and nuclear (29 per cent) sources. Around 6 per cent came from renewable sources, predominantly hydroelectricity.

Responding to declining public support for nuclear generation, the German government negotiated with utility companies and committed to a gradual decommissioning of all nuclear generators by 2022.

To meet their carbon emission reduction targets, the government aimed to substitute renewables for coal while gradually decommissioning the nuclear generators. Renewable energy uptake was encouraged by a guaranteed high feed-in-tariff and priority sale of renewable electricity on the grid.

Renewables grew to provide around 20 per cent of Germany's electricity needs in 2011. Taxes and charges to support renewables made up around 14 per cent of household electricity bills by 2011 and overall electricity costs rose considerably for all consumers.

Then, in 2011, the Fukushima nuclear disaster hit in Japan.

The German government abandoned its agreement to gradually decommission plants and ordered eight of Germany's 17 nuclear generators to close instantly. The abruptness of the closure increased the utilities' risks, and significantly reduced the value of the remaining plants.

At the same time, European coal and carbon prices fell, and 30 gigawatts of gas-fired capacity across Europe was mothballed. Wholesale electricity prices plummeted so low that it cost traditional generators to feed their electricity into the grid while renewables remained protected.

Since 2011, this situation has continued to devastate profits and place traditional generators at a significant risk. The market capitalisation of European utilities has halved in five years.

The original decision in 2000 to gradually decommission nuclear generators and promote the uptake of renewable energy allowed time for the market to adjust. The rapid turnaround on nuclear energy forced Germany into a far riskier transition. Electricity prices and the electricity sector's performance are now a major risk to Germany's economy.

Germany's experience reinforces the need for an integrated, measured strategy that understands the whole-of-system impacts of interventions in complex markets.

WHAT THIS MEANS  
FOR QUEENSLAND

During the next 30 years, the Queensland Government will provide a dependable operating environment that promotes efficient markets, protects consumers and addresses market failures. This will allow the electricity sector to respond more effectively to emerging challenges, including balancing low cost and low emission energy sources.

## CHERYLLE, 67

Cherylle loves having choice. She is counting on innovative electricity products providing her and all Queenslanders with more options about where their power comes from and how much it costs.



# ALIGNING WITH THE QUEENSLAND PLAN

*The Queensland Plan* will serve as a valuable compass for the state's future development.

More than 78 000 Queenslanders contributed their ideas to *The Queensland Plan*, which will establish a shared, long-term vision for Queensland to have the best opportunities, the brightest minds and a prosperous and resilient economy.

*PowerQ* and its goals and actions will reflect the priorities and values set by the plan.



## PowerQ: a 30-year strategy for Queensland's electricity sector

- Strategy 2** Champion informed decision-making so consumer behaviour creates a responsive market.
- Strategy 3** Encourage a competitive and diverse market that attracts more innovation and investment.
- Strategy 8** Enable equitable access to electricity.

- Strategy 1** Enhance Queensland's prosperity by ensuring the electricity market is cost-competitive nationally.
- Strategy 3** Encourage a competitive and diverse market that attracts more innovation and investment.
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- Strategy 4** Maximise opportunities from Queensland's natural resources to create cost-effective, sustainable electricity.
- Strategy 5** Use open data to drive market development, competition and innovation.

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- Strategy 7** Position Queensland as a leader in innovative, consumer-driven reform.

- Strategy 1** Enhance Queensland's prosperity by ensuring the electricity market is cost-competitive nationally.
- Strategy 3** Encourage a competitive and diverse market that attracts more innovation and investment.
- Strategy 5** Use open data to drive market development, competition and innovation.

- Strategy 6** Provide policy certainty to encourage strong competition and benefit consumers.
- Strategy 7** Position Queensland as a leader in innovative, consumer-driven reform.

## Strategic actions

- Improve retail competition and consumer protection.
- Increase consumer participation.
- Provide more effective hardship assistance.

- Extend the benefits of retail competition to regional Queensland.
- Encourage alternative electricity solutions to meet forecast growth in regions.
- Monitor support for vulnerable consumers and regional subsidy arrangements.

- Undertake economic analysis on productivity gains in the electricity supply chain.
- Increase competition.
- Remove barriers to market-based investment in new technologies.
- Encourage research, development and investment in clean and energy-efficient technologies.
- Share data and research to support innovation.

- Remove barriers to market-based investment in new technologies.
- Encourage research, development and investment in clean and energy-efficient technologies.
- Assess the state's ability to contribute to international emissions reductions commitments.

- Undertake economic analysis on productivity gains in the electricity supply chain.
- Encourage alternative electricity solutions to meet forecast growth in regions.
- Ensure tariff and metering reforms are in place ahead of medium-term demand increases.
- Share data and research to support innovation.
- Review the impact of new technologies.

- Identify opportunities for red tape cuts and reforms to promote a modern and efficient market.
- Work with the COAG Energy Council to improve strategic focus and timeliness of national reforms.
- Improve the governance of national energy bodies.

## Queensland in 30 years' time

- Access to electricity services is enhanced.
- No-one is left behind.

- Our regions will have strong, diverse and innovative economies.
- Our regions are affordable and attractive places to live.

- A strong and innovative electricity sector supports our economic growth.
- Diversity is encouraged in Queensland's electricity generation.

- Our unique environments are protected.
- We use our natural resources well to support our economic development.

- We use our assets more efficiently.
- The need for capital investment is deferred.

- Government's role as policy maker and facilitator is clear.
- Regulation is outcomes-based.
- Actions are strategic, transparent and responsive.



# NEXT STEPS

*PowerQ: a 30-year strategy for Queensland's electricity sector* will be implemented by the Department of Energy and Water Supply. The strategies it contains will guide the department's approach and the actions will be central to our work program.

## REVIEW AND COURSE CORRECTION

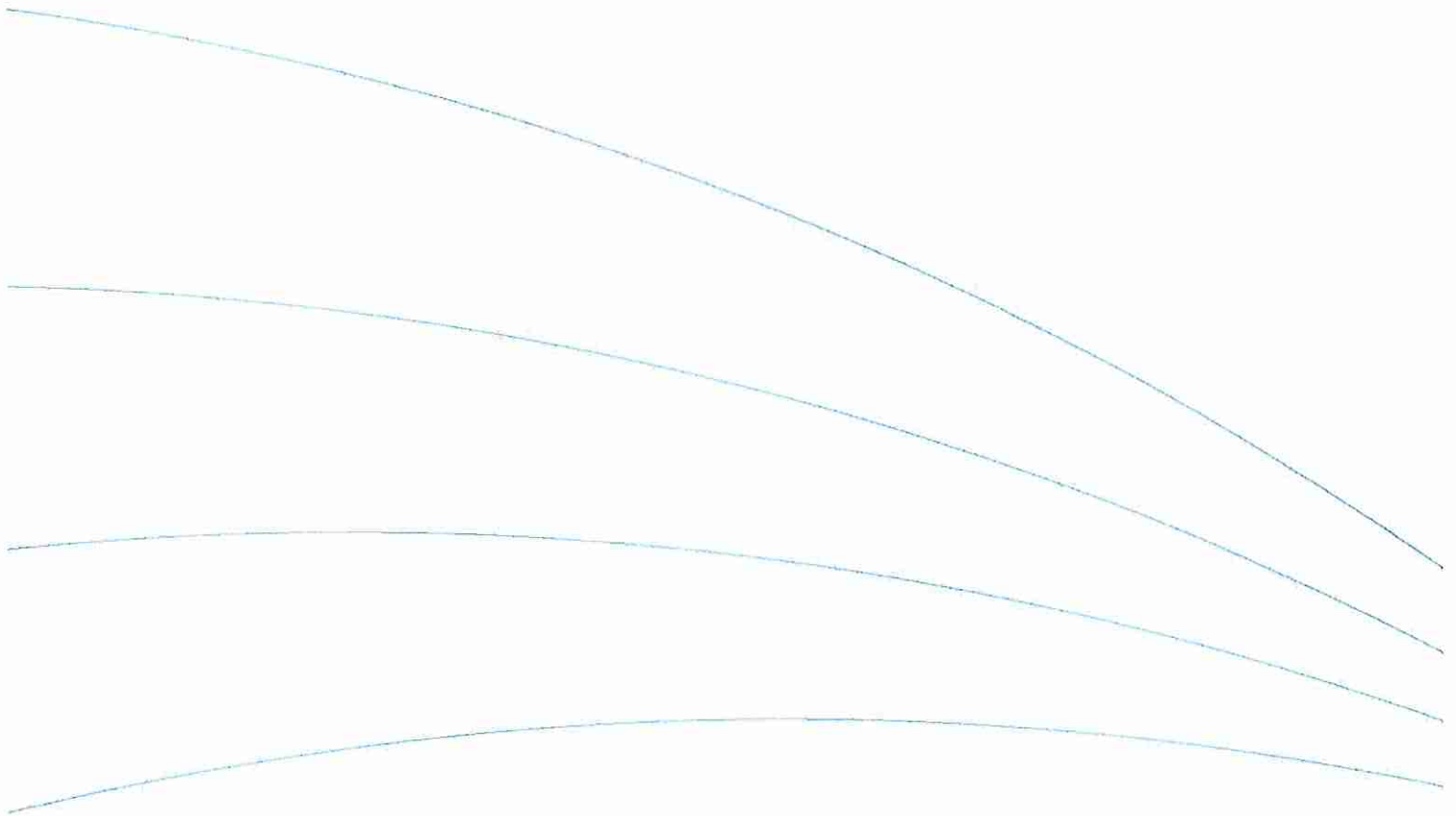
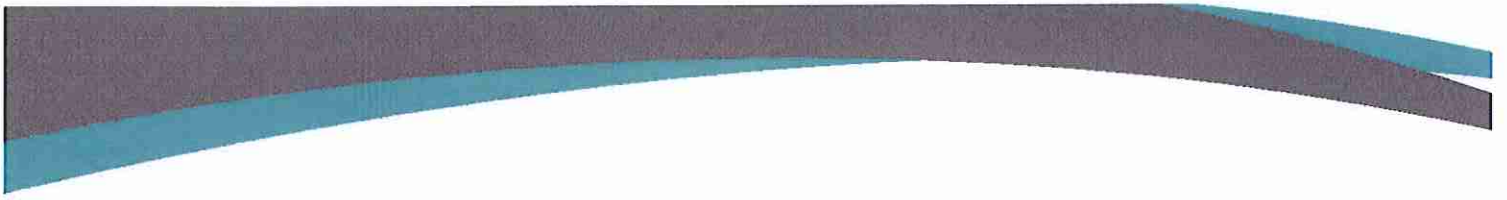
Regular review will be essential to ensure we are meeting our goals and will achieve our vision of a better energy future. The success of the strategy's implementation will be measured against the indicators in the "How will we know we've succeeded?" section for each strategy.

Change in the electricity sector is inevitable. The strategy is resilient and adaptable. It allows us to carefully monitor and respond to change as it occurs. However, some changes cannot be foreseen. Some will be of greater impact than others and will change our priorities. Reviews of the strategy may draw on tools such as scenario analysis to understand the factors driving change and how they may play out over time.

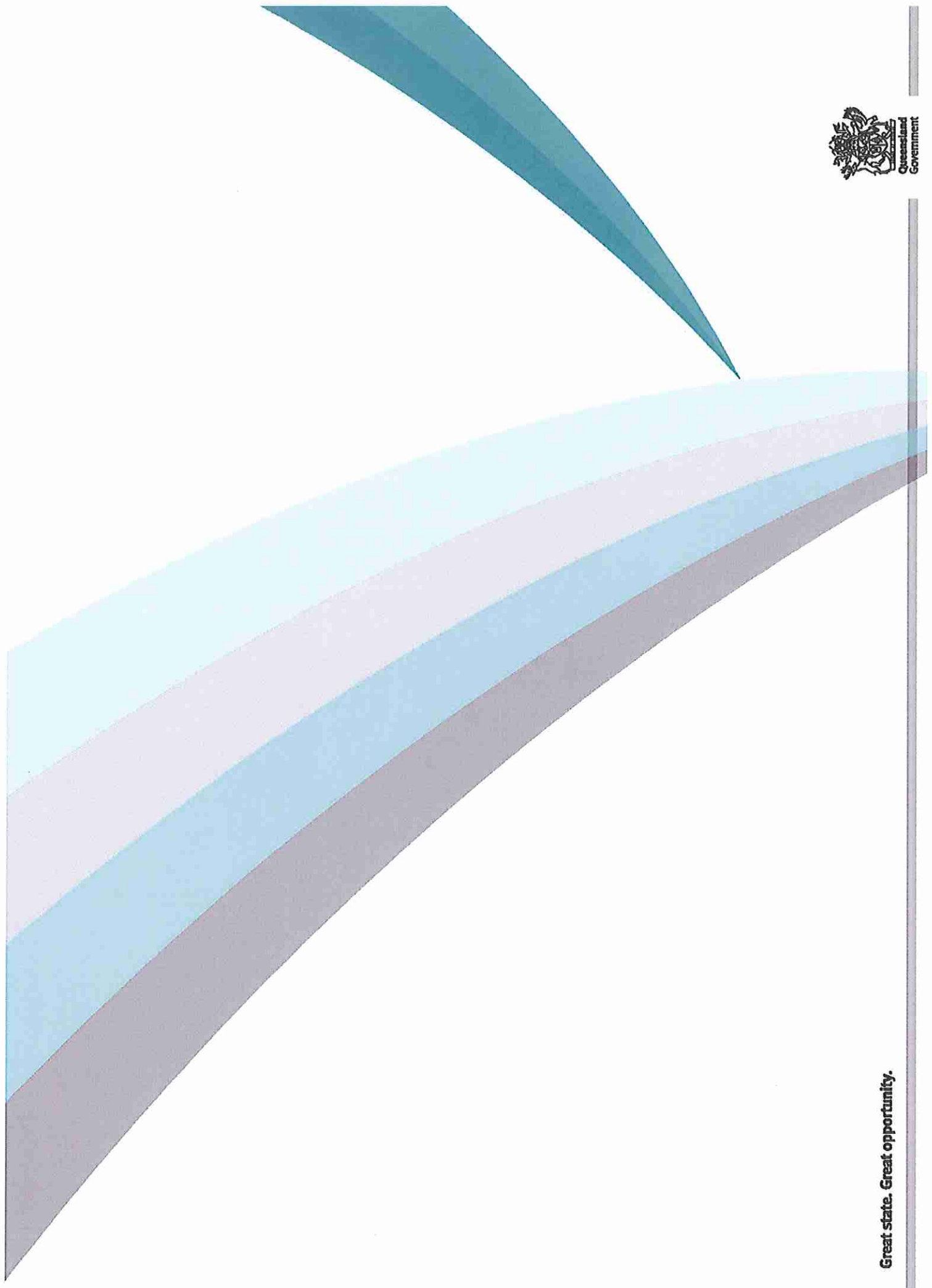
The expert panel will also have input, as will stakeholders across the industry and community.

The five-yearly renewal of *The Queensland Plan* will also inform the reviews of *PowerQ* as it will enable us to realign our actions as the priorities and values of Queenslanders evolve.









Great state. Great opportunity.

# Answers to Questions Taken on Notice at the Hearing



ESTIMATES HEARING 2014

QUESTION ON NOTICE - 2

QUESTION:

Number of Ergon Energy job losses over last financial year broken down by region.

RESPONSE:

As of 30 June 2014, Ergon Energy's directly employed workforce totalled 4,415. This employee total includes all permanent and fixed term employees, in-house apprentices, trainees, and casual employees.

As a breakdown by region – As of 30 June 2014 Ergon Energy has 1,784 employees in Northern Queensland, 1,213 in Central Queensland, 1,037 in Southern Queensland, and 381 based in Brisbane.

Please refer to the below table which provides a breakdown of Ergon Energy's workforce, by region:

Ergon Energy	30 June 2013 Headcount	30 June 2014 Headcount	Variance
Northern Region	1,860	1,784	-76
Central Region	1,273	1,213	-60
Southern Region	1,080	1,037	-43
Brisbane	401	381	-20
<b>Total</b>	<b>4,614</b>	<b>4,415</b>	<b>-199</b>

**ESTIMATES HEARING 2014**

**QUESTION ON NOTICE - 3**

**QUESTION:**

Can the Minister provide a table splitting out the estimated actuals and projected dividends from Energex, Ergon Energy, Powerlink, Stanwell, CS Energy and SunWater, listed separately from 2013-2014 to 2017-2018?

**RESPONSE:**

In response to the Committee's request for information on budgeted dividends and tax equivalent payments by the energy and water government owned corporations in 2014-15 and over the forward estimates, I refer the Committee to the answer provided by the Under Treasurer on this matter to the Finance and Administration Committee on 17 July 2014.



**ESTIMATES HEARING 2014**

**QUESTION ON NOTICE - 4**

**QUESTION:**

Last year you confirmed that the energy GoCs had underspent their capital budgets by \$598m. What is the amount this year?

**RESPONSE:**

The energy GoCs in total are underspent against their original 2013-14 capital budget by \$653.2M which includes underspends of \$81.4M for the Energy Generation Sector (CS Energy and Stanwell), \$250.6M for the Energy Transmission Sector (Powerlink) and \$321.2M for the Energy Distribution Sector (Energex and Ergon).

## ESTIMATES HEARING 2014

### QUESTION ON NOTICE - 5

#### QUESTION:

Again on page 4 at the Capital Statement the Energy generation sector's estimated actual capital budget was \$301m from that section. Why has there been an \$80m underspend? What projects were cancelled or deferred?

#### RESPONSE:

##### CS Energy

2013/14 capital expenditure budget      \$72.6 M

Estimated Actual                              \$63.4

Main variances from budget:

- Overspend Callide C4 major overhaul (\$4.6 million);
- Underspend on Solar Boost Project (\$5.6 million);
- Underspend on planning of Kogan Creek major overhaul due to its deferral and underspend on Kogan Creek mini overhaul (\$1.2 million); and
- Underspend in Stay in Business CAPEX (\$5.6 million).

##### Stanwell

2013/14 capital expenditure budget      \$179.2 M

Estimated Actual                              \$101.1 M

Main variances from budget:

- \$23.3m due to deferral of the Enterprise Resource Project;
- \$25.8m as a result leasing mining equipment instead of purchasing via capital (approved by Shareholding Ministers);
- \$12.3m as a result of cost reductions and savings;
- \$7.2m of deferred saving on gas joint ventures due to timing of the cash calls on these projects; and
- \$5.1 million as a result of unutilised contingency, favourable contract outcomes and reduced scope on Stanwell Power Station Unit 3 Major Overhaul.



ESTIMATES HEARING 2014

QUESTION ON NOTICE - 6

QUESTION:

Looking at the 2014-15 budget, your Department's capital budget is \$122m. Can you assure the Committee that you will come in on budget this year? What steps have you taken to ensure that you do?

RESPONSE:

The Department's capital budget for 2014-15 totals \$3.586M. The Energy and Water Supply line item in the *Capital Purchases for 2014-15* table (page 4 BP3) of \$122.579M is a combined total which includes the the Department of Energy and Water Supply, SunWater, Gladstone Area Water Board and Mt Isa Water Board.

It is anticipated that the Department's capital purchases will come in on budget.

## ESTIMATES HEARING 2014

### QUESTION ON NOTICE - 7

#### QUESTION:

Minister, I refer you to page 4 of Budget Paper 3. You will note that the estimated actual capital expenditure for 2013-14 for your Department was approximately \$297m. Referring to last year's capital statement (Page 4), your Department's capital budget was \$98m for the 2013-14 year. What was the cause of the \$200m capital overspend last year?

#### RESPONSE:

The Energy and Water Supply allocation of \$296.9M (2014-15 capital statement page 4) and \$98.2M (2013-14 capital statement page 4) includes capital expenditure for the Department of Energy and Water Supply, SunWater, Gladstone Area Water Board and Mt Isa Water Board.

The increase of \$198.7 million (\$296.9M less \$98.2M) in 2013-14 estimated actuals primarily relates to the construction of the Woleebee Creek to Glebe Weir pipeline in 2013-14 by SunWater. This project was 50% funded by QGC Ltd, and is for the transport of treated Coal Seam Gas water. The project was approved after the 2013-14 budget was submitted.



# Correspondence



Office of the  
**Minister for Energy and Water Supply**

Ref: EWS/005167  
CLLO-CIC-14091

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41 George Street Brisbane 4000  
PO Box 15456 City East  
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Telephone +61 7 3719 7140  
Facsimile +61 7 3220 6233

25 July 2014

Mr David Gibson MP  
Chair  
State Development, Infrastructure and Industry Committee  
Parliament House  
George Street  
BRISBANE QLD 4000

Dear Mr Gibson

I am writing to provide clarification around figures I provided at the Energy and Water Supply portfolio Estimates Hearing on 17 July 2014.

I refer to page 23 of the Hansard transcript proof where Ms Millard asked me about the Government's strongest and smartest choice to repay Labor's projected \$80 billion debt by selling the government owned generators and introducing private investment into the network businesses. I advised that on the current book figures of CS Energy and Stanwell, the value of the assets is about \$33.6 billion.

I would like to clarify that the total value of the assets proposed to be sold is about \$33.6 billion (based on reasonable estimates), not the value of CS Energy and Stanwell assets alone.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Mark McArdle'.

Mark McArdle MP  
**Minister for Energy and Water Supply**



# Department of Tourism, Major Events, Small Business and the Commonwealth Games

State Development, Infrastructure and Industry Committee

# Questions on Notice





**State Development, Infrastructure and Industry Committee**

**Questions on Notice**

**Minister for Tourism, Major Events, Small Business and the Commonwealth Games**

1. Minister, what activity has Tourism and Events Queensland and the Department of Tourism, Major Events, Small Business and the Commonwealth Games undertaken to target the growth of the international visitor market to Queensland?
2. Minister, what activities and services are delivered by the Department of Tourism, Major Events, Small Business and the Commonwealth Games and Tourism and Events Queensland to support and develop the tourism economy in regional Queensland?
3. Minister, what activity has been undertaken by the Department of Tourism, Major Events, Small Business and the Commonwealth Games and Tourism and Events Queensland to attract and deliver Major Events to Queensland?
4. In September 2014, the Department of Tourism, Major Events, Small Business and the Commonwealth Games will deliver the third DestinationQ Forum. Can the Minister advise how DestinationQ forum and its outcomes have affected tourism in Queensland?
5. Can the Minister outline what steps have been taken to monitor and deliver on legacy outcomes for the Gold Coast 2018 Commonwealth Games?
6. Can the Minister explain what action has been undertaken to ensure the progress and delivery of venues for the Gold Coast 2018 Commonwealth Games?
7. Can the Minister outline what whole-of-government activity is undertaken by the Department of Tourism, Major Events, Small Business and the Commonwealth Games in partnership with other Government departments to deliver tourism-related activities?
8. Can the Minister please advise of the activities that have been undertaken to assist and promote Small Businesses in Queensland?



**State Development, Infrastructure and Industry Committee**

**Questions on Notice**

**Minister for Tourism, Major Events, Small Business and the Commonwealth Games**

9. Minister, what actions and activities have been undertaken to receive feedback and advice from Queensland Small Business operators in order to deliver customer-relevant services and activities?
10. Can the Minister advise what tools and resources are available to Queensland's 410,000 small businesses through the Business and Industry Portal?
11. Will the Minister provide the funding breakdown for each of Queensland's thirteen regional tourism organisations (SDS p.35) for the 2013-14 and 2014-15 budget years, with separate line items for base funding and the money awarded through contestable grants?
12. I refer to the funding allocations for the Department of Tourism, Major Events, Small Business and the Commonwealth Games (SDS p.4). Will the Minister provide a list of all contracts which have been awarded through her department and statutory bodies under her authority in the 2013-14 financial year including:
  - a. the purpose of the contract,
  - b. the organisation awarded with the contract,
  - c. the amount of money associated with the contract?
13. With reference to page 35 of the SDS and Tourism and Events Queensland's (TEQ) investment in major events, will the Minister provide:
  - a. A list of the 44 major events funded through TEQ in 2012-13 including the amount contributed to each event
  - b. A list of all major events funded through TEQ in 2013-14 including the amount contributed to each event
  - c. A list of all major events TEQ has committed to fund in 2014-15 including the amount expected to contributed to each event
  - d. A list of all major events secured by TEQ beyond 2014-15 including the amount expected to contributed to each event?
14. With reference to page 35 of the SDS and the \$3 million TEQ Regional Development Program, will the Minister provide:
  - a. A list of the 85 regional events funded through the program in 2013-14 including the amount contributed to each event





**State Development, Infrastructure and Industry Committee**

**Questions on Notice**

**Minister for Tourism, Major Events, Small Business and the Commonwealth Games**

- b. A list of all events which are expected to be funded through the program in 2014-15 including the amount expected to be contributed to each event
  - c. A list of all events which are expected to be funded through the program beyond 2014-15 including the amount expected to be contributed to each event?
- 15. Page 38 of the SDS shows an approximate \$4.6 million underspend in grants and subsidies in TEQ and a further decline in 2014-15. Will the Minister account for this significant underspend, particularly given there was a similar underspend of some \$9.4 million in 2012-13?
- 16. With reference to page 34 of the SDS and TEQ's responsibility for attracting business events, will the Minister detail:
  - a. the funding provided to each of Queensland's convention bureaus by TEQ for each of the 2012-13, 2013-14 and 2014-15 financial years
  - b. all funding provided by TEQ for specific business events in the 2012-13, 2013-14 and 2014-15 financial years, with specific allocations to each event
  - c. All funding expected to be provided by TEQ to specific business events beyond 2014-15 including the specific allocation to each event?
- 17. With reference to page 38 of the SDS which shows a budget cut of approximately 20% for TEQ, will the Minister detail:
  - a. All programs which will be discontinued or have funding reduced as a result of this cut, including the size of the reduction for each program
  - b. Confirm if there will be any redundancies associated with the budget cut and list all positions which will no longer continue within TEQ?
- 18. Referring to page 35 of the SDS and TEQ's role in developing commercial partnerships for destination marketing, will the Minister detail all commercial partnership agreements currently in place including:
  - a. the purpose of the partnership
  - b. the amount contributed by TEQ to the agreement in each of the 2012-13, 2013-14 and 2014-15 financial years and any commitments in future years
  - c. the amount contributed by the commercial partner in each of the 2012-13, 2013-14 and 2014-15 financial years and any commitments in future years?



**State Development, Infrastructure and Industry Committee**

**Questions on Notice**

**Minister for Tourism, Major Events, Small Business and the Commonwealth Games**

19. With reference to Department of Tourism, Major Events, Small Business and the Commonwealth Games SDS page 3, will the Minister provide a list of all:
  - a. the infrastructure projects required for the Commonwealth Games and the expected completion date and cost of each project?
  - b. the known procurement projects (including past purchases) related to the Commonwealth Games, expected time of advising the market and method of offer?
20. Will the Minister detail visitor statistics to the Government's Business and Industry Portal (SDS page 8)?



# Answers to Questions on Notice

**State Development, Infrastructure and Industry Committee**  
**Question on Notice**

**No. 1**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

Minister, what activity has Tourism and Events Queensland and the Department of Tourism, Major Events, Small Business and the Commonwealth Games undertaken to target the growth of the international visitor market to Queensland?

**ANSWER:**

Tourism and Events Queensland (TEQ) works in partnership with Tourism Australia, our regional tourism organisations, Queensland's airports and international airlines to promote the state globally.

Strategies under global marketing pursue a number of marketing, publicity and trade promotions activities undertaken to showcase Queensland and its destinations. TEQ's international markets generated more than \$90 million value in international media exposure through publicity campaigns.

In 2013-14, TEQ undertook tactical marketing campaigns in the key international source markets of New Zealand, United States of America, Germany, United Kingdom, Singapore, China, the Middle East, Japan, India, Korea, Taiwan and Hong Kong.

Highlights included:

- the Best Jobs in the World global youth campaign undertaken in partnership with with Tourism Australia, State Tourism Offices and the Queensland Parks and Wildlife Service;
- 2014 Australian Tourism Exchange held in Cairns from 11-15 May 2014;
- the inaugural Corroboree Greater China 2014 on the Gold Coast from 23-28 June 2014; and
- DERTOUR 2014 in Cairns 17-21 June 2014.



State Development, Infrastructure and Industry Committee  
Question on Notice

No. 2

Asked on 19 June 2014

ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —

Minister, what activities and services are delivered by the Department of Tourism, Major Events, Small Business and the Commonwealth Games and Tourism and Events Queensland to support and develop the tourism economy in regional Queensland?

ANSWER:

Our *DestinationQ* initiative is providing the drive for government and industry effort in support of regional economies and the sustainable development of tourism as an economic pillar.

Earlier this year, the Queensland Government released '*Destination Success*: the 20 year plan for tourism in Queensland'. *Destination Success* represents the long term vision for tourism in Queensland outlining the range of activities being undertaken by government and industry in partnership to achieve our 2020 goal to increase visitor expenditure to \$30 billion.

Central to our Destination Success plan is our destination management approach which values the uniqueness of our 13 tourism regions. Our approach will be underpinned by a series of Destination Tourism Plans that set a clear direction for tourism in each destination and identify opportunities and strategies to create a sustainable and competitive tourism and events industry.

Through Tourism and Events Queensland we have doubled the level of funding available to our regional tourism organisations to \$7 million per annum. This is made up of \$4 million in core grant funding and \$3 million towards contestable grants.

The contestable funding is awarded to RTOs for projects that leverage local tourism opportunities and provide a boost for tourism and events across Queensland. RTOs were encouraged to source their own contributions towards projects from partners including local governments, local tourism organisations and industry. The projects are practical examples of the Government's commitment to partner with industry to work towards the goal of growing annual overnight visitor expenditure from \$15 billion to \$30 billion by 2020.

The Government has also invests in regional events to extend the flow of economic and social benefits of events to regional Queensland. During 2013-14 a total of 85 events have been supported through TEQ's regional development program.

In addition, TEQ invests in a number of events through the major events portfolio that take place in regional Queensland each year. Key major events in regional Queensland include the Birdsville Races in September in Outback Queensland; the V8 Supercars Townsville 500 in July in Townsville; the Cairns Airport Adventure Festival in June in Cairns; Easterfest in April in Toowoomba; the Noosa International Food and Wine Festival in May on the Sunshine Coast; and the Australian PGA Championships in November and Australian Surf Life Saving Championships in April on the Gold Coast, among many others.

Further activities undertaken by the Government to support and develop the tourism economy in regional Queensland include:

- development of the Queensland Drive Tourism Strategy 2013-15;
- development of the Camping Options Toolkit to assist local government work with their communities to grow the supply and diversity of camping options; and
- delivery of a suite of industry development opportunities including Domestic Ready, Yield Management, Digital Ready and Internationally Ready.



**State Development, Infrastructure and Industry Committee  
Question on Notice**

**No. 3**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

Minister, what activity has been undertaken by the Department of Tourism, Major Events, Small Business and the Commonwealth Games and Tourism and Events Queensland to attract and deliver Major Events to Queensland?

**ANSWER:**

Tourism and Events Queensland (TEQ) is the Queensland Government's lead marketing, experience development and major events agency, representing the State's tourism and events industries. TEQ works to attract, develop and promote major events in Queensland that attract visitors to the State and generate economic, social and community benefits.

TEQ has recently developed the '*Events Strategy 2020 – Strategic Framework*' to guide the organisation in the attraction of new events, creation of events and retention of events for Queensland. The strategy establishes robust criteria that inform the investment decision-making process to ensure supported events maximise economic and social benefits for Queensland. The strategy will help ensure a world class events calendar that contribute to the Queensland Government's 2020 vision of growing overnight visitor expenditure from \$15 billion to \$30 billion.

TEQ currently supports a diverse portfolio of events. In 2012-13, TEQ's investment in 44 major events drove event-specific travel attracting 688,000 visitors, delivering more than 1.08 million direct visitor nights and direct and incremental expenditure of \$289 million.

**State Development, Infrastructure and Industry Committee**  
**Question on Notice**

**No. 4**

**Asked on 18 June 2014**

ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —

In September 2014, the Department of Tourism, Major Events, Small Business and the Commonwealth Games will deliver the third *DestinationQ* forum. Can the Minister advise how DestinationQ forum and their outcomes have affected tourism in Queensland?

ANSWER:

The Newman Government is growing tourism through a genuine partnership with the Queensland tourism industry. This approach is embodied in our annual DestinationQ forums.

The inaugural *DestinationQ* forum held in Cairns in June 2012, was the first time in over 25 years the industry and government had come together to workshop the issues impacting on success and what needed to be done by government and industry, in the short term, to turn Queensland tourism around after years of neglect. The event delivered the first partnership agreement and 12 month key action plan signed by the Queensland Government and the Queensland Tourism Industry Council (QTIC). The actions contained in this agreement were the priorities identified and voted on by delegates at the forum.

At the second *DestinationQ* forum on the Gold Coast in August 2013, the focus shifted to the longer term, identifying the strategic directions required to achieve our vision. This formed the foundation of the 20 year plan for the industry, *Destination Success. Destination Success: the 20-year plan for Queensland Tourism*.

With this genuine partnership approach, tourism across our state is growing, and operators have a renewed sense of enthusiasm. We will have a strong and prosperous tourism industry by continuing to deliver our 20 year plan for tourism.



**State Development, Infrastructure and Industry Committee**  
**Question on Notice**

No. 5

Asked on 19 June 2014

ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —

Can the Minister outline what steps have been taken to monitor and deliver on legacy outcomes for the Gold Coast 2018 Commonwealth Games?

ANSWER:

The Queensland Government is committed to maximising lasting benefits across the state from hosting the 2018 Gold Coast Commonwealth Games.

Earlier this year, the Government released *Embracing our Games legacy: Queensland's legacy for the Gold Coast 2018 Commonwealth Games* which outlines how we can use the local, national and international profile of the Commonwealth Games to realise lasting benefits across Queensland from hosting the Commonwealth Games.

The implementation of the Strategy will be overseen by the *Embracing 2018 Advisory Committee*, an honorary committee of prominent Queenslanders and chaired by the Honourable Rob Borbidge AO.

**State Development, Infrastructure and Industry Committee**  
**Question on Notice**

**No. 6**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

Can the Minister explain what action has been undertaken to ensure the progress and delivery of venues for the Gold Coast 2018 Commonwealth Games?

**ANSWER:**

I am delighted to report that the Commonwealth Games Federation has approved the venues master plan for the Gold Coast 2018 Commonwealth Games™ (GC2018). The Government has worked hard with the City of Gold Coast (CGC) and GOLDOC to ensure strong legacy benefits for the Gold Coast. This is great news and confirms that some of the earlier planned temporary locations will now become permanent venues, creating an even stronger legacy for Queenslanders.

These positive changes have been the result of detailed consultation and planning undertaken by the Queensland Government, CGC, GOLDOC and other key partners leading to long lasting community benefits for the Gold Coast.

Details of the venue master plan can be found here  
(<http://www.dsdlp.qld.gov.au/index.php/infrastructure-and-planning/major-projects/gold-coast-2018-commonwealth-games?view=listcats>)



**State Development, Infrastructure and Industry Committee  
Question on Notice**

No. 7

Asked on 19 June 2014

ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —

Can the Minister outline what whole-of-government activity is undertaken by the Department of Tourism, Major Events, Small Business and the Commonwealth Games in partnership with other government departments to deliver tourism-related activities?

**ANSWER:**

The Newman Government has proudly embraced a whole of Government approach to growing our important tourism industry.

This approach is guided at by the Tourism Cabinet Committee (TCC) which ensures a coordinated and integrated approach to tourism and events; mobilises all agencies in working toward the 2020 industry potential goal; and removes impediments and blockages to deliver government's agenda for the visitor economy.

The TCC has broad cross government Ministerial representation including:

- Minister for Tourism, Major Events, Small Business and the Commonwealth Games (Chair);
- Deputy Premier and Minister for State Development, Infrastructure and Planning;
- Minister for National Parks, Recreation, Sport and Racing;
- Minister for Education, Training and Employment;
- Minister for Transport and Main Roads;
- Minister for Science, Information Technology, Innovation and the Arts;
- Minister for Local Government, Community Recovery and Resilience;
- Assistant Minister for Tourism; and
- Assistant Minister for Planning Reform.

This approach has resulted in a number of whole-of-government achievements including:

- Developed the Queensland Drive Tourism Strategy 2013-15
- Developed the Tourism State Planning Policy and State Assessment and Referral Agency
- Developed the Queensland Eco-Tourism Strategy 2013-2020
- Reduced red-tape for tourism operators

**State Development, Infrastructure and Industry Committee  
Question on Notice**

**No. 8**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

Can the Minister please advise of the activities that have been undertaken to assist and promote Small Businesses in Queensland?

**ANSWER:**

On 16 May 2013, I launched the Queensland Small Business Strategy and Action Plan 2013-15. This articulated Plan set forth the policy directions and actions that the government would put in place through to the conclusion of the Plan in 2015.

Implementation of the 32 actions under the Strategy and Action Plan is progressing well, with 23 actions implemented or ongoing, and the remaining nine actions scheduled for implementation prior to May 2015.

Activities that have been undertaken to assist and promote Small Businesses in Queensland include:

- Delivered 90 events during 2013 Queensland Small Business Week;
- 'Think Queensland, buy locally' campaign;
- Cutting green tape to more than 9,000 businesses in low-risk environmental activities;
- Removing advertising requirements for liquor and gaming applications;
- Removing advertising requirements for low-risk restaurants, café premises and bottle shops;
- Increasing the payroll tax exemption to \$1.1 million;
- Reducing Workers' compensation premiums by 17% in 2014-15 - the lowest in Australia;
- School to Trade Pathway incentive;
- Halving fees for on-site sewage treatment plants in more than 200 caravan parks and small tourism businesses;
- Mentoring over 120 high-growth businesses during the 2013/2014 financial year; and
- Providing more opportunities for small business to tap into major projects.

In addition, the Business and Industry Portal delivers the Queensland Governments One-Stop Shop for business to government services. The Business and Industry Portal has:

- 816 services available to support small business. Services include an events calendar, new tendering section, guides, tools, calculators, checklists, and SmartForms capable of online submission and payment for regulatory forms.



- Saved business and industry customers \$250 million over 2 years in time and money.
- Reduced the red tape administrative burden through the online availability of the Australian Business Licence and Information Service, prefilling regulatory forms with key business details from the Australian Business Account and enabling online submission of 63 different types of application forms.

**State Development, Infrastructure and Industry Committee  
Question on Notice**

No. 9

Asked on 19 June 2014

ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —

Minister, what actions and activities have been undertaken to receive feedback advice from Queensland Small Business operators in order to deliver customer-relevant services and activities?

ANSWER:

The Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTESB) has a strong customer focus and has implemented relevant methods to encourage Queensland business operators to provide feedback and advice. Advice received contributes to the design and delivery of customer-focused services to business and industry:

- The Mentoring for Growth Program surveys every business participant prior to undertaking mentoring and then at 6 months and 12 months post their involvement in mentoring.
- DTESB is currently piloting a Voice of Customer program to engage directly with business owners and operators through quarterly metropolitan and regional customer focus groups and task-based user testing.
- Business and Industry Portal (BIP) users can ask questions or leave feedback while using the Portal by simply clicking the feedback button.
- A random exit survey is delivered to BIP users who are encouraged to provide information about satisfaction with online services and ability to complete required tasks.
- An annual Customer Impact Survey is conducted by DTESB to determine the market penetration, customer awareness and impact of online service delivery to Queensland businesses.



**State Development, Infrastructure and Industry Committee  
Question on Notice**

**No. 10**

**Asked on 18 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

Can the Minister advise what tools and resources are available to Queensland's 410,000 small businesses through the Business and Industry Portal?

**ANSWER:**

The Government's Business and Industry Portal (BIP) continues to grow its offering to Queensland's small businesses and provides a range of tools and resources to support them.

These services include:

- The Events Calendar
- A tendering section with tools and online searching of the government's latest opportunities for business
- Commonwealth Games supplier information
- Payroll tax webinars
- White on brown tourist attraction signage
- Revamping the ICT industry and Science industry sections
- Redeveloping the 'Investing in Queensland' section of the Portal
- Expanding significantly the foreign language offering for investors
- An online payment and re-registration form for Queensland veterinarians
- A claim lodgement form for interest on late payment of invoices
- An online tool to support businesses in developing and protecting their intellectual property
- Guides, tools, calculators, checklists and online forms
- The Australian Business Account
- The Australian Business Licence and Information Service
- Forms and fees finder – environment authorities

**State Development, Infrastructure and Industry Committee**  
**Question on Notice**

**No. 11**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

Will the Minister provide the funding breakdown for each of Queensland's thirteen regional tourism organisations (SDS p.35) for the 2013-14 and 2014-15 budget years, with separate line items for base funding and the money awarded through contestable grants?

**ANSWER:**

A breakdown of 2013-14 and 2014-15 Regional Tourism Organisation (RTO) funding is detailed in the tables below.

**2013-14 Funding Breakdown**

<b>Regional Tourism Organisation</b>	<b>2013-14 Core Funding \$</b>	<b>2013-14 Contestable Funding Awarded \$</b>
Brisbane Marketing	\$300,000	\$345,000
Tourism Tropical North Queensland	\$300,000	\$689,000
Outback Queensland Tourism Association	\$300,000	\$360,000
Bundaberg North Burnett Tourism	\$300,000	\$210,000
Capricorn Enterprise	\$300,000	\$42,500
Fraser Coast Opportunities	\$300,000	\$174,500
Gladstone Area Promotion and Development Limited	\$300,000	\$20,000
Gold Coast Tourism	\$300,000	\$295,000
Mackay Tourism Limited	\$300,000	\$0
Southern Queensland Country Tourism	\$400,000	\$210,100
Sunshine Coast Development Limited	\$300,000	\$104,500
Whitsundays Marketing and Development Limited	\$300,000	\$330,000
Townsville Enterprise Limited	\$300,000	\$198,030
<b>Total</b>	<b>\$4,000,000</b>	<b>\$2,978,630</b>



**2014-15 Funding Breakdown**

<b>Regional Tourism Organisation</b>	<b>2014-15 Core Funding \$</b>	<b>2014-15 Contestable Funding Awarded \$</b>
Brisbane Marketing	\$300,000	\$205,000
Tourism Tropical North Queensland	\$300,000	\$623,500
Outback Queensland Tourism Association	\$300,000	\$375,000
Bundaberg North Burnett Tourism	\$300,000	\$75,000
Capricorn Enterprise	\$300,000	\$95,000
Fraser Coast Opportunities	\$300,000	\$420,000
Gladstone Area Promotion and Development Limited	\$300,000	\$145,000
Gold Coast Tourism	\$300,000	\$425,000
Mackay Tourism Limited	\$300,000	\$0
Southern Queensland Country Tourism	\$400,000	\$145,336
Sunshine Coast Development Limited	\$300,000	\$157,500
Whitsundays Marketing and Development Limited	\$300,000	\$225,000
Townsville Enterprise Limited	\$300,000	\$208,125
<b>Total</b>	<b>\$4,000,000</b>	<b>\$3,099,461</b>

**State Development, Infrastructure and Industry Committee**  
**Question on Notice**

**No. 12**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

I refer to the funding allocations for the Department of Tourism, Major Events, Small Business and the Commonwealth Games (SDS p.4). Will the Minister provide a list of all contracts which have been awarded through her department and statutory bodies under her authority in the 2013-14 financial year including:

- a. the purpose of the contract,
- b. the organisation awarded with the contract,
- c. the amount of money associated with the contract?

**ANSWER:**

I can confirm a total of \$109,277,094 excluding GST has been awarded through my department and statutory bodies under my authority since 1 July 2013.

Please find attached the list of suppliers and their purpose of engagement to both my department and the statutory bodies under my authority. Details for Tourism and Events Queensland contracts awarded since 1 July 2013 have been aggregated by category for reasons relating to Commercial in Confidence.



**Department of Tourism, Major Events, Small Business and the Commonwealth Games**

Question on Notice No 12

Contracts Awarded from 1 July 2013 to 30 June 2014

Purpose	Organisation	Approved Total (Ex GST) \$
Provision of 90 minute training workshops	Webbed Feet Pty Ltd	20,000
Delivery of Think Queensland, buy locally campaign	Chamber of Commerce and Industry Queensland	30,000
Development and Provision of 6 webinars during Small Business Week 2013, to be held from Wednesday, 24 July to Wednesday, 31 July 2013.	The Creative Collective	13,950
Event Management Group to assist with deliver of 2014 Small Business Week 2014 (excluding event costs) being held 1-6 September 2014	AIM Trading Pty Ltd (t/a I Am Events Pty Ltd)	86,525
Provision of survey data relating to business sentiments, future expectations, business profiles and business borrowings of small businesses in the state, in particular small business 'tigers'.	DBM Consulting Pty Ltd	30,000
Sponsorship of 2014 Premiers Sustainability Awards to raise DTESB profile, importance of sustainability to the small business community, small business service offering to a targeted group of stakeholders.	Department of Environment and Heritage Protection	9,091
Production of promotional video for 2014 Queensland Small Business Week.	VMP Pty Ltd	5,690
Provide 2 & 1/2 days of Photography (plus incidentals) for Small Business E-Book	Welcome to the Fold Pty Ltd	5,000
Provision of Consultancy Services to provide strategic advice on Small Business Awareness Raising.	McDonnell Phillips Consulting Pty Ltd	25,000
Public Progress Report	JMJB Pty Ltd (JSA Creative)	44,539
Commonwealth Games Procurement Framework - Procurement Platform Scoping Study	Business Aspect Pty Ltd	66,800
New Facilities for Gold Coast Show Relocation	Gold Coast Turf Club Ltd	11,000,000
Gold Coast Show Relocation Masterplanning - Final milestone payment (Change to Grant Agreement to facilitate second payment) - March 2014	Gold Coast Turf Club Ltd	92,829
Graphical Information Systems (GIS) - Workshop	ARUP	4,500
Commonwealth Games Legacy - Legacy Plan	Colmar Brunton	72,094
Commonwealth Games Legacy - Business Legacy of Sporting Venues	Griffith University	3,300
Commonwealth Games Legacy - website	Brightlabs Pty Ltd	32,125
Commonwealth Games Legacy - Community Workshop Facilitation	Alana Thompson	4,063
Arts and Cultural Program - Workshop Facilitation 5/12/13	Deborah Mills	5,250
Kampyle Pty Ltd	Survey tool for Business and Industry Websites	35,632
The University of Queensland Institute for Social Science Research	2014 Customer Impact Survey	108,794
Business Aspect	Road Map for Customer Relationship Management system in DTESB	101,600
Data#3 Limited	Implementation of Customer Relationship Management system in DTESB	54,280
PricewaterhouseCoopers	Review of methodology for estimating the value of benefits to business	26,210
Advanced Personnel t/a Serendipity Pty Ltd	Provision of HR mediation services	1,182
Business Aspect	Service Delivery Strategy	93,000
Enhance Group Pty Ltd (Enhance Research)	Voice of Customer - Market Research	13,400
PricewaterhouseCoopers	Review of methodology for estimating the value of benefits to business - revised	225,160
Escribe Services Pty Ltd	Transcribing Webinars	532
Stennings & Associates Pty Ltd	Business Impact Analysis for CR 19807	1,125

Purpose	Organisation	Approved Total (Ex GST) \$
Big Smoke Cigars t/a Motherlode	DTEB Business Guide Audit	5,022
	Search Engine Optimisation (SEO) activities for the Business and Industry Portal	5,950
Reload Media Pty Ltd	Smartform development	10,000
Avoka Technologies Pty Ltd	Practical Resilience Program	16,900
Queensland Education Leadership Institute	Content Audit on the Business and Industry Portal	5,160
Prominence Pty Ltd	PSA Consulting	37,370
Develop Roadside Rest Area Guideline		
Update Hotel Investment Guide (Subcontracted via Brisbane Marketing)	AEC Group Consultants	16,696
Undertake Hotels Multiplier Research	AEC Group Consultants	9,090
Provide input for development of terms of reference for Product Lifecycle Study Stage 1	STR Global	2,043
Provide input for development of terms of reference for Product Lifecycle Study Stage 1	AEC Group Consultants	2,000
Provide input for development of terms of reference for Product Lifecycle Study Stage 1	Jones Lang La Salle	2,000
Provide input for development of terms of reference for Product Lifecycle Study Stage 1	KPMG	2,000
Undertake Product Lifecycle Study Stage 2	Jones Lang La Salle	100,000
Facilitate regional focus groups to inform product innovation discussions at DQ14 Forum	Earthcheck Pty Ltd	75,660
SEQ Regional Plan input (Contract variation)	Buckley Vann	26,000
Develop and facilitate Tourism Investment Master Classes	Deloitte Touche Tohmatsu	25,000
Develop Tourism Reform Roadmap (Engaged under DTMR SOA TMROCE003 – Business Improvement Services Panel)	Rowland Pty Ltd	21,573
Develop framework for tourism reform implementation	PricewaterhouseCoopers	11,521
Conduct social media analysis	Strategy8	287,511
Design and conduct Stakeholder Satisfaction Survey	Australian Market Research	64,000
Content edit of 2013 Partnership Report	Jayne Jennings Consulting	5,600
Final edit of 2013 Partnership Report (Engaged via existing contract with Creative Solutions)	Lauren Marks	6,195
Strategic Advisor for the 2014 <i>DestinationQ</i> Forum	Tony Charters and Associates	142,931
Professional Conference Organiser for the 2014 <i>DestinationQ</i> Forum	MCI Australia	346,991
Develop and facilitate pre DQ14 Forum Building Successful Partnerships Master Class	EC3 Global	11,440
Design and deliver Technology Platform for <i>Destination Success</i> : the 20-year plan for Queensland Tourism	SQUIZ	77,500
Co-ordinate launch event <i>Destination Success</i> : the 20-year plan for Queensland Tourism launch event	Staging Connections	12,806
Provide a report re Performance of Queensland Island Resorts	Jones Lang LaSalle Advisory	9,000
Conduct Cultural Heritage Survey for the proposed Obi Obi Zip Line	Archaeo Cultural Heritage Services	15,196
Provide training to the Tourism Division for Effective Commissioning of Work	Clayton Utz	9,650
<b>Total</b>		<b>13,574,477</b>

#### Tourism and Events Queensland

Question on Notice No 12

Contracts Awarded from 1 July 2013 to 27 June 2014

Purpose	Organisation	Approved Total (Ex GST) \$
<b>International</b>	Quay Marketing	4,953,334
• International Representation	Arredondo Wiggington & Associates	
	Global Spot	
	Hills Balfour	



Purpose	Organisation	Approved Total (Ex GST) \$
<b>Operations</b>	Ergo Asia Pty Ltd	7,901,025
• Information Technology including computer hardware and software purchase and maintenance	Hewlett Packard	
• Data management and quality	Michael Page	
• Governance and audit advice	ProAV Solutions	
• Internal audit review	TMS Consulting	
• Human relations advice and recruitment	Challenger	
• Commercial offices leasing	Bulletproof Networks	
	Brisbane IT Services	
	Dean & Ling	
	Quadric	
	R&L Consulting	
	Jardine Lloyd Thompson	
	Trade and Investment Queensland	
	ATDW	
	Optus	
	Brisbane Convention and Exhibition Centre	
	Norman Disney & Young	
	Conrad Gargett Riddel	
	Ernst & Young	
	Bolot Hoskin and Quinn	
	JR Deco	
	Tourism Australia	
	Technology One	
	Davidson Recruitment	
	Travel Link	
	Fuji Xerox	
<b>Marketing Activity</b>	Cheese Advertising	18,577,481
	HITO Travel	
• Hosting familiarisations	Sportsnote Digital	
• Cooperative marketing	Red Robot Communications	
• Film production, photographic shoots and editing services	Beijing ANZ	
• Marketing support	Grand Tour	
	Interpark International	
	China Travel Service	
	Bauer Media	
	RJ Cecil shop and office fitting	
	Department of Premier and Cabinet	
	Flight Centre Group	
	Big Boy Film Services	
	Soul Arch Media	
	AOT Group Pty Ltd	
	Publicis Mojo	
	Big Planet Media	
	China CTYS Tour	
	Fujian Comfort	
	CTS Sports	
	Rydges South Bank	
	Spicy Biscuit	
	ATDW	
	A List Events	
	Staging Connections	
	Underwood Party	
	Universal McCann	
	NQPS Pty Ltd	
	Flash	
	Kinki Nippon Tourist Co Ltd	
	JR Nishinon Communications	
	Corporate Video Australia	
	Havas Media	
	Prologger	

Purpose	Organisation	Approved Total (Ex GST) \$
Marketing Activity	Pat Callinan Media	
	BTG Outbound Tour	
	Shanghai Airlines Travel Service	
	Shanghai CITS and Qantas	
	Utour	
	Spring Tour	
	Dnata Travel	
	Aboriginal Steel Art	
	Leonie Murray	
	Redland City Council	
	Christine Retschlag	
	Pirie Bath Photography	
	CTS	
	Nanhu	
	SZ CITS	
	SZ Merchant	
	SZ Comfort	
	BCTS	
	Anita Clark	
	Belinda Macartney	
	Elevation Marketing	
	Delta Airlines	
	Ward Benedict Productions	
	Yueqiao	
	Haystac Public Affairs	
	Ochre Restaurant	
	Travel Zoo	
	Make My Trip	
	Wing Travel	
	WingOn Travel	
	Pacific International	
	GZL Travel	
	JTB Media	
	HIS Co Ltd	
	Success Matrix	
	Nick Pty Ltd	
	Caissa Touristic	
	Marina Media Group	
	Kevin Simmonds	
	Song Zu	
	Expedia Media Solutions	
	Wonderment Pty Ltd	
	Travel Link Marketing	
	Mercure Harbourside	
	Novotel Oasis Cairns	
	Pullman Cairns	
	JTBWestern Japan	
	Kinki Nippon Tourist Co Ltd	
	Flight Centre New Zealand	
	Wincastle Travel (HK) Ltd	
	Nick Pty Ltd	
	Robertson Solutions	
	GMO AD Partners	
	EZ Travel Taiwan	
	Kingkey Banner	
	Lead Media	
	VA International	
	Wing On Travel	
	Rydes Plaza	
	Haystac Public Relations	
	Jane Woodley	
	Pinnacle Tourism Marketing	
	Parker Travel Collection	



Purpose	Organisation	Approved Total (Ex GST) \$
Marketing Activity	Hankyu Travel International	
	JTB Tokyo Metropolitan Corp	
	CXC Corporate Services	
	Jamoka Enterprises Pty Ltd	
	JTB World Vacations	
	Gold Coast Tourism	
	Travel Leaders	
	Quick Brown Fox	
	Haystac Public Affairs	
	Matt Ramondo Creative	
	Creative Licence Pty Ltd	
	JGolf	
	Qantas Holidays Tour and Travel	
	Floating Pavilion	
	Haystac	
	Toptour Corporation	
	Hainan Augo MICE Service Co Ltd	
	Tourism Australia	
	P4 Group Pty Ltd	
	Think Social Media	
	Air New Zealand	
	Hainan Augo MICE Service Co Ltd	
	Swain Destinations	
	Samarand Pty Ltd	
	Zaphod Pty Ltd	
	Christine Cornish	
	Qantas Airways	
	Tourism Australia / China Southern Airlines	
	HIS Co Ltd	
	EC3 Global	
	Ctrip	
	Parker Travel Collection	
	Palazzo Versace	
	Maxime Coquard	
	Dnata	
	Jetstar / Gold Coast Tourism	
	Le Meridien Hotel She Shan	
	Qingdao Shangri-La Hotel	
	Qantas / TTNQ	
	Your extra solutions Pty Ltd	
	Gourmet Food Publishing	
	AirAsia X	
	QTIC	
	Qantas Holidays	
	Oceana	
	Spicy Biscuit	
	Connect Tourism Pty Ltd	
	Emirates	
	Bilcom	
	Google	
	China Airlines	
	Hilton Osaka	
	Imperial Hotel Tokyo	
	Development Counsellors International	
	Brilliant International Marketing	
	Sichuan China Youth Travel Service Co Ltd	
	Reflected Image Productions Ltd	
	Travmedia	
	Mode Tour	
	VTour	

Purpose	Organisation	Approved Total (Ex GST) \$
<b>Marketing Activity</b>	Bilcom	
	Big Boy Film Services Pty Ltd	
	Ham PR Pty Ltd	
	Byecity.com / Beijing Huayuan International	
	Cutting Edge	
	AOT Inbound Pty Ltd	
	Bomi Kim, Bomabaran	
	Channel Seven / TPD Media	
	Let's Travel Magazine	
	Martin Woodley & Associates	
	Singapore Airlines	
	Etihad Airlines	
	RJ Media	
	Emirates	
	Grant Ready	
	Menzies Hotel Sydney	
	Hotel Grand Chancellor	
	Coroneo	
<b>Research and Industry Development</b>	Brand Inc	983,985
• Research into domestic and international tourism trends	FiftyFive5	
• Visitor Surveys	Roy Morgan Research	
• Research services	Nielsen Company	
• Destination research	WiteKite	
• Events strategy and development	Social Bakers	
	Griffith University	
	Earthcheck Pty Ltd	
	Global Media and Sports	
	IATA	
	Tourism Pearls	
	Tourism Research Australia	
<b>Regional Tourism Organisations</b>	Brisbane Marketing	9,000,000
	Bundaberg Region Limited	
• Provision of core grant and contestable grant funding	Capricorn Tourism & Economic Development	
• Provision of convention bureaux funding	Gladstone Area Promotion and Development	
	Gold Coast Tourism	
	Mackay Tourism	
	Outback Queensland Tourism Association	
	Southern Queensland Country Tourism	
	Sunshine Coast Destination	
	Tourism Fraser Coast	
	Tourism Tropical North Queensland	
	Townsville Enterprises	
	Whitsundays Marketing & Development	
<b>Events</b>	Cairns Indigenous Arts Fair Ltd	
<b>Major Events</b>	Chugg Entertainment	41,516,155
• TEQ events investment	Cycling Australia	
	Athletics Australia	
	Cricket Australia	
	USM Events Pty Ltd	
	Far North Queensland Amateur Turf Club	
	Queensland Art Gallery	
	Major Brisbane Festivals Pty Ltd	
	National Rugby League Ltd	
	Cairns Regional Council	
	Bowls Australia	



Purpose	Organisation	Approved Total (Ex GST) \$
Major Events	Gold Coast City Council	
	Netball Australia	
	ASP Australia Events Pty Ltd and Association of Surfing Professionals LLC	
	Australian Football League	
	Touch Football Australia	
	Tuohy Allan Promotions	
	Tennis Australia	
	Connecting Southern Gold Coast	
	V8 Supercars Australia	
	Queensland Performing Arts Trust	
	Noosa Food and Wine Events Pty Ltd	
	Queensland Folk Federation	
	Queensland Museum	
	James Cook University	
	Department National Parks, Recreation, Sport and Racing	
	Far North Queensland Promotion Bureau Ltd	
Regional Events	Australian Formula Powerboat Grand Prix Inc	2,222,450
	Big Run Events Pty Ltd	
	Blackall Heartland Festival Inc	
	Connecting Southern Gold Coast Ltd	
	Bundaberg Regional Council	
	Cairns and District Chinese Association Inc	
	Milboe Ltd	
	Cairns Ukulele Club Inc	
	Sunshine Coast Regional Council	
	Stage and Audio Ltd	
	Discovery Coast Tourism & Commerce Association Inc - 1770 Festival Committee	
	Far North Qld Hospital Foundation	
	Central Highlands Development Corporation	
	Bundaberg Regional Council	
	Curry Merry Muster Festival Inc	
	Dalby Chamber of Commerce & Industry Inc	
	Easter in the Country Inc	
	Highfields Pioneer Village, Museum and Park Inc	
	Scenic Rim Regional Council	
	Feast of the Senses Inc	
	Toowoomba Cycling Development Limited	
	Clydesdale and Heavy Horse Field Days Association Inc	
	Gemfest "Festival of Gems" Association Inc	
	Robbie McEwen Cycling Events	
	Gold Coast Film Fantastic Ltd	
	Eventcorp	
	Enchanter Productions Pty Ltd	
	Goondiwindi Triathlon Club Inc	
	Border Rivers Chamber of Commerce Inc	
	Port Douglas Event Management	
	Hamilton Island Enterprises Limited	
	Cobb + Co Museum	

Purpose	Organisation	Approved Total (Ex GST) \$
Regional Events	Surfing Queensland Inc	
	Golf Queensland Ltd	
	Julia Creek Dirt and Dust Festival Inc	
	Red Carpet 32 Pty Ltd	
	Marine Queensland	
	Barung Landcare Association Inc	
	Mitchell Creek Rock N Blues Festival Pty Ltd	
	Go Golfing Pty Ltd	
	Burke Shire Council	
	Noosa Jazz Festival Pty Ltd	
	Townsville Rockwheelers Mountain Bike Club Inc	
	Professional Bull Riders Australia	
	Port Douglas Chamber of Commerce	
	Goondiwindi Race Club Inc	
	Qld International 3 Day Event Inc	
	Nursery and Garden Industry Qld	
	Burdekin Machinery Preservationists Inc	
	Weekend Warrior Events	
	Tourism Palm Cove	
	Fraser Coast Opportunities Ltd	
	River 2 Reef Ride Pty Ltd	
	Rotary Club of Pioneer Valley Inc	
	Stanthorpe Festival Association Inc	
	Cloncurry Stockman's Challenge and Campdraft Association	
	Weekend Warrior Events	
	Surfers Paradise Alliance	
	Rotary Club of Atherton Inc	
	Toowoomba Regional Council	
	Townsville Intercultural Centre Ltd	
	Townsville Triathlon Festival	
	Australian Outrigger Canoe Racing Association - Qld State Centre	
	Whitsunday Reef Festival	
Regional Events Conference	Rydges South Bank, Townsville	27,509
Business Events	Association for Computer Machinery Inc.	480,000
	International Society for Prenatal Diagnosis	
	World Council of Credit Unions	
	Australian and New Zealand Head and Neck Cancer Society	
	Children's Cancer Institute Australia	
	The Australian Institute of Mine Surveyors Limited	
	The Australian National University Research School of Physics and Engineering	
	Griffith University, Nathan Campus	
	Volunteering Australia Incorporated	
Total Contracts Awarded Tourism and Events Queensland since 1 July 2013		85,661,939

**Gold Coast 2018 Commonwealth Games Corporation**  
 Question on Notice No 12  
 Contracts Awarded from 1 July 2013 to 27 June 2014

Purpose	Organisation	Approved Total (Ex GST) \$
Software - Autodesk building design	A2K Technologies	13,470
Village master planning design services	Archipelago Architects	96,600
Relocation services	Astra International	14,612
Legal services	Clayton Utz	347,602



Purpose	Organisation	Approved Total (Ex GST) \$
Consumer Sentiment Research	Colmar Brunton	70,000
Fitout works for GOLDOC office	Commercial Images	16,695
Legal services	Corrs Chambers Westgarth	29,500
Overlay design services multiple venues	Cox Architecture	15,000
ICT project manager services	CPK Consulting Pty Ltd	200,000
Strategic planning for Games Village	Cutler Synthesized Projects	26,250
IT hardware laptops and software	Datacom Systems Pty Ltd	20,498
Glasgow Flag Handover Ceremony Event Production Company	David Atkins Enterprises	950,000
Development of plan for logistics	DB Schenker	13,770
Aquatics sports lighting and quantity surveying services	Dept of State Development, Infrastructure & Planning	16,000
Pre design service for Coomera overlay	Dept of State Development, Infrastructure & Planning	18,275
Overlay design aquatics sewer extension	Dept of State Development, Infrastructure & Planning	65,526
Design services Carrara stadium overlay and warm up track	Dept of State Development, Infrastructure & Planning	88,350
Design services for velodrome overlay	Dept of State Development, Infrastructure & Planning	125,000
Carrara stadium sport and leisure precinct works	Dept of State Development, Infrastructure & Planning	134,500
Design services aquatics temporary lighting	Dept of State Development, Infrastructure & Planning	301,272
Legal services	DLA Piper Australia	40,000
Legal services	Gadens Lawyers	43,500
Subscription services for IT leaders	Gartner Australasia Pty Ltd	58,800
Glasgow 2014 Closing Ceremony	Glasgow 2014	14,396
Apparel for Glasgow program	Goodridge Australia	18,960
Venue planning audit services	Great Big Events	22,083
GOLDOC office accommodation - design and construct specifications	Group GSA	21,740
Development of plan for broadcast	Healy Associates	15,400
Legal services	Herbert Smith Freehills	152,000
Recruitment services	Hines Management Consultants	30,000
Development of office accommodation strategy	Insight Onsite	28,350
Project manager services - office accommodation	Insight Onsite	75,510
Venue overlay engineering design services	Integrated Event Delivery Management	150,000
Flag Handover Ceremony production project manager	International Entertainment Consulting Pty Ltd	118,720
iSentia media monitoring services	iSentia	13,888
Development of communication strategic plan	Javelin Australia Pty Ltd	98,400
IT software to support enterprise content management system	Knowledge Partners	18,000
Annual IT support for enterprise content solution	Knowledge Partners	23,500
Development of risk management framework	KPMG	59,283
Specialist advisor travel/accommodation services	Lani Sullivan & Associates	84,000
Merchandise items for Glasgow program	Lifestyle Australia	25,416
Human resources services and advice	Livingston's	15,600
Development of plan for spectator services	Lorraine Foster	10,850
Legal services	Minter Ellison	284,100
Development of sustainable supply chain guidance material for suppliers	Net Balance	10,000
Strategic planning and program management services	24/7 Events Group	132,000
Employee assistance program	PPC Worldwide	28,720
Room hire and catering for CoCom	RACV Royal Pines Resort	17,628
Recruitment services	Randstad	84,958
Sales and sponsorship program	Sports Marketing and Management	360,000
Public relations and event logistics services	Sold Out National Event Management	77,520
Recruitment services	Talent2	201,125
IT software services - corporate applications	Technology One	4,833,674

Purpose	Organisation	Approved Total (Ex GST) \$
Advertising editorial in Glasgow closing ceremony publication	Venue Retail	11,090
Recruitment advertising	Wahoo Advertising	22,686
Development of collateral design requirements	WiteKite	89,000
Glasgow 2014 accommodation	Advanced Travel Partners UK Ltd	186,862
<b>Total</b>		<b>10,040,679</b>

<b>Portfolio Total</b>		<b>109,277,094</b>
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**State Development, Infrastructure and Industry Committee  
Question on Notice**

**No. 13**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

With reference to page 35 of the SDS and Tourism and Events Queensland's (TEQ) investment in major events, will the Minister provide:

- a. A list of the 44 major events funded through TEQ in 2012-13 including the amount contributed to each event
- b. A list of all major events funded through TEQ in 2013-14 including the amount contributed to each event
- c. A list of all major events TEQ has committed to fund in 2014-15 including the amount expected to contributed to each
- d. A list of all major events secured by TEQ beyond 2014-15 including the amount expected to contributed to each event?

**ANSWER:**

Tourism and Events Queensland (TEQ) is the Queensland Government's lead marketing, experience development and major events agency, representing the State's tourism and events industries. TEQ works to attract, develop and promote major events in Queensland that attract visitors to the State and generate economic, social and community benefits.

**Part A**

The funding amount contributed to each event is unable to be provided as this information is commercially sensitive and considered commercial-in-confidence.

<b>TEQ Supported Major Events – 2012-13</b>
AFL Draft
Asia Pacific Triennial 7
Australia v Argentina Rugby Union Test Match
Australia v British Lions Rugby Union
Australia v New Zealand Rugby Union Test Match
Australia v Wales Rugby Union Test Match
Australian PGA Championships
Australian Surf Life Saving Championships
BIGSOUND (Conference and BIGSOUND Live)
Blues on Broadbeach
BMX National Championships
Brisbane Festival – Santos GLNG City of Lights
Brisbane International Tennis

Brisbane Winter Racing Carnival
Cairns AFL Premiership Fixture
Cairns Airport Adventure Festival
Cairns Amateurs Racing Carnival
Cairns Indigenous Art Fair
Cairns NRL Premiership Fixture
Coolangatta Gold
Delectable
Driving Miss Daisy
Easterfest
Gold Coast Airport Marathon
IRB Gold Coast Sevens (including Corporate Tag Sevens & QRU Festival of Rugby)
Kellogg's Nutri-Grain Ironman Series and Telstra Ironwoman Series
Magic Millions Carnival, Race Day and Yearling Sale
Magic Millions National Sale
Mooloolaba Triathlon Festival
NetFest
Noosa International Food and Wine Festival
Noosa Triathlon Multisport Festival
Pan Pacific Masters Games
Portraits of Spain: Masterpieces from the Prado
Queensland International Performance Series - Bolshoi Ballet
Queensland International Performance Series - Hamburg
Queensland Reds v British Lions Rugby Union
Quiksilver and Roxy Pro & ASP World Surfing Awards
The Mummy Exhibition
V8 Supercars Armor All Gold Coast 600
V8 Supercars Coates Hire Ipswich 300
V8 Supercars Sucrogen Townsville 400
Volvik RACV Ladies Masters
Woodford Folk Festival



## Part B

The funding amount contributed to each event is unable to be provided as this information is commercially sensitive and considered commercial-in-confidence.

<b>TEQ Supported Major Events –2013-14</b>
AFL Draft
AFL NAB Cup
Australia v France Rugby Union Test
Australia v South Africa Rugby Union Test Match
Australian Festival of Chamber Music
Australian Mountain Bike Marathon Championships
Australian Performing Arts Market (APAM)
Australian PGA Championships
Australian University Games
BIGSOUND (Conference and BIGSOUND Live)
Birdsville Races
Blues on Broadbeach
Brisbane Festival - Santos GLNG City of Lights
Brisbane International Tennis
Brisbane Winter Racing Carnival
Cai Guo-Qiang Exhibition
Cairns AFL Premiership Fixture
Cairns Airport Adventure Festival
Cairns Amateurs Racing Carnival
Coolangatta Gold
Easterfest
Gold Coast Airport Marathon
IRB Gold Coast Sevens (including Corporate Tag Sevens & QRU Festival of Rugby)
Great Barrier Reef Masters Games
Gympie Music Muster
IRONMAN 70.3 Sunshine Coast
Magic Millions Carnival, Race Day and Yearling Sales
Magic Millions National Sale
Mooloolaba Triathlon
Mountain Bike National Championships
Noosa International Food and Wine Festival
Noosa Triathlon Multisport Festival
Opera on the Beach: The Magic Flute
Quiksilver Pro and Roxy Pro & ASP World Surfing Awards
UCI Mountain Bike World Cup
V8 Supercars Armor All Gold Coast 600
V8 Supercars Coates Hire Ipswich 300
V8 Supercars Sucrogen Townsville 400

Volvik RACV Ladies Masters
Woodford Folk Festival

## Part C

The funding amount expected to be contributed to each event is unable to be provided as this information is commercially sensitive and considered commercial-in-confidence.

<b>TEQ Supported Major Events – 2014-15</b>
AFL Draft
American Ballet – QPAC International Series
Australia v India Cricket Test
Australian Festival of Chamber Music
Australian Open Lawn Bowls
Australian PGA Championships
Australian Rugby Union - Test Match
Australian Surf Life Saving Championships
Birdsville Races
Bledisloe Cup Rugby Union
Blues on Broadbeach
BMX National Championships
Brisbane International Tennis
Bundaberg Cup Touch Football
Cairns AFL Premiership Fixture
Cairns Airport Adventure Festival
Cairns Amateurs Racing Carnival
Cairns Indigenous Art Fair
Cairns NRL Premiership Fixture
Coolangatta Gold
Easterfest
Four Nations Opening Round
Gold Coast Airport Marathon
IRB Gold Coast Sevens (including Corporate Tag Sevens & QRU Festival of Rugby)
Gympie Music Muster
IRONMAN 70.3 Sunshine Coast
Magic Millions Carnival, Race Day and Yearling Sales
Magic Millions National Sale
NetFest
Pan Pacific Masters Games
Pan Pacific Swimming Championships
UCI Mountain Bike World Cup 2015



V8 Supercars Castrol Townsville 500
V8 Supercars Coates Hire Ipswich 400
V8 Supercars Gold Coast 600
Volvik RACV Ladies Masters
Woodford Folk Festival

#### **Part D**

The funding amount expected to be contributed to each event is unable to be provided as this information is commercially sensitive and considered commercial-in-confidence.

<b>TEQ Supported Major Events – Beyond 2014-15</b>
Australian Performing Arts Market (APAM)
Australian Festival of Chamber Music
Australian Open Lawn Bowls
Australian Rugby Union – Test Match
Australian Surf Life Saving Championships
Australian University Games
Birdsville Races
BMX National Championships
Brisbane International Tennis
Bundaberg Cup Touch Football
Cairns AFL Premiership Fixture
Gold Coast Airport Marathon
Magic Millions Carnival, Race Day and Yearling Sales
Magic Millions National Sale
Mountain Bike World Cup 2016 and supporting events
Pan Pacific Masters Games/Great Barrier Reef Masters Games
V8 Supercars Castrol Townsville 500
V8 Supercars Coates Hire Ipswich 400
V8 Supercars Gold Coast 600

**State Development, Infrastructure and Industry Committee  
Question on Notice**

**No. 14**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

With reference to page 35 of the SDS and the \$3 million TEQ Regional Development Program, will the Minister provide:

- a. A list of the 85 regional events funded through the program in 2013-14 including the amount contributed to each event
- b. A list of all events which are expected to be funded through the program in 2014-15
- c. A list of all events which are expected to be funded through the program beyond 2014-15 including the amount expected to be contributed to each event?

**ANSWER:**

**Part A**

Below is a complete list of events supported through the TEQ Regional Development Program that took place between 1 July 2013 and 30 June 2014.

The Village Festival - \$15,000  
Airlie Beach Race Week - \$25,000  
Angel Flight Outback Trailblazer - \$25,000  
Captain Cook 1770 Festival and Art Show - \$10,000  
Caloundra Fringe Festival - \$60,000  
Big Talk One Fire Indigenous Festival - \$10,000  
Blackall Heartland Festival - \$20,000  
Bleach\* Festival - \$60,000  
Australian Formula Powerboat Grand Prix 2013 – Round 1 - \$10,000  
Cairns Chinese New Year - \$20,000  
Cairns to Karumba Bike Ride - \$30,000  
Cairns Ukulele Festival - \$20,000  
Straddie Salute Multisport Festival - \$15,000  
Townsville Triathlon Festival - \$10,000  
Cardiac Challenge - \$10,000  
Have a Go Festival - \$10,000  
Cooly Rocks On - \$60,000  
Crocodile Trophy - \$50,000  
CRUSH Festival - \$40,000  
Curry Merry Muster Festival - \$15,000



Magnetic Island Race Week - \$20,000  
Easter in the Country - \$20,000  
Easter Vintage Festival - \$20,000  
Eat Local Week / Winter Harvest Festival - \$10,000  
Feast of the Senses - \$15,000  
Dalby's Delicious and DeLIGHTful Festival - \$5,000  
Gatton Heavy Horse and Heritage Festival Field Days - \$9,000  
Gemfest Festival of Gems - \$20,000  
Gold Coast Festival of Cycling - \$10,000  
Gold Coast Film Festival - \$30,000  
Queensland Open Golf Championship - \$20,000  
Gold Coast Renaissance Faire - \$15,000  
Goondiwindi Hell of the West - \$10,000  
Jackie Howe Festival of the Golden Shears - \$30,000  
Toowoomba Carnival of Flowers - \$60,000  
Greek Festival Townsville - \$15,000  
Central Highlands Multicultural Festival - \$10,000  
Hervey Bay Seafood Festival - \$30,000  
International Rally of Queensland (2013 and 2014) - \$100,000  
Port Douglas Carnivale 2014 - \$25,000  
Julia Creek Dirt n Dust Festival - \$100,000  
Jumpers and Jazz in July - \$25,000  
Tour de Valley - \$5,000  
Kirra Kite Festival - \$10,000  
Lake Moondarra Fishing Classic - \$27,000  
Australian SUP and Paddleboard Titles - \$10,000  
Lockyer 300 - \$15,000  
Logan's Run MTB Marathon - \$20,000  
Mackay Boat Show - \$10,000  
Gold Coast International Food, Wine & Music Festival - \$15,000  
Maleny Wood Expo - \$20,000  
Medibank Wave Warriors Junior Challenge - \$15,000  
Tara Festival of Culture & Camel Races - \$15,000  
Queensland Country Showcase Race Day, Goondiwindi - \$10,000  
Mount Isa Rotary Rodeo - \$50,000  
Nanango Country Muster - \$5,000  
Great Barrier Reef Marathon Festival - \$20,000  
Mitsubishi World Masters Golf Championships - \$15,000  
North Queensland Games - \$15,000  
Leyburn Sprints - \$40,000  
Outback Horse and Heritage Festival - \$25,000  
Paluma Push 2013 - \$10,000  
PBR Troy Dunn Invitational - \$50,000  
Outback Festival - \$50,000  
Relish Fraser Coast Food and Wine - \$21,250

Queensland Garden Expo - \$25,000  
Queensland Ocean Swim Series - \$10,000  
Noosa Festival of Surfing - \$40,000  
Tastes of the Tablelands - \$15,000  
River 2 Reef Ride - \$10,000  
River Rock to Mountain Top Community Festival - \$10,000  
Stanthorpe Apple & Grape Harvest Festival - \$40,000  
Mission Evolve Music Festival - \$12,000  
Surfers Paradise Festival - \$50,000  
Swell Sculpture Festival - \$35,000  
FKG Tour of Toowoomba - \$30,000  
Noosa Jazz Festival - \$50,000  
Texas Country Music Festival - \$15,000  
Kenilworth Celebrates - \$10,000  
Great Whitehaven Beach Run - \$6,000  
Tour de Tamborine - \$10,000  
Bloomin Beautiful Blackbutt Festival - \$15,000  
Townsville Running Festival - \$40,000  
Abbey Medieval Festival - \$50,000  
Western Games - \$15,000

## **Part B**

Below is a list of events approved for TEQ Regional Development Program funding which take place between 1 July 2014 and 30 June 2015.

Abbey Medieval Jousting Spectacular  
Airlie Beach Music Festival  
Capricorn Coast Running Festival  
Mitchell Creek Rock N Blues Fest  
Australian Hand Cane-Cutting Championships  
Great Barrier Reef Marathon Festival  
Beach Bash Obstacle Course Challenge  
Big Red Bash  
Qld International 3 Day Event  
Bleach\* Festival  
Bloomin Beautiful Blackbutt Festival  
Paluma Push  
Burleigh Pro  
Cairns Chinese New Year  
Cairns Ukulele Festival  
Caloundra Fringe Festival  
Immerse Paddle Festival  
Capricorn Food and Wine Festival  
Cardiac Challenge  
Noosa International Rugby 7's Festival



Childers Festival  
Cooly Rocks On  
Medibank Wave Warriors Junior Challenge (Greenmount and Noosa)  
CRUSH Festival  
Goondiwindi Hell of the West Triathlon  
Dalby's Delicious & DeLIGHTful Festival  
Easter Vintage Festival  
Elvis - Viva Surfers Paradise  
Toowoomba Carnival of Flowers  
Gladstone Region Seafood Festival  
Glencore Greek Fest Townsville  
Airlie Beach Race Week  
Bundy Flavours Festival  
Gourmet in Gundy  
Australian Italian Festival  
Have A Go Festival  
Hervey Bay Seafood Festival  
Big Red Run  
International Adventure Games  
Isuzu Queensland Open Golf Championship  
Queensland Ocean Swim Series  
Julia Creek Dirt n Dust Festival  
Kenilworth Celebrates  
Townsville Triathlon Festival  
Central Highlands Multicultural Festival  
Leyburn Sprints  
Lockyer 300  
Mackay Beach Horse Racing Festival  
Magnetic Island Adventurethon  
Trans Tasman Gubbi Gubbi Waka Ama  
Australian Camp Oven Festival  
Morning Glory Festival  
Stockmans Challenge and Campdraft  
Noosa Festival of Surfing  
Gemfest Festival of Gems  
Noosa Jazz Festival  
Curry Merry Muster Festival  
PBR Troy Dunn Invitational  
Pride of the West  
Gold Coast Festival of Cycling 2014  
Queensland Garden Expo  
Queensland Heritage Rally  
Mount Isa Rotary Rodeo  
Reef Feast  
Shakespeare in the Park Festival  
Soldier On Triathlon  
Kitefoil Gold Cup Australia

Straddie Salute Multisport Festival  
Swell Sculpture Festival  
Tastes of the Tablelands  
Jackie Howe Festival of the Golden Shears  
Tour de Valley  
Townsville Cultural Fest  
Townsville Running Festival  
Crocodile Trophy  
Lake Moondarra Fishing Classic  
Village Festival  
Warwick Gold Cup Campdraft & Rodeo  
Whitsunday Reef Festival

### **Part C**

Below is a list of events approved for funding which will take place from 1 July 2015. Some of the events listed have funding approved for multiple years. The amount awarded includes the total amount for the years listed.

Townsville Triathlon Festival (2015 and 2016) - \$65,000  
Bleach\* Festival (2016) - \$60,000  
PBR Troy Dunn Invitational (2015) - \$45,000  
Village Festival (2015 and 2016) - \$50,000  
Goondiwindi Hell of the West Triathlon (2016 and 2017) - \$20,000  
International Rally of Queensland (2015) - \$50,000  
Julia Creek Dirt n Dust Festival (2016) - \$100,000  
Rum Bar Maxi Regatta (2015) - \$39,000  
Outback Horse and Heritage Expo (2015) - \$45,000  
Toowoomba Carnival of Flowers (2015) - \$60,000  
Leyburn Sprints (2015) - \$35,000  
Swell Sculpture Festival (2015 and 2016) - \$90,000  
Bloomin Beautiful Blackbutt Festival (2015) - \$15,000  
Townsville Running Festival (2015) - \$40,000  
Airlie Beach Race Week (2015 and 2016) - \$50,000  
Caloundra Fringe Festival (2015) - \$60,000



**State Development, Infrastructure and Industry Committee  
Question on Notice**

**No. 15**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

Page 38 of the SDS shows an approximate \$4.6 million underspend in grants and subsidies in TEQ and a further decline in 2014-15. Will the Minister account for this significant underspend, particularly given there was a similar underspend of some \$9.4 million in 2012-13?

**ANSWER:**

The variance is not an underspend but a movement between expenditure categories. This is explained in notes 5 and 8 on page 41 of the SDS.

**State Development, Infrastructure and Industry Committee  
Question on Notice**

**No. 16**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

With reference to page 34 of the SDS and TEQ's responsibility for attracting business events, will the Minister detail:

- a. the funding provided to each of Queensland's convention bureaux by TEQ for each of the 2012-13, 2013-14 and 2014-15 financial years
- b. all funding provided by TEQ for specific business events in the 2012-13, 2013-14 and 2014-15 financial years, with specific allocations to each event
- c. All funding expected to be provided by TEQ to specific business events beyond 2014-15 including the specific allocation to each event?

**ANSWER:**

A detailed funding breakdown has not been provided as this information is commercially sensitive and subject to contracted confidentiality provisions.

**Part A**

Queensland Convention Bureaux receive annual funding of \$2 million per financial year, including for the 2012-13, 2013-14 and 2014-15 financial years. Amounts provided to each Bureau are commercial-in-confidence.

**Part B**

Tourism and Events Queensland (TEQ) manages an International Bid Fund (IBF) to assist industry in securing international business events to the State. Since the inception of the IBF in June 2011, TEQ has invested \$4 million to secure 55 events held between 2012 and 2021. Funding provided for specific business events is commercial-in-confidence.

**Part C**

To date, \$1.47 million has been committed to assist in 13 bids beyond 2014-15. In 2014-15, it is anticipated that an additional \$1.5 million will be committed and awarded.



**State Development, Infrastructure and Industry Committee  
Question on Notice**

**No. 17**

**Asked on 19 June 2014**

ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —

With reference to page 38 of the SDS which shows a budget cut of approximately 20% for TEQ, will the Minister detail:

- a. All programs which will be discontinued or have funding reduced as a result of this cut, including the size of the reduction for each program
- b. Confirm if there will be any redundancies associated with the budget cut and list all positions which will no longer continue with TEQ?

ANSWER:

**Part A**

No programs have been discontinued or had funding reduced as a result of the 2014-15 State Budget.

In line with the Government's destination management approach outlined in *Destination Success: 20 year plan for Queensland tourism* launched in February 2014, the responsibility for leading tourism industry development is transferring from TEQ to the Queensland Tourism Industry Council (QTIC) and Regional Tourism Organisations.

**Part B**

The following positions have been made redundant in 2013-14 due to a reduction in funding allocated to commercial partnerships:

- Director Commercial Partnerships; and
- Director Trade Partnerships.

**State Development, Infrastructure and Industry Committee**  
**Question on Notice**

**No. 18**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

Referring to page 35 of the SDS and TEQ's role in developing commercial partnerships for destination marketing, will the Minister detail all commercial partnership agreement currently in place including:

- a. the purpose of the partnership
- b. the amount contributed by TEQ to the agreement in each of the 2012-13, 2013-14 and 2014-15 financial years and any commitments in future years
- c. the amount contributed by the commercial partner in each of the 2012-13, 2013-14 and 2014-15 financial years and any commitments in future years?

**ANSWER:**

Partnerships lie at the heart of the Newman Government's DestinationQ initiative to grow the tourism industry.

To assist in promoting Queensland's world-class tourism destinations, Tourism and Events Queensland works in partnership with private industry. These commercial partnerships leverage Government investment and maximise the position of Queensland as a pre-eminent holiday destination to the partner's customers. These commercial partnership agreements form legal contracts with commercial-in-confidence provisions. All contracts related to marketing activity are detailed in the answer to QON12.



**State Development, Infrastructure and Industry Committee  
Question on Notice**

**No. 19**

**Asked on 19 June 2014**

**ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —**

With reference to Department of Tourism, Major Events, Small Business and the Commonwealth Games SDS page 3, will the Minister provide a list of all:

- a. the infrastructure projects required for the Commonwealth Games and the expected completion date and cost of each project?
- b. the known procurement projects (including past purchases) related to the Commonwealth Games, expected time of advising the market and method of offer?

**ANSWER:**

- a) I refer the Member to the Venue Delivery Plan released on Friday 13 June. A copy of the plan is available here (<http://www.dsdlp.qld.gov.au/index.php/infrastructure-and-planning/major-projects/gold-coast-2018-commonwealth-games?view=listcats>)
- b) I refer the Member to the Commonwealth Games Forward Procurement schedule released on Tuesday 17 June. A copy of the plan is available here (<http://www.icnqld.org.au/media/Forward-Procurement-Schedule-GC2018-as-at-17June2014.pdf>)

**State Development, Infrastructure and Industry Committee**  
**Question on Notice**

**No. 20**

**Asked on 19 June 2014**

ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —

Will the Minister detail visitor statistics to the Government's Business and Industry  
Portal (SDS page 8)?

ANSWER:

The Business and Industry Portal continues to grow and deliver benefits to  
Queensland businesses.

I am pleased to advise that for the 2013-14 financial year, the Business and Industry  
Portal received 2,284,821 unique visitors.

The Portal had almost 6.9 million individual page views in 2013-14.

The Business and Industry Portal has continued to deliver better than 80% customer  
satisfaction and 80% task completion during 2013-14.

The Business and Industry Portal continues to play a central part in delivering the  
Government's One-Stop Shop agenda tailored for Queensland business needs.



# Documents Tabled at the Hearing

①

Home (<http://www.pedestrian.tv/>) Music (<http://www.pedestrian.tv/music/>) Fashion (<http://www.pedestrian.tv/fashion/>)

Arts + Culture (<http://www.pedestrian.tv/arts-and-culture/>) Film + TV (<http://www.pedestrian.tv/entertainment/>) Sport (<http://www.pedestrian.tv/sport/>)

Travel (<http://www.pedestrian.tv/travel/>) Photo (<http://www.pedestrian.tv/photos/>) Video (<http://www.pedestrian.tv/videos/>)

Name: Jo Ann Miller MP

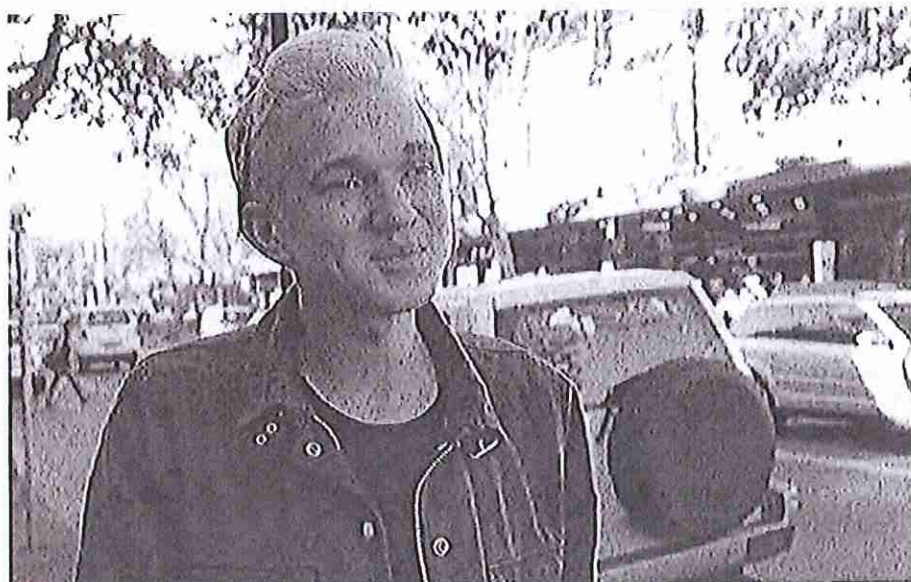
With Leave: Yes ☐ No ☒

Inquiry: Estimates

Date: 17/7/11

Signature: M. J. Miller

## WATCH: SURRY HILLS LOCALS SAY EXACTLY WHAT YOU THINK THEY'RE GOING TO SAY



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Produced in association with our mates at Tourism and Events Queensland (<http://pezn.tv/1n2FpU4>).

Full disclosure: not only is our Sydney office based in Surry Hills, but - as you're inevitably going to find it necessary to remind us - we're also knowingly complicit in perpetuating the kind of cliché that has become synonymous with this part of Sydney.

It may come as a surprise to you, but when left unattended, some of us grow facial hair. Even more of us drink coffee, and the overwhelming majority of us would list 'pubs' as a viable interest second only to baked goods. A recent sampling of our readership (<http://pezn.tv/1qFp792>) revealed that you too are only a human with a propensity to spend time in Surry Hills.

Unimpeachable evidence deduced that 68% of you found walking up Foveaux Street was a feat more difficult to endure than life itself; that the prevailing trend is some terrifying chimera of sports luxe and normcore, and that the better part of you prefer bikes with zero gears and zero self-awareness. That, or you are in fact Richard Gere.

'Surry, not Surry', seemed to be the consensus - a sentiment that also rings true in this:



SYDNEY'S VEGAN NOODLE DICTATOR SAYS "NO WAFU FOR YOU"

([news/arts-and-culture/sydneys-vegan-noodle-dictator-says-no-wafu-for-you/81162.htm](http://news/arts-and-culture/sydneys-vegan-noodle-dictator-says-no-wafu-for-you/81162.htm))



CHANGING LANES FESTIVAL LINEUP

([news/entertainment/changing-lanes-festival-lineup/49783.htm](http://news/entertainment/changing-lanes-festival-lineup/49783.htm))



ABOVE'S 'HERE TODAY GONE TOMORROW' AT LO-FI

([news/music/above-heres-here-today-gone-tomorrow-at-lo-fi/36097.htm](http://news/music/above-heres-here-today-gone-tomorrow-at-lo-fi/36097.htm))

## POPULAR



MCDONALD'S DELIVERY IS EXPANDING ITS TERRITORY, YOUR WAISTLINE

([news/arts-and-culture/mcdonalds-delivery-is-expanding-its-territory-your-bc1ec41e-a88a-4201-9304-5852198219cc.htm](http://news/arts-and-culture/mcdonalds-delivery-is-expanding-its-territory-your-bc1ec41e-a88a-4201-9304-5852198219cc.htm))



SNAPCHAT INTRODUCES GEOFILTERS, VANCE JOY TO INTERNATIONAL AUDIENCES

([news/arts-and-culture/snapchat-introduce-geofilters-vance-joy-to-international-audiences/49aea4c-546a-42ac-a0c0-5c9e2d7c055.htm](http://news/arts-and-culture/snapchat-introduce-geofilters-vance-joy-to-international-audiences/49aea4c-546a-42ac-a0c0-5c9e2d7c055.htm))





**PENNY WONG**  
QUESTIONS BRIAN  
TAYLOR'S SUITABILITY  
FOR LIVE BROADCASTS

(/news/arts-and-culture/penny-wong-  
questions-brian-taylors-suitability-  
for/50e470eb-6b04-4cf7-9a0f-  
6cd61b7ed58c.htm)

## PEDESTRIAN JOBS (jobs)

Job Alerts (/secure/jpalerts)

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EVENT AND EVENT ASSISTANT  
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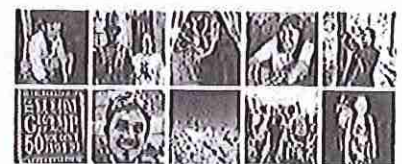
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TO KEEP YOUR READER'S  
ATTENTION FROM THE  
ANDREW MCMILLEN

Should you require assistance taking the first steps outside of your bubble toward a new life in the sun, help is available here (<http://pezn.tv/1n2FpU4>).

Posted on: July 09, 2014 4:04AM by Pedestrian (/authors?authorname=Pedestrian).

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Peta's opinion

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Joel Sammut

Is it bad that I know like 3 people in this vid?

Reply · Like · 6 · July 9 at 5:53am



Jenna LuvzIt-sa Sa · SYDNEY AMATORS

I love Jeremy

Reply · Like · 6 · July 9 at 2:33am



Isabella Buddin · Glenaeon Rudolf Steiner School

"I can't count that high" dying...

Reply · Like · July 9 at 9:35pm



Karon Cummings · Works at Pecan Summer

moved out of Surry Hills after ten years living there when these people moved in. Used to be a really diverse community - creative, open to anyone. Mono culture now.

Reply · Like · 3 · July 10 at 3:30pm



Max Kitching · Wimmeroo High School

No gears on your bike? Pretty sure you need at least to consider it a bicycle.

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Max Kitching · Wimmeroo High School

\*at least one

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Campbell Marsh

UUUGGGHHHHH

Reply · Like · July 10 at 5:19pm



Liv Christina Coyne · Sydney, Australia

There's one that exists for Bondi as well. It's great. Matt Coyne

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Fashion and Sounds Blog

surry to lyf.

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## WATCH: MANLY THROUGH THE EYES OF ITS MANLIEST RESIDENTS



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Produced in association with Tourism and Events Queensland (<http://pezn.tv/1n2FpU4>).

All due respect to the Northern Beaches of Sydney, but there's a very obvious reason why that part of the world is so often referred to as the Insular Peninsula, such is its reputation for a certain kind of comfortable parochialism. As we've witnessed so far in other parts of Sydney (<http://www.pedestrian.tv/news/arts-and-culture/watch-these-are-possibly-the-most-newtown-people-e/fbbe1fd4-9951-4c2a-a04d-01639e61c40c.htm>), the more deeply entrenched you become in a bubble like the Beaches, the harder it becomes to find reasons to head south of the Spit Bridge.

With that in mind, we conducted two very rigorous experiments from which we obtained two similar strands of empirical evidence: first, an unimpeachable Facebook survey (<http://pezn.tv/1qKhyPI>) deduced that over half its participants knew at least one person with a professional affiliation with the Manly-Warringah Sea Eagles; then, when confronted with a hypothetical concerning the supposed sighting of a shark (<http://www.pedestrian.tv/news/arts-and-culture/here-is-footage-of-what-appears-to-be-a-man-swimmi/beb3719a-70c0-4141-ab4b-5eafaa5badcf.htm>) off the Collins Beach Jump Rock, the majority of those polled responded first in favour of crying wolf and then heading to Collins Beach for a swim (<http://www.pedestrian.tv/news/arts-and-culture/here-is-footage-of-what-appears-to-be-a-man-swimmi/beb3719a-70c0-4141-ab4b-5eafaa5badcf.htm>).

That's so Manly

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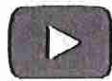


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Still unconvinced?



Should you require help taking the first steps toward leaving a bubble of your own creation, help is available here (<http://pezn.tv/1n2FpU4>).

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## PROOF BONDI DWELLERS NEED TO BREAK FREE OF THE SYDNEY BUBBLE



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Produced in association with Tourism and Events Queensland (<http://pezn.tv/1n2FpU4>).

Civic pride is a virtue but it can also be a crutch. Take for instance the bronzed denizens of Bondi, a beachside community in East Sydney populated by guys with tilled beanies, surfers and formerly pale-skinned European models.

Results garnered from two very recent, highly-scientific polls indicate conclusively that both Bondi-  
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bubbles that they can't see the forest for the trees (<http://pezn.tv/1n2FpU4>). Those looking for  
evidence need not look further than the answers generating by participants in our comprehensive  
Facebook census, the overwhelming majority of which valued their vibe as the most important  
accessory at their disposal, had eyes only for coconut water, and were willing to wait somewhere  
between twenty and minutes for Gelato Messina.

Madness.

Not quite believing the sheer Bondi-ness of it all, we took to the same golden sands to burst a  
bubble that for too long has spoken for an entire nation. Should you require help taking the first  
steps toward leaving a bubble of your own creation, help is available here  
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Posted on: June 24, 2014 10:47PM by Pedestrian (/authors?authorname=Pedestrian).  
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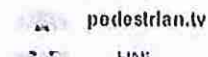
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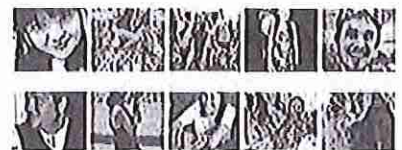
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## COMMENTS



Widely commented

Comment



Tommie McSweeney

The only thing this is proof of is that Sydney is so lucky to have such a beautiful beach so close and coastline. The people interviewed are awesome for making the most of it!

Reply · Like · June 25 at 9:49pm



Dalno Wendt · Works at Christmas Island

tens of thousands of sweating humans in the sun is not beautiful deserted beaches with 3 people surfing and sharing waves is.

Reply · Like · June 26 at 5:42am



Tommie McSweeney

You're seeing the negatives. Obs

Reply · Like · June 26 at 5:45am



Dalno Wendt · Works at Christmas Island

10000's of more negatives too. Find that hard to do almost anywhere else in the world.

Reply · Like · June 26 at 5:49am

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Laura English Rose Richardson · Senior Marketing Manager, Programmes & Brand at D&AD  
they obviously weren't able to get a flight straight to byron Jay Quirk

Reply · Like · June 25 at 11:34am

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Should you require help taking the first steps toward leaving a bubble of your own creation, help is available here (<http://pezn.tv/1n2FpU4>).

Posted on: June 30, 2014 3:09AM by Pedestrian (/authors?authorname=Pedestrian).

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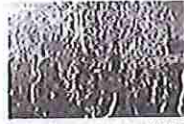
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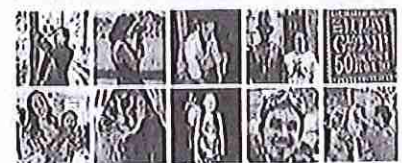
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HOW IT'S BEEN

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## COMMENTS

17 comments



/Add a comment

Comment



Sanjay Ramzan · Top Commenter · Newcastle

"How Newtown are you on a scale of 1 to 5?"  
"I don't really like to objectify myself in that way".

Reply · Like · 20 · June 30 at 12:05am



James Haydon · Melbourne, Victoria, Australia

"Never, I will die here" hahahaha

Reply · Like · 2 · June 30 at 3:06am



Jack Dixon

Too funny. Sydney's alt scene is Newtown. Pretty pathetic. If any of these kids actually had any culture their answer to would you leave would be, "yes, my horizons are broader than this little wannabe strip in the homogenous suburbia known as pretentious Sydney, where girls must wear Doc Martens and overalls". Or aztec-patterned tights. Where boys wear mustard-coloured chinos, navy coloured collared shirts with small white spots (maybe if they're feeling adventurous a denim shirt even imagine that). Tidy beards. Where every fast goddamn cafe has exposed-brick interior walls and serves food on a wooden platter. There are many fantastic things about Australia but culture isn't one of them. The Newtown clique are kidding themselves and simply don't know any better. Go and live in an ACTUAL cultural melting pot like Berlin, Montreal or Barcelona for a year and you will irreversibly realise just how small your world is. Or don't. Hey Ed Sheeran and the MZ's are playing the Enmore tonight, only \$65 tickets. Let's go along and not dance [redacted] posers

Reply · Like · 16 · June 30 at 3:47am



Tim Jirgens

spot on. I just moved to Berlin, a different world

Reply · Like · 2 · June 30 at 1:52pm



Brendan Gosling · University of New England, Armidale

Half of them were from England, but I doubt you could hear the accent over the bee in your bonnet.

Reply · Like · 4 · June 30 at 5:10pm



Jack Dixon

Brendan Gosling I was speaking more broadly than 5 kids in a video clip, bud. Bzzzz

Reply · Like · July 1 at 3:00am

View 1 more



Daniel Seldel · TAFE Illawarra

Haha! most of that [redacted] is true of Newtown 10 years ago but now it's as monotonous as Paddington. Full of lawyers kids who look down their noses at anyone without the "look".

Reply · Like · 9 · June 30 at 12:07am



Dave Urquhart · Sydney VLS College

Favourite barista? Don't have one; I avoid lawyers.

Reply · Like · 2 · June 30 at 1:03am



Kerri Ellis · Independent Business Owner at Self Employed Consultant

The vid is so not Newtown. And most comments suck. I live in Newtown... I love it for all its quirkiness.

Reply · Like · 1 · June 30 at 5:02pm



Anthony Linden Jones · Works at Eora Centre for Aboriginal Studies

Newtown is what Glebe used to be like 30 years ago.

Reply · Like · 1 · June 30 at 6:28am



Farina Mitchell · Sydney Rep at INT BOOKS

hmm, we left Newtown in 1993, what does that say about us :)

Reply · Like · June 30 at 3:26pm



Matthew Hughes · Bassist at Atlantis Of The Sky





Newtown Gross  
Reply · Like · 1 · June 29 at 11:52pm



Jess Noble · Chief at Hero Hounds  
I want to move there.  
Reply · Like · 1 · June 29 at 9:10pm



Tim Chmielewski · Top Commenter Monash University  
"Produced in association with Tourism & Events Queensland"? Eh? Queensland has even less culture!  
Reply · Like · July 13 at 3:13am



Romy Coquet · All Catholic  
So your suggestion is anyone in Newtown (or Australia for that matter) that wants to experience 'culture', to move overseas to one of the cities you've 'recommended'? Great stuff. This video series is as ridiculous as your comments and clearly filmed and cut to pose whatever stupid pigeonholing characteristics pedestrian wishes to convey of an area.  
Reply · Like · July 1 at 11:11pm

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Date: 17/7/14

Member: Jo Ann Miller MP

☒ Tabled

☐ Tabled, by leave

Meeting: SDIC Estimates Hearing

Clerk at the Table: m. Jelf d.



Gold Coast  
2018

XXI Commonwealth Games



QUEENSLAND

# Brand Protection Guide



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If you have read through this document and you require further clarification please contact the Gold Coast 2018 Commonwealth Games Corporation Brand Protection Officer.





# Welcome

On 11 November 2011, the Gold Coast was awarded with the prestigious honour of hosting the 21st Commonwealth Games. It is an event that promises to provide lasting benefits to the people of the Gold Coast, Queensland and Australia.

The bid process saw an overwhelming community response and it is our hope that we can continue that wonderful support through to the Gold Coast 2018 Commonwealth Games™. We want the wider community to play their part in delivering the Games. We recognise that many people will want to get behind the Games. However there are strict rules regarding the use of words, phrases and images associated with the Commonwealth Games. Your cooperation is greatly appreciated and we hope that this guide assists you in understanding how best to support your Commonwealth Games.

In order for our commitments to be met, it is necessary for us, as the organisers to protect the brand in order to maximise commercial revenue from sponsorship, licensing, merchandise and broadcasting.

Sponsorship revenue can only be maximised if we can assure prospective sponsors that they will have exclusive access to use our brand and that we have in place adequate measures to protect sponsors' rights. To provide potential sponsors and merchandise licensees with an incentive to invest we cannot allow widespread use of the Games brand (as defined in this guide) for free, or allow anyone to freely create an association.

The brand identity is the backbone of the commercial program that GOLDOC will run to raise the sponsorship revenue required to deliver the Games. The exclusivity of usage of the Games branding is the most

valuable asset that GOLDOC has to offer potential sponsors.

GOLDOC has put in place a comprehensive protection strategy for the Games brand to ensure that it is protected by a variety of means across the Australia, certain countries in the Commonwealth and elsewhere globally. Protection includes registered trade marks, registered designs and/or word marks. In addition, all have copyright protection and are protected by common law and legislation.

Thank you for your support in protecting the use of the Games brand to assist in ensuring that the Gold Coast 2018 Commonwealth Games™ will be an outstanding commercial success.



# Why the need to protect the brand?

The Gold Coast 2018 Commonwealth Games™ brand is one of our most tangible and valuable commercial assets.

The financing of the Gold Coast 2018 Commonwealth Games™ is drawn from public funding and through sponsors that are offered an exclusive association with the Commonwealth Games.

Sponsors will contribute to the Commonwealth Games in the form of financial investments, products, services and support. In return for sponsor's contributions, they are granted entitlements, most notably the exclusive rights to brand an association with the event.

In order to maintain the value of the brand, strict measures need to be enforced to ensure exclusive rights to sponsors so they may protect their investments. Without such exclusivity and regulations, sponsorship investments would be devalued

and would place a financial burden on the Commonwealth Games by restricting revenue streams.

This would be of detriment to the entire community as associated Commonwealth Games activities, community legacies and programs would be undermined.

The purpose of legal protection therefore is to ensure there is no unauthorised association between people, goods or services and Gold Coast 2018 Commonwealth Games™ to maintain the future viability of the event.

If the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) brand protection policies are breached we may seek a number of options for remedy including legal action. There are other protections in place for genuine news reporting, critique or review, research, education and the like.

We encourage you to respect the intellectual property rights of the Gold Coast 2018 Commonwealth Games™.

In short, the protection of the brand is essential to maintaining the viability of ours and future Commonwealth Games as a major international sporting event.



# Restricted Elements

## Restricted Elements

The Intellectual property of the Gold Coast 2018 Commonwealth Games™ is protected by the common law, intellectual property laws, consumer protection law and the Commonwealth Games Arrangements (Brand Protection) Amendment Act 2013 (<http://www.legislation.qld.gov.au/LEGISLTN/ACTS/2013/13AC012.pdf>) and the Commonwealth Games Arrangements Regulation 2013 (<http://www.legislation.qld.gov.au/LEGISLTN/SLS/2013/13SL044.pdf>). These laws apply to the Commonwealth Games References and Images which protect the following:

### Commonwealth Games References

- |                                       |                                                         |
|---------------------------------------|---------------------------------------------------------|
| 1. Australian Commonwealth Games      |                                                         |
| 2. Coast 2018 Games                   | 15. Celebrating 2018                                    |
| 3. Coast Games                        | 16. Delivering 2018                                     |
| 4. Comm Games                         | 17. Embracing 2018                                      |
| 5. Commonwealth Games                 | 18. Legacy 2018                                         |
| 6. GC18                               | 19. Gold Coast 2018 Arts and Community Festival Program |
| 7. GC2018                             |                                                         |
| 8. Gold Coast 2018 Commonwealth Games |                                                         |
| 9. Gold Coast 2018 Cultural Program   |                                                         |
| 10. Gold Coast 2018 Games             |                                                         |
| 11. Gold Coast Commonwealth Games     |                                                         |
| 12. Gold Coast Games                  |                                                         |
| 13. GOLDOC                            |                                                         |
| 14. Queens Baton Relay                |                                                         |

### Combinations of Listed Expressions that are Commonwealth Games References

Column 1	Column 2
2018 21st	Commonwealth Games Games
Commonwealth Games Commonwealth Games athlete	Gold Silver Bronze
Australian Commonwealth Games Team	Gold Coast Gold Coast 2018 GC2018
Games Commonwealth Games Australian Commonwealth Games Team	Partner Sponsor Provider Supplier



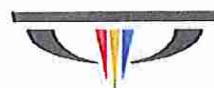
# Restricted Elements

Commonwealth Games Images  
'Images' (Emblems, designs and other artwork)



Gold Coast  
2018.

Gold Coast 2018.



GOLD COAST CITY 2018  
XXI COMMONWEALTH GAMES

# What is considered an association?

You must not engage in conduct which would suggest that you or your products or services have an association (such as a sponsorship, approval or affiliation) with the Gold Coast 2018 Commonwealth Games™ that you do not have.

You cannot brand an event, activity or program using a combination of 'Commonwealth Games' and '2018' or produce merchandise or promotional items that bear the Commonwealth Games' words, emblems, imagery, indicia or other Commonwealth Games' references without permission.

In addition, you must not use Commonwealth Games words or images (or anything substantially identical or deceptively similar) if the use:

- Is for commercial purposes;
- Is for promotional, advertising or marketing purposes, whether or not for commercial gain; or
- Would suggest a sponsorship-like arrangement to a reasonable person.

The use of 'Listed Expressions' is likely to result in creating an association with Gold Coast 2018 Commonwealth Games™ and may infringe upon the rights of GOLDOC.

The Listed Expressions are combinations of expressions that are restricted (see page 7).

The following have created an association and would infringe the rights of Gold Coast 2018 Commonwealth Games™.

'Kicking goals for the 2018 Games'

'Backing the Gold Coast Games'

An association can be established through words, imagery or emblems that would reasonably infer a relationship between a product/service/individual and the Commonwealth Games.



# What is “Ambush Marketing”?

Large public events draw international attention and offer an opportunity to ambush marketers to capitalise on advertising and promotional activities without paying the sponsorship fee to the detriment of the official sponsors and brand of the event.

It is known as “ambush marketing” when a person or business tries to advertise their products or services either directly or indirectly with a large sporting event and they are not an official sponsor, partner or supplier.

To ambush market is to mislead the public into thinking that you are an authorised sponsor, partner or official supplier connected to the event. For example, by non-sponsors placing advertisements around the venues of a large sporting event to have their brand be seen by spectators or picked up by television coverage or otherwise to suggest a link between their brand and the Commonwealth Games.

Special regulations will control advertising and trading in open spaces around our venues during the Commonwealth Games. These will make it unlawful to trade or advertise in defined zones unless authorised.

# Who is permitted use?

These guidelines relate to what use is permitted as exceptions or limitations to what you must not do to infringe intellectual property rights.

## Official event partners and sponsors

The official commercial partners, sponsors, broadcasters, suppliers and licensees of the Commonwealth Games will be allowed to use Commonwealth Games' IP in accordance with the terms of their agreements.

## Editorial Use

Editorial use is generally permitted (e.g. newsworthy events in relation to the newspaper / magazine articles / broadcast media / or online in an editorial context except in social media websites and third party applications).

However, any publication or website with a primary

focus on the Gold Coast 2018 Commonwealth Games™ will need approval. The use of emblems is not permitted without prior written consent from GOLDOC.

## Factual statements

You can provide relevant and descriptive information. A situation may arise where factual use of the listed expressions is permitted e.g. 'A Commonwealth Games gold medallist from Melbourne 2006 will be hosting the dinner for company XYZ' as long as no association is created with Gold Coast 2018 Commonwealth Games™.

Please make it clear that such information including any opinions expressed or advice provided is authored or comes from you and is not official Gold Coast 2018 Commonwealth Games™ content.

## Tourism sector

The tourism sector is permitted certain privileges under strict guidelines (page 23).

**Suppliers:** Suppliers are permitted certain privileges under strict guidelines (page 18).

## Non-profit community programs

Leading into the Commonwealth Games a specific community use emblem will be created for non-profit community groups running programs inspired by the Gold Coast 2018 Commonwealth Games. Use will be subject to an application process.

*If you are concerned or unsure that your use is not permitted or that you may have infringed or you are proposing to do something which you think may infringe GOLDOC's rights, we recommend that you seek independent legal advice.*





# Getting Involved

There will be many ways you can help contribute to the success of the Gold Coast 2018 Commonwealth Games™.

Leading up to 2018, many opportunities will arise to get involved in the Games. The following are just a few ideas.

## Join the Games online:

[gc2018.com](http://gc2018.com)  
[facebook.com/gc2018](https://facebook.com/gc2018)  
[twitter.com/gc2018](https://twitter.com/gc2018)  
[goldoc.com](http://goldoc.com)  
[facebook.com/goldoc](https://facebook.com/goldoc)  
[twitter.com/goldoc](https://twitter.com/goldoc)  
Other social media  
Subscribe to eNews via the website

## Events and Campaigns

Get involved in official events and programs leading up to 2018.

## Merchandise

Show your support with official Gold Coast 2018 Commonwealth Games™ merchandise.

## Volunteer

Become a volunteer leading up to 2018.

## Tickets

Buy tickets to the Gold Coast 2018 Commonwealth Games™ leading up to 2018.

## Athletes

Support your favourite athletes.

*There will be many ways you can help contribute to the success of the Gold Coast 2018 Commonwealth Games™.*







# Usage Guidelines



## Usage Guidelines

<b>Marketing</b>	<b>Page 16</b>
<b>Online and social media</b>	<b>Page 17</b>
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<b>Events and merchandise</b>	<b>Page 20</b>
<b>Employment</b>	<b>Page 22</b>
<b>Tourism sector</b>	<b>Page 23</b>
<b>Media</b>	<b>Page 24</b>





# Usage: Marketing

The use of the Gold Coast 2018 Commonwealth Games™ brand, its representative symbols, imagery and terms are forbidden for all but GOLDOC and its authorised partners, sponsors and broadcasters.

## Advertising

Any unauthorised advertising material or special promotions that are Commonwealth Games themed or may create an association with the Gold Coast 2018 Commonwealth Games™ are not allowed. This includes any materials and representations that pertain to goods and services being provided to the event.

## Public Relations

The creation of non-editorial media releases or statements that refer to the Commonwealth Games are not allowed, including an announcement of involvement with the Commonwealth Games through the supply of goods or services.

## Promotions

The mention of the Commonwealth Games for promotional purposes is not allowed. Commonwealth Games ticket give-aways and 'Games Packages' or other promotions are strictly for approved sponsors.

## On-site Promotion

Work undertaken at construction sites will allow suppliers to display their regular level of signage. If signage is considered exaggerated or considered by GOLDOC to be an unauthorised promotional activity, you may be asked to remove it.



# Usage: Online and Social Media

**GOLDOC own all the intellectual property rights in the words, marks, text, images, photographs, videos, audio, graphics of the Commonwealth Games to the full extent possible under the intellectual property laws of Australia which may include legislative protection and other countries.**

You may not use any of the Commonwealth Games names, emblems, pictures or trade marks in your business or on your website. The commercial use of the Commonwealth Games' marks or emblems or other intellectual property is only permitted with the written authorisation of GOLDOC.

It is also unlawful to engage in misleading or deceptive conduct under the Australian Consumer Law or passing off at common law so that the public is or is likely to be lead to confusion.

Any unauthorised use for commercial purposes of the Commonwealth Games' intellectual property is a violation

of GOLDOC's intellectual property rights.

## **Permitted**

Pages on your website that contain information specialised to your activities (e.g. the extended opening hours of your business during the Gold Coast 2018 Commonwealth Games™).

Linking to the official website [gc2018.com](http://gc2018.com) is permitted if the link is displayed as follows:

"Visit the official website of the Gold Coast 2018 Commonwealth Games™ at: [gc2018.com](http://gc2018.com)"

\* Do not use Gold Coast 2018 Commonwealth Games™ emblems or other images when linking.

## **Not Permitted**

Refrain from using on your website any terms or images confusingly similar to the intellectual property of the Commonwealth Games, including keywords for metatags and

triggering searches.

Domain names that create or imply an association through the use of restricted elements (page 7) are likely to infringe the rights of Gold Coast 2018 Commonwealth Games™ e.g. [www.gold-coast-commonwealth-games2018.com](http://www.gold-coast-commonwealth-games2018.com).

Remember that the use of Commonwealth Games terms, emblems, imagery and brand elements are strictly forbidden on websites and social media platforms as an unauthorised association may be created.

GOLDOC and its associates own the rights in the intellectual property of the Commonwealth Games. Therefore, any website that creates or implies an association with the Commonwealth Games is likely to infringe the rights of Gold Coast 2018 Commonwealth Games™.

Infringement includes the use of copyright content on any social media website without granting of the relevant licence



# Usage: Suppliers

The Gold Coast 2018 Commonwealth Games Corporation (GOLDOC), the Australian Commonwealth Games Association (ACGA) and the Commonwealth Games Federation (CGF) have legal rights in the name 'Gold Coast 2018 Commonwealth Games' and parts thereof. Using the whole term or any component of the term with reference to the Commonwealth Games is subject to approval by one of the abovementioned entities, via GOLDOC.

## Requirements

The following requirements are designed for all suppliers, providers and contractors to GOLDOC when undertaking communications that involve reference to the Commonwealth Games, such as publicity activities, external reporting and tendering.

References to GOLDOC or the Commonwealth Games in all public, media, market, stakeholder and similar statements, publications, speeches, web pages, social media posts and responses, tender/RFP documentation, annual reports, etc. must be approved by GOLDOC prior to their external use.

The Commonwealth Games must not be referenced unless there is a direct and legitimate connection (as approved by GOLDOC) between the subject matter in the reference and the actual event.

"Gold Coast 2018 Commonwealth Games Corporation" or "Gold Coast 2018 Commonwealth Games<sup>TM</sup>" or variations and abbreviations thereof must not be used as a headline or be the main focus of any material.

Copy must be factual in nature and accurate:

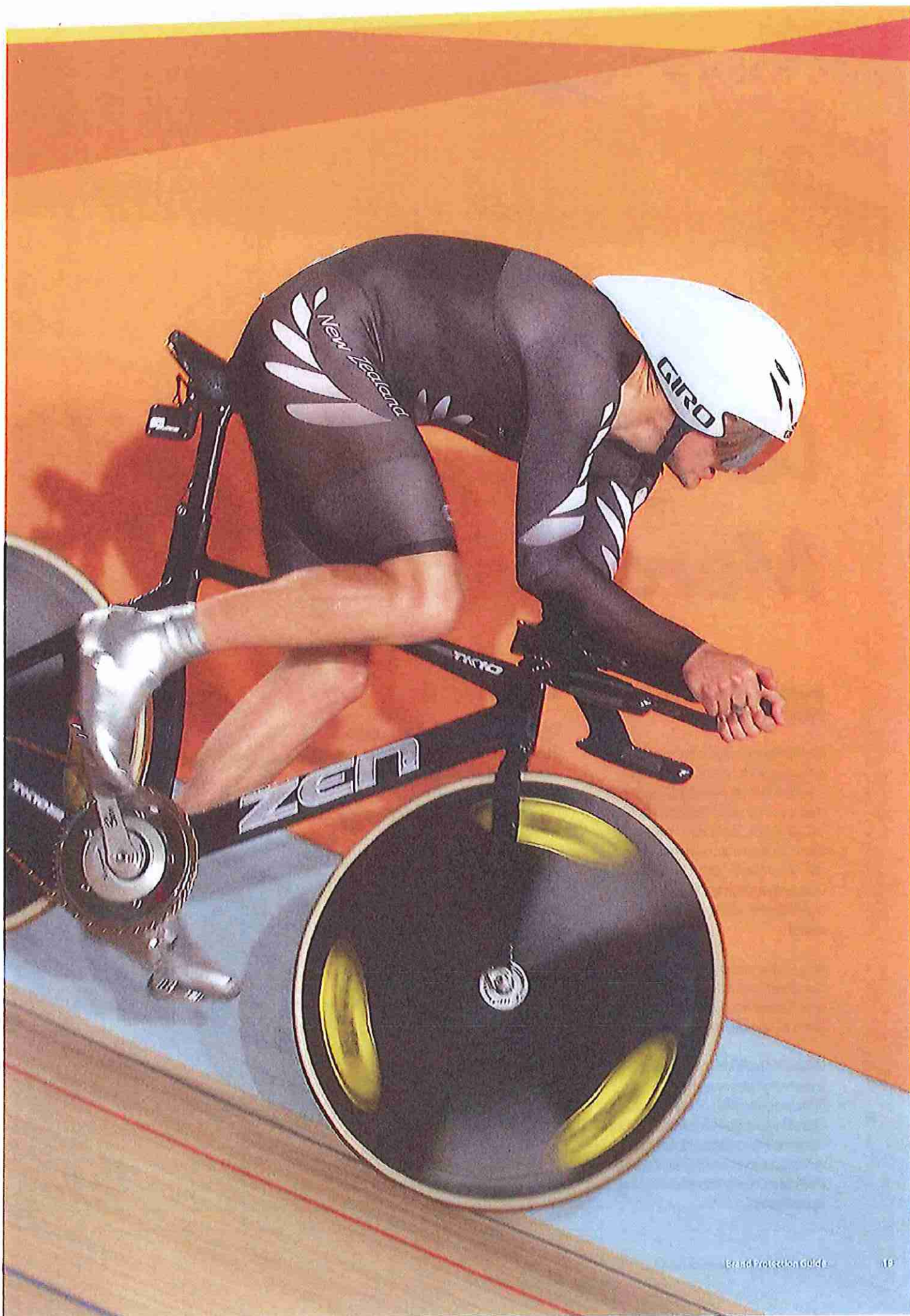
- **Acceptable:** We designed and built XYZ in the XYZ Stadium which will be used for the Gold Coast 2018 Commonwealth Games<sup>TM</sup>.
- **Unacceptable:** XYZ Corporation - helping build the Games.

When referring to the Games Corporation, contractors should use its official trading name "Gold Coast 2018 Commonwealth Games Corporation" and not "GC2018", "GOLDOC", "Commonwealth Games", "Gold Coast Games" or alike. Any reference must include the whole term "Commonwealth Games" not "Games" on its own. The phrase "Organising Committee" or "OC" must never be used. Trademark expression must appear following use of any of the above terminology, for example, "Gold Coast 2018 Commonwealth Games<sup>TM</sup>".

The materials must not be advertising or promotional in nature or appear alongside any advertising or promotional material. The use of any Commonwealth Games Intellectual property including trade marks and emblems or official graphics (or photographs of any of these) is not permitted.

Sub-contractors to GOLDOC contractors (i.e. those without a direct agreement with GOLDOC) are not permitted to reference the Commonwealth Games in any material, without the written approval of GOLDOC. This includes statements to the stock market.









# Usage: Events and Merchandise

## **Conferences/Speaking Engagements**

Conferences and other engagements must not focus on the Commonwealth Games without the prior written consent of GOLDOC. GOLDOC must specifically authorise in writing the use of any Commonwealth Games Intellectual property or association created with the event.

Any Commonwealth Games themed presentations are prohibited from receiving any form of sponsorship.

Exhibitors and trade booths may not reference the Commonwealth Games or distribute Commonwealth Games themed materials without the written consent of GOLDOC as this may create an unauthorised association.

## **Merchandise**

The revenue derived from the sale of official Commonwealth Games merchandise will go directly towards funding the cost of the Gold Coast 2018 Commonwealth Games™.

Creating and selling counterfeit materials is illegal. GOLDOC will be working directly with the relevant authorities to ensure no organisations or persons are contravening the law.









# Usage: Employment

The advertising or offer of employment for job vacancies must not directly or indirectly create an association with the Commonwealth Games through use of the GOLDOC's intellectual property or 'listed expressions' (page 7) nor may jobs be advertised as a Commonwealth Games available position.

Statements of fact, however, can be made.

## Permitted

Position: Structural Draftsman

Description: We require extra staff to work on an upgrade to the XYZ venue for the Gold Coast 2018 Commonwealth Games™.

## Not Permitted

Position: Gold Coast 2018 Commonwealth Games Draftsman

Description: We require staff for the upcoming Commonwealth Games.

Organisations may not offer positions which make reference to the Commonwealth Games:

e.g. "Head of Gold Coast 2018 Commonwealth Games Business Development".



# Usage:

# Tourism Sector

In order for the tourism sector to provide information to stakeholders without infringing the rights of the Commonwealth Games sponsors, we have highlighted key criteria when referring to the Commonwealth Games.

The tourism sector may provide factual information in relation to the Commonwealth Games as long as it does not create an unauthorised association with the Games.

## Permitted

XYZ Tours will operate all through April in 2018 to accommodate increased visitors during the Gold Coast 2018 Commonwealth Games™.

The Gold Coast 2018 Commonwealth Games™ will take place from 4 - 15 April 2018. Visit the Official Website for more information: [gc2018.com](http://gc2018.com)

## Not Permitted

Statements must not be used as a promotional tool or draw specific attention to the Commonwealth Games e.g. theming, highlighted text and Commonwealth Games related headlines are not allowed.

Organisations are not permitted use of the Commonwealth Games brand elements, including emblems and imagery.

Information pertaining to the Commonwealth Games may not be used on signage, billboards, TV advertising, radio advertising or online advertising.

Media releases, advertising, promotions, giveaways, packages and alike which reference the Commonwealth Games are strictly forbidden as they are solely designated under sponsorships rights e.g. a 'Gold Coast 2018 Games Package' would create an association and be in breach of Commonwealth Games rights.

**Leading up to the Commonwealth Games, GOLDOC will undertake extensive initiatives and promotions with key tourism partners to facilitate the promotion of the Gold Coast, Queensland and Australia. These initiatives will be highlighted in due course through our official website.**





# Usage: Media

A genuine journalistic reference to the Commonwealth Games or use of an image for publication or broadcast is allowed provided it does not create or imply an unauthorised association of a third party with the Commonwealth Games e.g. newspapers, news magazines, trade publications, online media and broadcast media.

Editorial use refers to the use of words, phrases or images in a news story or feature.

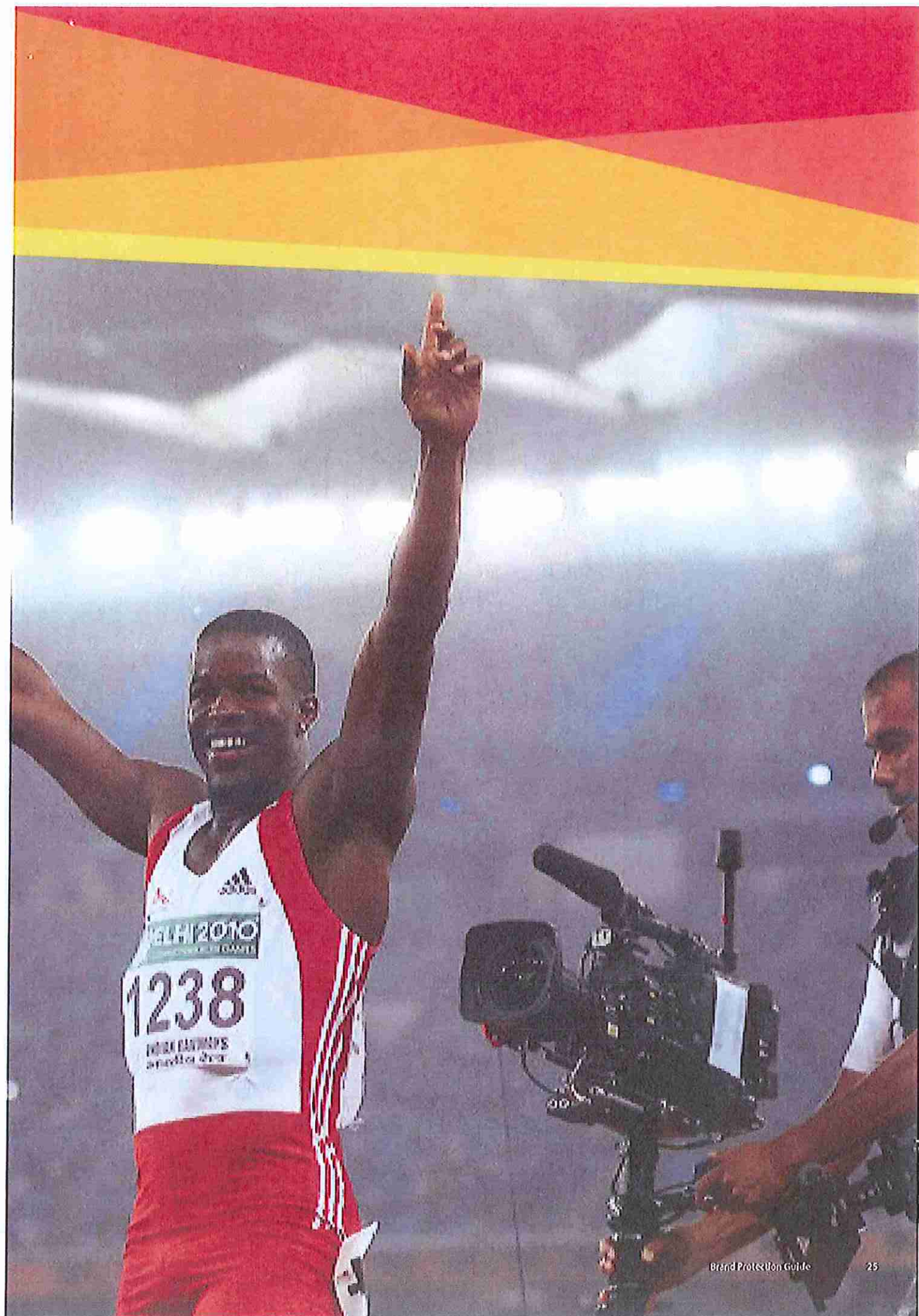
These guidelines are for journalists and industry commentators in connection with broadcast, print and online media whose primary purpose is news gathering and dissemination.

Please make it clear that such information including any opinions expressed or advice provided is authored or comes from the author and is not official Gold Coast 2018 Commonwealth Games™ content.

Any publication or website with a primary focus on the Gold Coast 2018 Commonwealth Games™ will need GOLDOC's written

approval e.g. a book, magazine or website focusing on the Games must seek permission.

Media organisations will be required to accept the terms and conditions of the Editorial Use Agreement prior to use of various Commonwealth Games brand marks.







**For further information**

**General Public:** [marcom@goldoc.com](mailto:marcom@goldoc.com)

**Media :** [media@goldoc.com](mailto:media@goldoc.com)



# SOUTHPORT

Since 1918

## Towards *Twenty 18*

CBD of the **Gold Coast**, Queensland, Australia



Tabled Paper No. 3

Date: 17/2/14

Member: Jo Ann Miller MP

☒ Tabled

☐ Tabled, by leave

Meeting: SDIIC Estimates Hearing

Clerk at the Table: me self.

TO  
TWENTY 18





# Campbell Newman MP

## Premier of Queensland



Queensland is a great state with great opportunity. The priorities for my Government are growing our economy, rebuilding Queensland and making our communities more resilient for the future.

We are developing a four pillar economy by focusing on our four great strengths – tourism, agriculture, resources and construction. In identifying these four pillars we are better able to support businesses and investors, adopting a pro-business, pro-jobs outlook.

Queensland is a state getting back on track, and Southport is an electorate that is truly representative of that statement. In 2018 the Gold Coast will host the Commonwealth Games, boast a first-class transport system and a Health & Knowledge precinct to rival the best in the world. Southport is primed to become a true economic powerhouse within our state.

My Government is governing for growth and pursuing public-private partnerships for qualifying projects

around Queensland. These projects offer opportunities for investors to partake in the growth and rebuilding of Queensland.

I encourage you to make the trip and visit Southport the Gold Coast's CBD and Queensland; you will not be disappointed. We are a Great State with Great Opportunity.

**Campbell Newman MP**  
Premier of Queensland

TOWARDS  
TWENTY 18

Gold sponsors

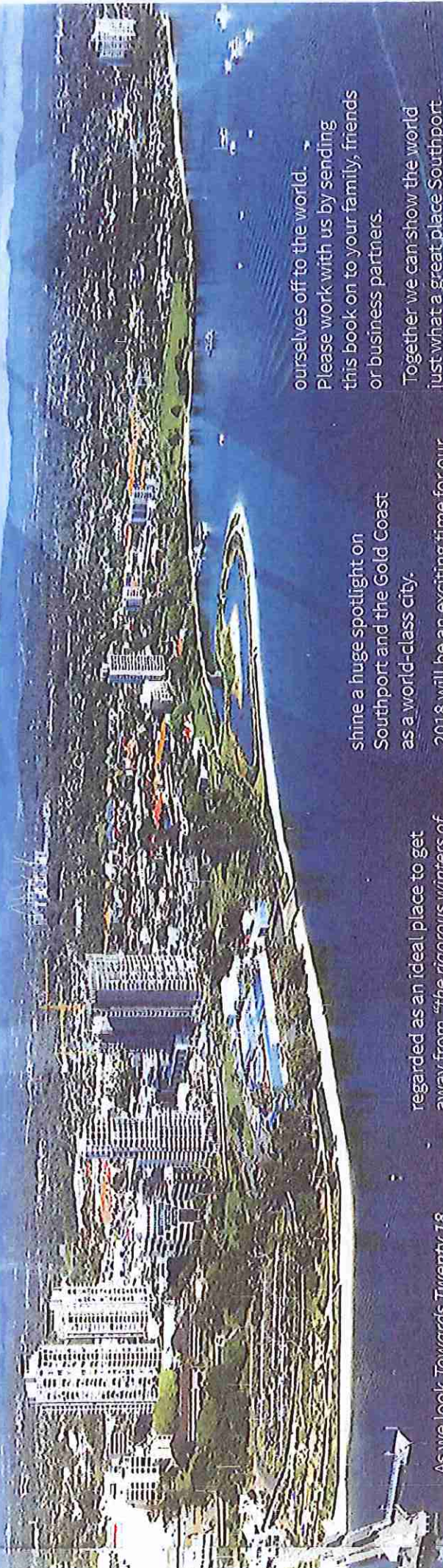


[towardstwenty18.com.au](http://towardstwenty18.com.au)



# Rob Molhoek MP

## Member for Southport



As we look *Towards Twenty 18*, I believe the future of Southport and the Gold Coast is very bright. I was born here and grew up here. I've seen Southport grow from a sleepy sea-side hamlet to become what it is today; a significant centre for business, education, health and government services.

2018 will be our centenary year and boy have we come a long way since our declaration as a "town" on April 14 1918. Back then we were highly

regarded as an ideal place to get away from *"the rigorous winters of the Darling Downs with its chilling westerlies and the snow and ice of the southern states"*. Today Southport is the official CBD of the Gold Coast, the city's engine-room, a major centre of economic activity.

In 2018, the Gold Coast will host the Commonwealth Games, one of the world's biggest events. Southport will welcome tens of thousands of visitors, media and athletes from around the world. The Games will

shine a huge spotlight on Southport and the Gold Coast as a world-class city.

2018 will be an exciting time for our city. It also presents us with a wonderful opportunity to show the world just what we're made of, what we have to offer and more importantly to create a strong legacy. Let's work together to make the most of what lies ahead.

This book has been designed and written to highlight both our heritage and our future. Just look at this place, Southport has so much to offer. Now it's up to us to show

ourselves off to the world.

Please work with us by sending this book on to your family, friends or business partners.

Together we can show the world just what a great place Southport is to live, work and play; together we can attract new businesses and investment; together we can work to ensure Southport not only shines but thrives for the sake of our kids and the generations to come.

A handwritten signature in black ink, appearing to read 'Rob Molhoek'.

**Rob Molhoek MP**  
State Member for Southport



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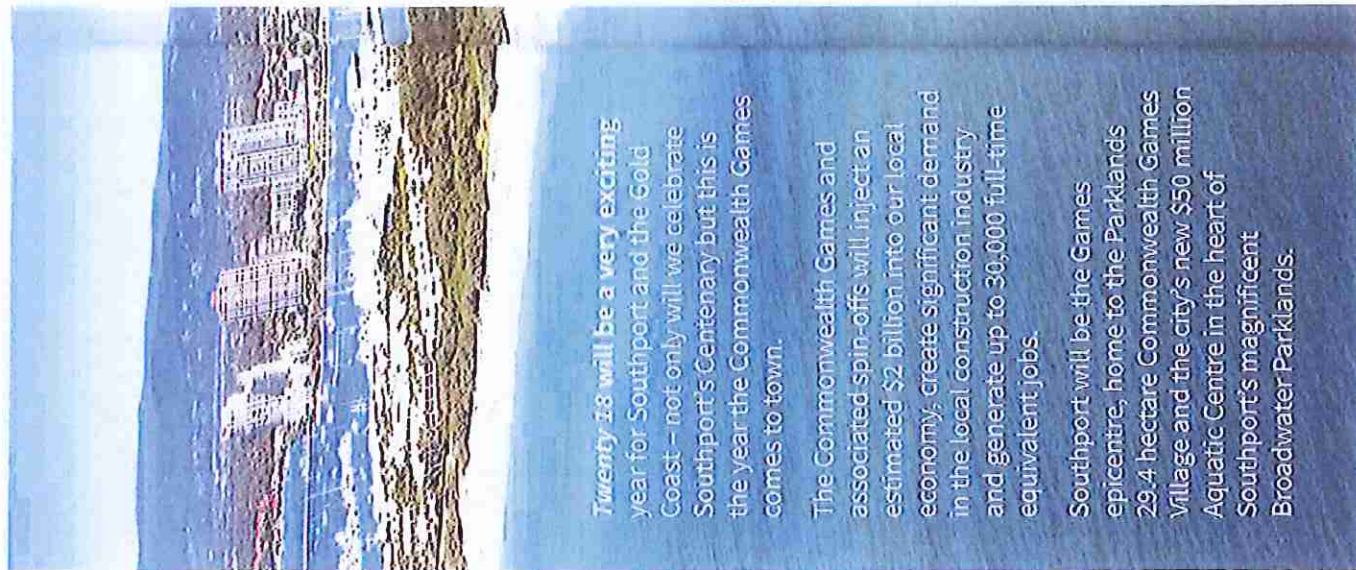
**ZAK ZAK**

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**headlinead.** (TOWARDS TWENTY 18)  
STRATEGY • DESIGN • ADS



*Twenty 18 will be a very exciting year for Southport and the Gold Coast – not only will we celebrate Southport's Centenary but this is the year the Commonwealth Games comes to town.*

The Commonwealth Games and associated spin-offs will inject an estimated \$2 billion into our local economy, create significant demand in the local construction industry and generate up to 30,000 full-time equivalent jobs.

Southport will be the Games epicentre, home to the Parklands 29.4 hectare Commonwealth Games Village and the city's new \$50 million Aquatic Centre in the heart of Southport's magnificent Broadwater Parklands.



# About Southport "towards" Twenty 18



Southport has always been something of an epicentre for the Gold Coast, traditionally known as the Gold Coast's Centre for Business. Today Southport is the engine-room of the Gold Coast's Health and Knowledge industries, and has recently been declared a "Priority Development Area" by Gold Coast City Council. Council's new master plan ensures Southport is well positioned to leverage every opportunity in the coming decade to cement its place as the Gold Coast's CBD.

As we look *towards Twenty 18* it's important we reflect on the kind of future and legacy we hope to create in this next decade. We've come a long way since our declaration as a

town on April 12, 1918. No longer are we just a summer resort favourably thought of in most parts of Queensland, we are a thriving centre for business, education, health and government services.

One can only wonder what was going through the mind of our first Mayor Edward Hicks when he presided over Southport's coming of age and its separation from Nerang Shire to secure its own identity.

A few years later in 1925 then Mayor of the day, Washington Waters said:

"The progress of Southport has been phenomenal, especially during the last decade. That is evident by the number of very fine

up-to-date buildings, such as the Southport School (which is shortly to be replaced with an even more pretentious building), Star of the Sea Convent, St Hilda's, the Southport State School, Post Office, Ambulance Centre, Regnant Picture Place and many fine up-to-date hotels and business premises."

## **Southport, this is our decade.**

The progress is remarkable, the new Gold Coast University Hospital and breathtaking expansion of Griffith University are just the tip of the iceberg. We have so much to be excited about; the new Gold Coast

Aquatic Centre and Broadwater Parklands are world class.

As we look *towards Twenty 18* it's up to us to leverage every opportunity to make the most of the Commonwealth Games and work together to create a lasting legacy. Not only great facilities, but sustainable long-term businesses and with them permanent jobs and opportunities for our kids and the generations that follow.



# City of Gold Coast



TOM TATE  
MAYOR  
CITY OF GOLD COAST

Australia's  
Gold Coast is  
inspired by lifestyle  
and driven by  
opportunity.  
We're home of the  
'have a go' spirit.



Located only eight hours from Asia, the Gold Coast is perfectly positioned as an investment, lifestyle and holiday destination.

Twelve million tourists visit annually, contributing \$4.6 billion to the local economy.

The Gold Coast has a population of 525,000 and has access to an economic catchment of three million people. It is the second largest city in Queensland. Since 2001, the local economy has grown from \$15.7 billion to an estimated \$23.3 billion.\*

Securing rights to the Gold Coast 2018 Commonwealth Games™ has boosted investment interest with several infrastructure projects already underway. In 2014, the Gold Coast will launch Queensland's first light rail network, connecting entertainment, education and business districts. A vision for the Gold Coast



Cultural Precinct in the heart of the city has been endorsed, and plans are underway for a cruise ship terminal, integrated resort and associated tourism infrastructure in the city's Broadwater adjacent to Southport.

Southport is fast developing as the city's hub for education, health, innovation and business. That is why the City of Gold Coast has commenced preparations to declare Southport as a priority development area (PDA) under the *Queensland Government's Economic Development Act 2012*. The PDA will stimulate economic development and provide business confidence to position Southport as the city's true central business district.

As Southport develops into the Gold Coast's CBD, a number of significant projects are currently underway – some of which will be completed very shortly – with investment from both



government and the private sector. Just some of these significant projects include: the development of a Chinatown precinct and the light rail system, which will connect the city's key activity and economic growth areas.

The Gold Coast is 'open for business' and we are determined to elevate our wonderful city to the world stage. City of Gold Coast's Investment Attraction Program can assist in the relocation, expansion or establishment of a business on the Gold Coast. The program offers financial assistance, introductions to local industry networks and more.

## Visit:

[www.businessgoldcoast.com.au/invest](http://www.businessgoldcoast.com.au/invest)

AUSTRALIA'S

**GOLD COAST**



Southport Aquatic Centre (concept).  
Home to the Pan Pacific Masters and  
the 2018 Commonwealth Games\*.



\*Source: National Institute of Research in Sport and Health Sciences, Southport Aquatic Centre, 2018.



# Griffith story unfolds



Professor Ian O'Connor

It is the moment  
when construction  
meets vision.

Griffith University Vice Chancellor Professor Ian O'Connor is animated as he talks about the future of the campus and its neighbourhood unfolding before his eyes.

He is also wearing a hard-hat and steel-capped boots as he explains that Griffith's research is internationally ranked above world standard in so many areas.

Professor O'Connor is standing on the top floor balcony of the new Griffith Health Centre, an imposing \$150 million, 11-story building that will be the flagship of the University's medical studies. From this vantage point he and his audience, a hand-selected group of business leaders and commentators, can take it all in.

They can get a feel for the impressive structure beneath them, see the full grandeur of the imposing new Gold Coast University Hospital literally across the road, follow the \$1 billion light rail track snaking in from Southport with two stops at the University campus – one of them opposite the site of the 2018 Commonwealth Games athletes village. This is action central.

The Pro Vice Chancellor (Health) Professor Allan Cripps is keen to point out the collaboration between the University and the Hospital – from medicine to research to technology.

He and the Vice Chancellor have conducted this tour several times as the building nears completion.

"This isn't just for the University or just for the Hospital – it is for the whole community. We will be conducting health and dental clinics in this building too," he says. "But there are great things happening in the ICT (information communications and technology) area as well."

"The IT industry is a major pillar of the Gold Coast economy, and this fits nicely with the development of the Knowledge and Health Precinct as well as the ongoing and increasing need to deliver more skilled ICT graduates to the region."

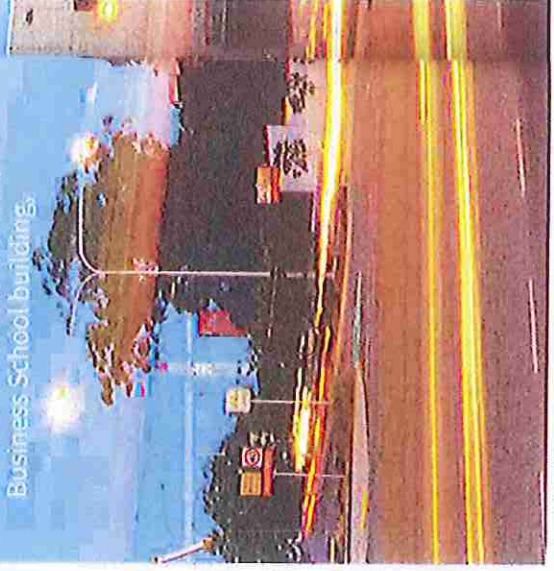
It is an incongruous setting atop an almost completed building, but seeing the transforming urban landscape while listening

to stories from beneath the microscope, so to speak, is a powerful combination.

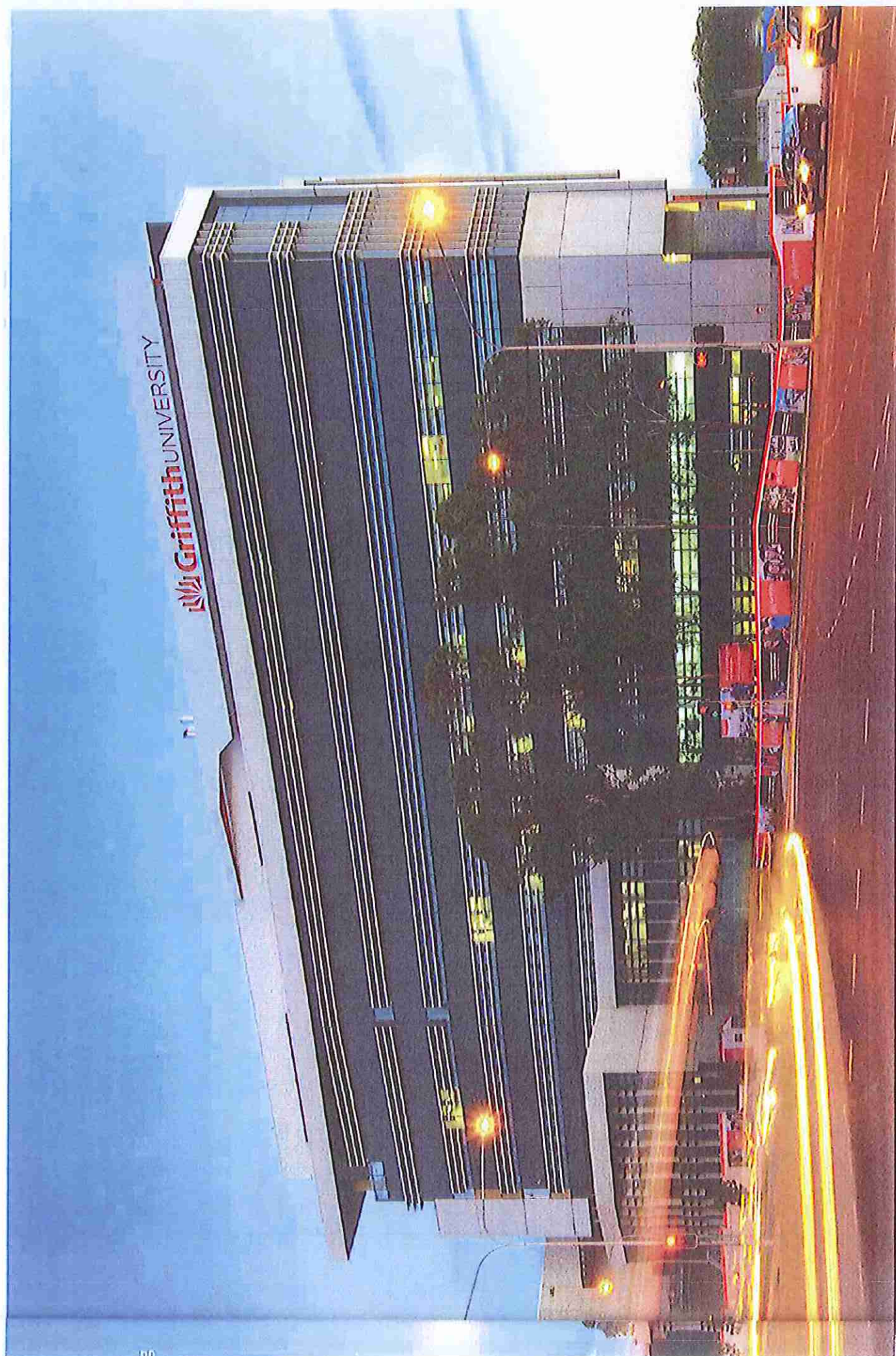
"I believe there is no more exciting university precinct in Australia," says Professor O'Connor.

To celebrate this watershed moment in the University's history *The New Griffith 2013-16* was launched. It is a program of initiatives combining new state-of-the-art facilities, new degrees, online offerings and ever-improving student experiences.

The Gold Coast campus is now home to 17,000 students and is in the final straight of a \$600 million building program. The new Health Centre will open this year and will be followed by the new Griffith Business School building.









an eight-story \$37 million teaching and research centre that will include a fully-operational mock trading room.

Already gleaming and open are the \$10m International Building across the famous Griffith Bridge that straddles the Smith Street Motorway; the \$1.2m worth of tennis and basketball courts; the \$20m library extension and serendipitously, Gold Coast City Council is revamping the Griffith Athletics Track made famous as a training ground for London Olympics gold medal hurdler Sally Pearson, a former Griffith student herself.

"What we are doing here is creating a truly world-class university on the Gold Coast with the very best of research, teaching and the best students," Professor O'Connor says.

"The creation of a talented and educated workforce is going to be really important for the future of this city.

"You have to create the aspirations and the pipeline for young people."

Griffith's impact extends beyond its lecture theatres and research laboratories. The latest analysis from Ernst and Young estimates the University is worth \$585.8m to the Gold Coast economy each year, contributing more than 4000 jobs.







The buildings are important and have created an enormous economic benefit for the region but they are only the opening chapter. It is what happens inside them that makes Griffith special.

The likes of Professor Cripps share the campus with Professor Mark von Itzstein whose team at the Institute for Glycomics is making dramatic inroads into the treatment of influenza, malaria, rotavirus and even leukaemia.

Professor von Itzstein, whose own work is breaking new ground on how childhood leukaemia is tackled, has built the Institute from inception in 2000 to the best among only six of its kind in the world. In 2010, Professor Michael Good joined the institute and brought with him his world class work on a malaria vaccine which this year entered the very first phase of human trials. If successful, it could save up to one million lives a year.



Working away in his fourth story office on the other side of the campus is Professor James Skinner, one of Australia's leading experts in drugs in sport and head of the Department of Tourism, Hotel and Sport Management. Within his department are some of the best tourism researchers in the world. The Gold Coast high-rise skyline in the distance boasts several Griffith hotel management graduates now running top-end resorts.

"What we are witnessing at Griffith on the Gold Coast is that we are increasingly able to attract the best students and the best teachers. People want to come here because they know the reputation of the place," Professor Skinner says.

It's not an idle boast.

Griffith is consistently ranked in the top five percent of the more than 10,000 universities worldwide. The Academic Rankings of World Universities, the QS World University



rankings and the Leiden Rankings in recent years have seen Griffith's credentials continue to climb by a number of objective measures.

"Griffith's great research and learning and teaching is overlaid with the unique opportunity to work alongside a brand new teaching hospital of significant scale in a city that is preparing for one of the biggest sporting and cultural events of the decade," Professor O'Connor says.

"This is a pretty special moment in this University' history and we have been preparing for it for some time.

"The Gold Coast is very proud of its University and we are proud to be here."



**Griffith University**

Parklands Drive, Southport

Go to: [www.griffith.edu.au/search](http://www.griffith.edu.au/search)

General enquiries: +61 (0) 7 5552 8800



# Allamanda Private Hospital

Allamanda Private Hospital is committed to continue expanding health services in Southport, with the construction of the Gold Coast Private Hospital in the soon-to-be-completed Gold Coast Health and Knowledge Precinct.

Allamanda is set to move its current suite of services to the Gold Coast Private Hospital (GCPH) when it opens in 2015, alongside the new Gold Coast University Hospital. Its sister facility, the Pacific Private Day Hospital, across the road from the current Gold Coast Hospital, will continue to operate as a day surgery facility.

Allamanda General Manager David Harper said the move to the \$220 million GCPH site would be bitter-sweet for the Allamanda family.

"We've been here since 1979 and have seen Southport grow up around us," David says.

"In that time we've gone from 79 beds to 220, and introduced the first private rehabilitation service and the first cardiac catheter lab on the Gold Coast. We provide a 24-hour Emergency Care Centre for the local community as well as participate in numerous local events and community activities.

"We've got nurses working here now who were born here and we've really become a part of the community in Southport. Having said that, the new facility will herald a new era of health care on the Gold Coast – it will be unrivalled by any other in the region and equal to the best hospitals in Australia."

Mr Harper said the design phase for the GCPH was now complete.

"The planning has been a lengthy and in-depth process but we wanted to make sure we ticked all the boxes and got everything right from the start, so we can build a hospital better than the Gold Coast, Queensland and possibly Australia has ever seen," he said.

"From the design and fit-out, to the equipment, doctors, staff and procedures available, we are determined to surpass all expectations and set new levels of treatment and care for the people of the Gold Coast."

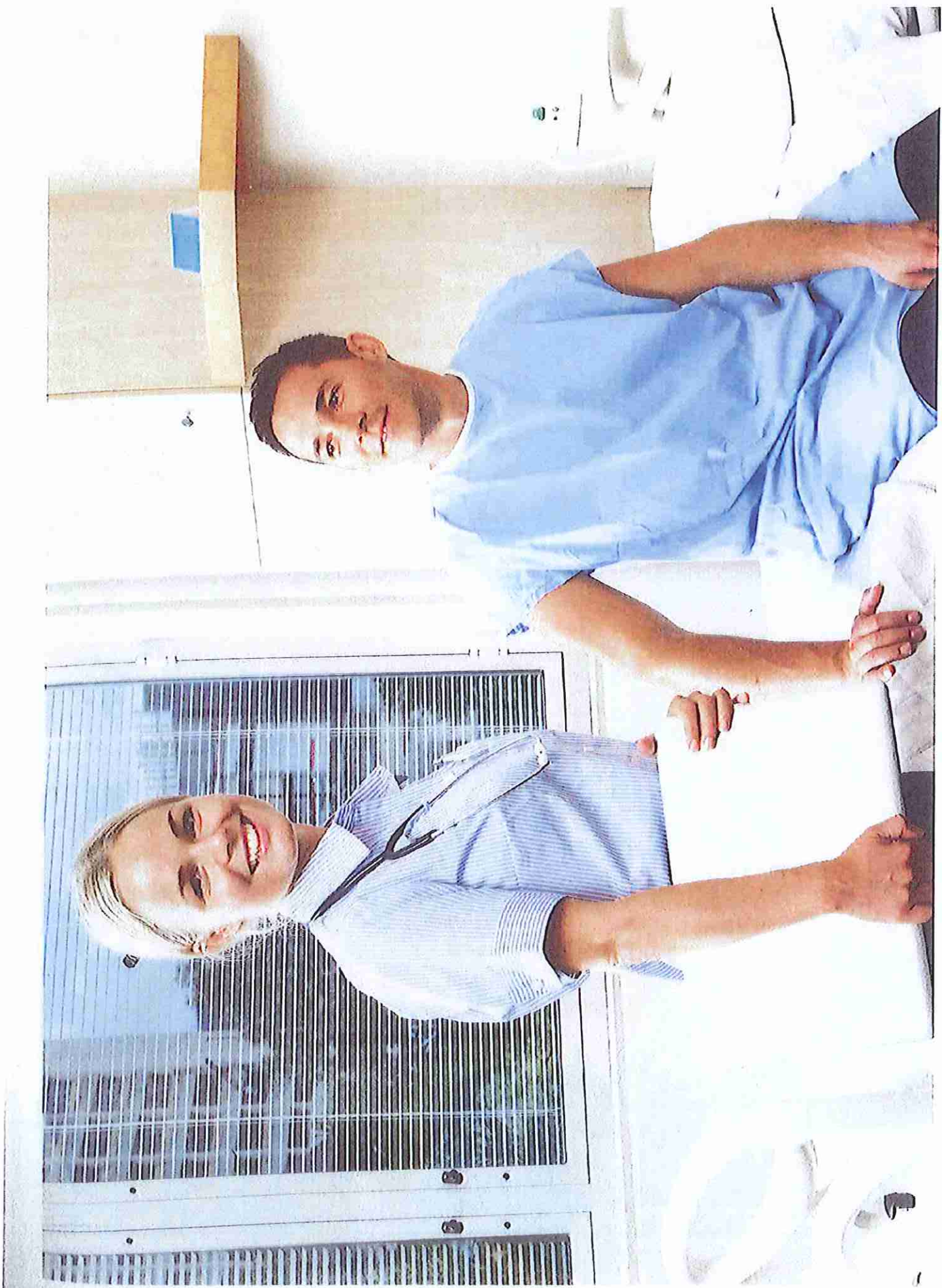
The 284-bed private hospital will offer a 24-hour emergency care centre, level 2 special care nursery, intensive care unit and a dedicated haematology/oncology day unit, along with 11 integrated operating theatres, a hybrid theatre and cardiac catheterisation laboratory, and expansion space to increase to 18 theatres.

In addition to an emergency department, a full range of medical and surgical specialties are intended to include cardiology, oncology, urology, orthopaedic, neurosurgery, cardiac surgery, obstetrics, gynaecology and a new paediatric service. The site will be supported by providers of imaging, pharmacy and pathology services.

Initial plans were for a 230-bed facility, but following a flood of support for the new hospital, that was revised to 284 beds, with the capacity to expand and accommodate more than 400 beds in line with future demand.



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"As we have been approached by a large number of doctors who have pledged their services, we have increased the size of the hospital, the number of beds and therefore our capacity to treat patients," Mr Harper said.

"We have also incorporated rehabilitation services that were originally planned to remain at Allamanda Private Hospital, which will greatly benefit the Gold Coast community."

Mr Harper said the enthusiasm shown by doctors who wanted to be part of the state-of-the-art hospital had been very encouraging.

"Since the announcement of the GCPH, we have attracted and retained a high calibre of doctors at Allamanda who want to move with us to the new hospital," he said. Doctors can see the many opportunities created by



the GCPH and want to be part of this exciting new project from the onset so they can help shape it and see it become one of the best hospitals in Australia. The fact we are now able to warrant opening with additional beds is a good indicator of things to come and an excellent outcome for the Gold Coast."

Mr Harper said Allamanda had been expanding its services in preparation for the move to the GCPH in 2015.

"Our development plan is well underway and involves the establishment and expansion of many services at Allamanda, to ensure that once we move into the GCPH, our service offering is world class," he said.

"We will continue offering our existing suite of surgical, medical and neurological services and will continue to expand services such as



emergency, cardiac and paediatrics in preparation for our move to the GCPH and to better service the people of the Gold Coast."

Upon completion of the new facility, all acute services will be relocated to the Gold Coast Private Hospital.



**For more information:**  
Allamanda Private Hospital  
Ph. +61 (0) 7 5532 6444



# Savills - Leading global property services group

Jul



Founder and managing director of the Gold Coast office of international commercial real estate firm Savills, Kevin Carmody says in recent decades, governments and planners invested a lot of energy into Surfers Paradise, Robina and Broadbeach. Meanwhile Southport sat by patiently until it's now firmly back in position to claim the title of the Gold Coast's central business district.

"Southport has always been the CBD for me," says Mr Carmody, who bought a commercial building and moved the business into Southport in 2004.

"It has always been, and always will be, the legal, health and knowledge centre of the Gold Coast. It has excellent access to major surrounding centres and the M1, and has all the existing CBD infrastructure in place."

Now there are also about a dozen highrise towers and thousands of permanent residents living in the CBD area.

"Southport has always been the CBD of the Gold Coast for me".

~ Kevin Carmody

Mr Carmody says with permanent residents comes business and vibrancy, and Southport has the potential to develop along the lines of the Brisbane CBD, albeit on a smaller scale.

"Following the development of residential buildings along the riverfront in the Brisbane CBD, people now live in the city centre. And that's driven a demand for all sorts of new retail tenants – for example you now have several supermarkets in the city centre," says Mr Carmody.

"With continued residential development overlooking the Broadwater, Southport has incredible potential as a place to live, work and play. With the redevelopment of the Broadwater parklands and Southport pool, the athletes' village, and of course the light rail, we're starting to get all this amenity and infrastructure that can only aid its growth."

Another thing Southport has going for it, says Mr Carmody, is that it has an atmosphere unlike other newer areas of the coast.

"You've got a bit of old and new like other major cities in Australia. You've got laneways and people starting funky little businesses," says Mr Carmody.

"And of course with an increasing student-resident population and Chinatown coming up, there's an increasingly eclectic international mix of people living and doing business in the CBD. It's taking on a wonderful multicultural flavour and has the potential to develop into a really vibrant historical and cultural district. I think it certain to develop in a major way."



**Kevin Carmody**  
Director  
Savills Gold Coast

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# Jupiters Hotel & Casino



The consolidation of Southport as a dynamic city centre will help build the strength of the entire Gold Coast, says Broadbeach-based Jupiters Hotel & Casino managing director Aaron Gomes.

Established in 1985, the casino and 592-room hotel complex – also housing eight bars, seven restaurants, a convention centre and ballroom, and a state-of-the-art theatre – is the centrepiece of the Gold Coast's entertainment scene.

Mr Gomes says the Gold Coast is coming of age as a major city and Jupiters strongly backed the work going into developing the strength of Southport.

"It isn't about one area outshining another, it's about us working to create, develop and support the



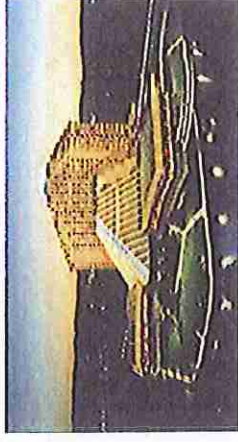
unique aspects of each centre," he said.

"In Southport we now have a real CBD vibe starting to emerge, alongside the fabulous amenity of the Broadwater Parklands, the new hospital and the continued growth of Griffith University and more.

"The success of Southport is essential to keep building the city as a whole, which will benefit everyone on the coast. It will mean the growth of more business, further investment in the city and yet another reason for people to visit."

Mr Gomes said the light rail would help tie together the key hubs of the Gold Coast – like Southport and Broadbeach – like never before.

"Southport will be a major hub for athletes and other visitors during the games and the light rail means



all those visitors can make it down to Jupiters and other areas to really enjoy all the coast has to offer," he said.

"This is important not only for the Games but beyond, as it brings the coast together as the complete tourist destination. A strong city isn't just about a CBD and it isn't just about tourist attractions – it's about offering the whole package and that's what we're seeing being created now."



**Jupiters Hotel & Casino**  
Broadbeach Island,  
Broadbeach 4218  
General Enquiries:  
+61 (0) 7 5592 8100



# History of Southport - Home of the Saltwater people

Long before the white settlers arrived, the Kombumerri people (of the Yugambeh family) had lived in the Southport area and enjoyed the many benefits of the coastal lifestyle. Known as the Saltwater People, they swam, fished and rowed boats - occupying most of the land between the Coomera and Nerang Rivers.

While the first white settlers were farmers and timber millers, Southport was first recognised as an idyllic seaside resort in the late 1800s. With just a handful of residents when it was established as a township in 1875, word soon spread to Brisbane where it was marketed as "southern Queensland's fashionable watering place of the future". An increase in visitors motivated the construction of holiday accommodation, and the Gold Coast's first development boom had begun. By the end of the century Southport's population had swelled to more than 1000.

Located on the beautiful Broadwater, allowing ocean and river access, it's easy to see why the area thrived for both recreational and business reasons. The railway from Brisbane was extended to Southport in 1889 and soon the once quiet hamlet became one of the earliest business and administrative centres on the Gold Coast.

## RAILWAY STATION ESTATE

### TOWN OF SOUTHPORT

**FOR SALE BY  
PUBLIC AUCTION  
ON MONDAY  
11, JANUARY 1886**

**AT HIS REAL PROPERTY MART, TOWN HALL BRISBANE**

**JOHN CAMERON, AUCTIONEER.**

**SCARBOROUGH STREET**

ALLLOT 2

38 PERCHES EACH

1<sup>st</sup> 2<sup>nd</sup> 3<sup>rd</sup> 4<sup>th</sup> 5<sup>th</sup> 6<sup>th</sup> 7<sup>th</sup> 8<sup>th</sup>

**RAILWAY STATION**

ALLLOT 16

16 PERCHES EACH

1<sup>st</sup> 2<sup>nd</sup> 3<sup>rd</sup> 4<sup>th</sup> 5<sup>th</sup> 6<sup>th</sup> 7<sup>th</sup> 8<sup>th</sup>

**MARINE PARADE**

ALLLOT 2

16 PERCHES EACH

1<sup>st</sup> 2<sup>nd</sup> 3<sup>rd</sup> 4<sup>th</sup> 5<sup>th</sup> 6<sup>th</sup> 7<sup>th</sup> 8<sup>th</sup>

**G. K. JOPP**  
OF THE OFFICE OF THE  
BANK OF AUSTRALIA  
BRISBANE

**LOCAL SKETCH.**



# The Station, 45 Nerang Street



Originally built in 1922, this 2-storey award winning building boasts a rich history on the Gold Coast.

Located on Nerang Street, the building is situated in the centre of Southport's CBD and close to many key business landmarks.

The Southport Ambulance Centre was established in 1919 to service the area from Coomera to Burleigh Heads. A voluntary committee raised sufficient funds to build an ambulance station appointing Percy Raby as the first superintendent. The Station opened on the 2nd of December 1922. After 41 years at the helm, Percy Raby retired at the age of 73 leaving behind a staff of 53.



In 2002, at the ripe old age of 80, the building was purchased and restored to its former glory by the Howe family. Southport architects Burling Brown were appointed to carry out the historic adaptation of the Old Ambulance building to a modern, unique and multi award winning office space.

In 2013 The Station as it is now known has undergone another adaptive reuse. The building has been retrofitted to reflect the latest international practices in office co working via a project called Co Spaces.

Co Spaces chairman John Howe said "It is a delight to see once again this beautiful and historic building being able to be used for such exciting new innovative business trends.

"Our vision has been to build a unique facility that engages professionals to connect, collaborate and create great

work on the Gold Coast. By creating a low overhead environment we are helping new and small existing businesses evolve and prosper. We also provide a cost effective space for interstate and international companies from which to explore and develop future business investment on the Gold Coast."

Amongst the professional organisations already recognising the value of Co Spaces are Quantity Surveyors Rider Levett Bucknall, Architects ML Design, Norman Disney Young, Compliance Specialists The Mackenzie Group and International engineers, The Robert Bird Group.

To honour the history of 45 Nerang Street, a coffee shop is opening in the ground floor foyer, named "Percy's Corner" after the first superintendent, and after all these years, The Station at 45 Nerang Street maintains the tradition of benefiting and serving the community of Southport.



CO SPACES

**For more information:**

Ph. +61 (0) 7 5634 9557

[www.cospaces.com.au](http://www.cospaces.com.au)



# TSS - The Southport School

Established in 1901, The Southport School (TSS) has come to be regarded as one of Queensland's most prestigious GPS day and boarding schools catering exclusively for boys from preschool to year 12.



TSS was founded by The Right Reverend Horace Dixon and built upon a firm foundation of Christian values, has a long and proud history enriched by timeless traditions. Headmaster Greg Wain said the school had earned an enviable reputation for the outstanding quality of its education and the achievements of its graduates. He attributes this largely to the emphasis the school applies to understanding and meeting the special educational and emotional needs of boys.



Mr Wain has invested considerable time and energy in researching the work of the world's leading educators in identifying the vast differences between boys and girls in respect to thinking and learning, applying this knowledge throughout the school's two campuses.

TSS offers a learning experience that is balanced and holistic, one that moves outside the classroom to complement academic achievement with the development of a wide range of life-skills. Across the broad spectrum of the school, the varied subject matter and programs include Lego® robotics, learning supported by integrated computer technology, extensive sporting programs, leadership development, emotional intelligence, a gifted and talented program and access to university subjects.



The school's facilities are extensive, providing for every pertinent academic, sporting, cultural and social aspect of a boy's education and development in the fullest sense. Contained within the 51.7 hectare riverside campus TSS provides world renowned state of the art facilities with a 600-seat drama and music theatre, five modern and purpose building boarding houses and 24-hour health centre, a complete wireless campus, nine ovals and extensive sporting facilities including a heated 12-lane Olympic sized pool.



## Admissions

Email: [admissions@tss.qld.edu.au](mailto:admissions@tss.qld.edu.au)  
Ph. +61 (0) 7 5531 9978  
[www.TheSouthportSchool.com](http://www.TheSouthportSchool.com)

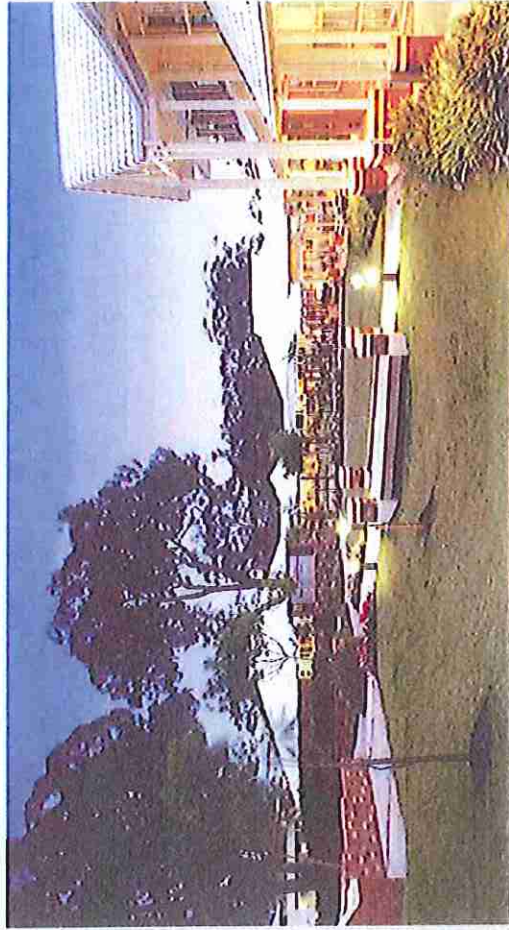
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# St Hilda's School



Education is one of the key industries driving the growth of Southport today, and a look back at the history books shows that has been the case since the town's very inception.

In 1882 – just seven years after Southport was established – Ipswich headmistress Anne Davenport relocated her modest girls' school in order to offer students a "healthy education by the sea". Initially known as Goyte-Lea, the school was bought by the Church of England in 1912 and renamed St Hilda's.

St Hilda's Head of School Peter Crawley said the school was a success from the outset and helped lay the foundations of the town as an all-round holiday, business and education hub.



"It was an extraordinary venture since only a decade earlier, the population of Southport numbered less than 30," says Mr Crawley. "The success of the school increased the town's population, boosted the local economy and launched Southport as a centre for excellence in education."

In 1914, despite wartime uncertainty, then headmistress Catherine Bourne bolstered optimism in Southport by investing £1000 of her private funds in local realty. She bought 25 acres of bush land "up on the hill" at High Street, which she offered to the Church of England conditional upon construction of a brick school building on site, which was built soon after and opened in 1918.

Today St Hilda's is still leading the way in primary and secondary school education on the Gold Coast. The school is remarkable for its integrated learning technology, creative learning programs and structural designs, and global learning programs including Australia's largest international exchange program.

St Hilda's continues to expand its facilities to meet the needs of the community, and offer girls the benefits of a healthy education by the sea.

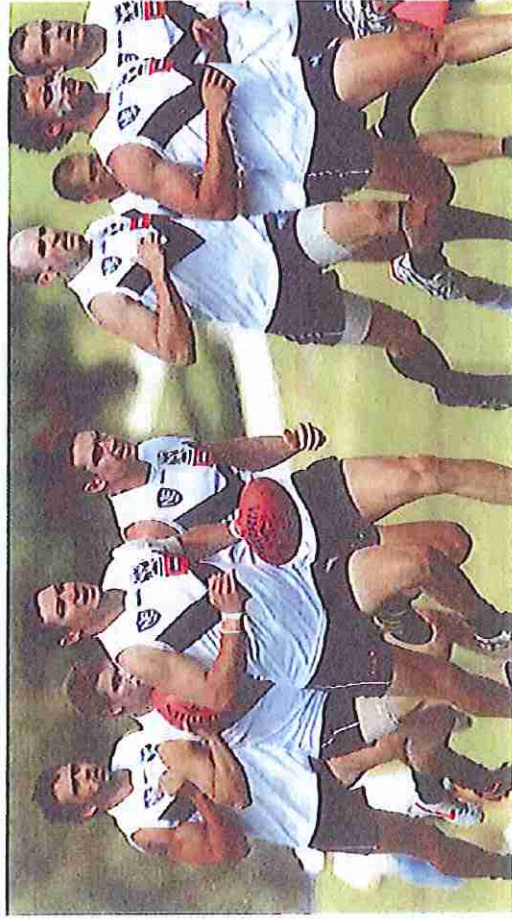


**ST HILDA'S SCHOOL**  
**GOLD COAST**

**St Hilda's School, Gold Coast**  
Corner of High and Cougal Streets  
Southport QLD 4215  
[www.sthildas.qld.edu.au](http://www.sthildas.qld.edu.au)  
Ph. +61 (0) 7 5532 4922  
Email. [principal@sthildas.qld.edu.au](mailto:principal@sthildas.qld.edu.au)



# Southport Sharks



Since 1000 spectators turned up to the club's inaugural match at the oval behind the old Grand Theatre in 1961, Southport Sharks Australian Rules Football Club has been an integral part of the local community.



With more than 50,000 members today, Sharks CEO Dean Bowtell said the club was proud to provide Southport residents with a precinct that offered a variety of activities including sport, dining and entertainment.

"We welcome up to 20,000 members and guests per week, providing a social hub for people of all ages to meet and interact in a relaxing environment," he said.

Mr Bowtell said the club's success over the years could be measured both on and off field.

"On field we have won 22 premierships from local and state league competitions since 1961," he said.

"We also play a major role in the development of junior football on the coast with 400 registered players in



the club, and have taken on the responsibility of supporting the Gold Coast Suns through the Patron Partnership Program.

"Off the field, we are committed to supporting local groups, charities and schools through our community benefits scheme. We take pride in promoting local entertainment, supporting local producers through our farmers' markets, and being a local employer of more than 250 people."

Started by 11 football enthusiasts as the first Australian rules football club on the Gold Coast, the club today boasts extensive facilities including, five bars, two restaurants, a café, events centre, fitness centre and more.

Mr Bowtell acknowledges that without the contributions of its founders in 1961 and the club's "Game Changers", Dr Alan Mackenzie, Gerry Carmody and Wally Fankhauser, the club would not have achieved the success it has to date.

## Southport Sharks

Cnr Musgrave & Olsen Avenues  
Southport

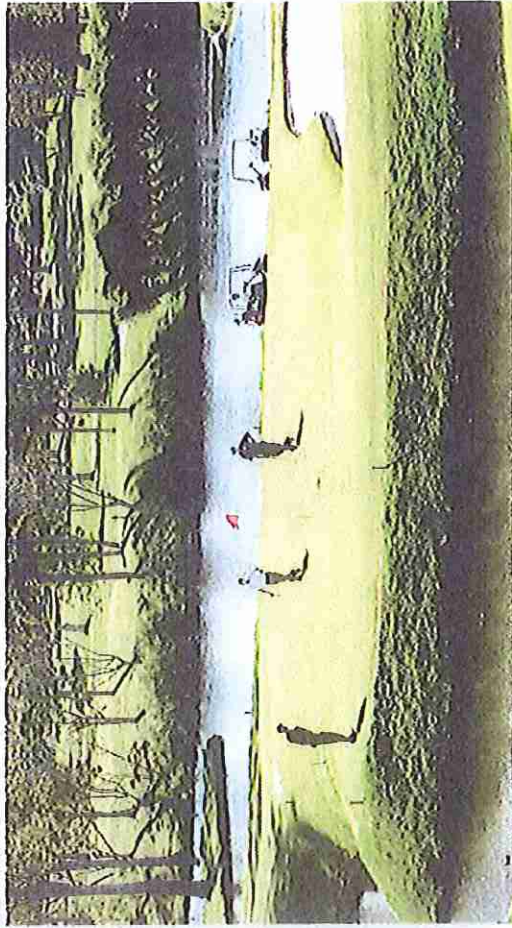
Phone: 07 5532 1155

Email: [info@southportsharks.com.au](mailto:info@southportsharks.com.au)  
[www: southportsharks.com.au](http://www.southportsharks.com.au)

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# Parkwood International



Established in 1987, Parkwood International was the first resort golf course built in the Southport area.

Set in naturally undulating bushland, the 18-hole, par-71 championship course mixes traditional Australian golf course features with the Gold Coast resort style in mind.

Australia's Gold Coast is a vibrant, cosmopolitan city offering fantastic opportunities.

With a change of ownership in 2010, Parkwood International is now focussing on establishing itself as a vibrant, world-class events and leisure precinct within Southport. Stage 1 of redevelopment was completed in 2011 with new function and events facilities, restaurant, undercover



driving range and mini-golf course, adding to the existing golf course and clubhouse.

With recent development of the surrounding area, the venue is now located within the emerging northern Southport university

precinct – less than a minute from the new Griffith University Hospital and Commonwealth Games athlete precinct, and soon to be better connected to the rest of the coast by the light rail.

Managing director Luke Altschwager said more plans were underway and Parkwood International aimed to add a major element to Southport's leisure and entertainment infrastructure.

"The Southport region is forever growing, and as such deserves new facilities and opportunities to entertain the entire community," Mr Altschwager said.



"Our goal is to offer a unique venue that mum and dad and the kids can all enjoy. The Southport region is continuing to grow and develop leading up to 2018, and it's an exciting time to be a part of what lies ahead."

Parkwood International now hosts events for the community, from weddings and conferences, to corporate golf days and kids mini-golf parties. Plans are underway for additional of redevelopment, increasing the size of its events and leisure precinct in the Southport region towards 2018.



**PARKWOOD**  
**INTERNATIONAL**

GOLF • WEDDINGS • EVENTS • RESTAURANT & BAR

**For more event information:**

Ph. +61 (0) 7 5563 3342

[www.parkwoodgc.com.au](http://www.parkwoodgc.com.au)



# Friends of Southport



**'Uncle' Graham Dillon**  
Graham Dillon is known as Uncle Graham to the Saltwater Communities and he is the Kombumerri Gold Coast clan Elder.



**Ted Fong**  
Long time local resident, restaurateur, President of Gold Coast Chinese Association and China Town Committee.



**Mick Veivers**  
Born in Southport, Mick Veivers went on to become a rugby league international and was the Member for Southport from 1987 to 2001.



**Hans Torv**  
Broadcaster, publican, creator of one of Australia's unique radio stations Hot Tomato 102.9FM.



**Gary Baildon**  
Former Gold Coast mayor who helped shape Southport as a key business district on the Gold Coast. Current Gold Coast Waterways Chairman.



**Ian Hollindale**  
A member of one of Southport's pioneering families and dairy industry figure, Ian Hollindale is a long time community champion.



**Peter Lawlor**  
Former local member for Southport, Tourism Minister and long time Southport resident.



**Peter Hobart**  
Local businessman, Roy White Southport, Rotarian since 1975, TSS Board Member, Griffith University Board member, RACQ President. (Now retired).



**Darrell Brown**  
Director of Burling Brown & Partners Pty Ltd. Registered Architect since 1970. Rotarian since 1972.



**Jim Raptis**  
Long time coast property developer Jim Raptis played a lead role in rejuvenating the Southport CBD.



**Lester Hughes**  
Alderman 9 years, Foundation Chairman Leukaemia foundation Gold Coast, Chairman RDA, Chairman Family Support Group and Deputy foundation chairman St Stephens College.



**Fred Allison**  
Southport community identity, Southport North Rotarian, Scouting Leader, business retailer since 1939.



**Karen Phillips**  
One of Australia's most sought-after strategists in brand management, client communication and team improvement.



**Harry Triguboff**  
Regarded property developer who helped to change the face of Southport.



**Cavill Family**  
Jim Cavill opened the Surfers Paradise Hotel. The family still own and operate the iconic Cav's Steakhouse in Labrador.



**Max Christmas**  
Elder statesman of the Gold Coast real estate scene and former councillor, Max Christmas played a significant role in developing Southport.



**Ian O'Connor**  
Griffith University Vice Chancellor and President Professor Ian O'Connor has overseen the remarkable growth of the University in recent years.



**Denis O'Connell**  
Mayor of the Gold Coast at the time of the construction of the Southport Seaway and Broadwater advocate.



**Dr John Kearney**  
Gold Coast East Eye Clinic operator, Dr John Kearney is also a member of the Committee for Southport, focused on building Southport into a thriving business and tourism hub by 2018.

**Keith Hunt**

The former Gold Coast Mayor who helped put the Gold Coast on the world stage.



**Rob Wren**  
Went Queen



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**Rob Borbridge**

Member for Surfers Paradise who went on to become the Premier of Queensland.



**Dawn Crichtlow**

Colourful Southport councillor since 1991. Dawn Crichtlow was awarded an Order of Australia Medal for service to the community.



**Ken Lister**

School captain of SSHS. Local teacher for 50 years; a member of Parish Council at St. Peter's Anglican Church; Rotarian for 27 years; and a committee member of various organisations.



**Tony Cochrane**

Southport resident and founder of 1/8 SuperCars Australia.



**Vicki Batten**

CEO of Southport disability services organisation FSG Australia. Vicki Batten grew the organisation into one of the largest employers in Southport.



**Ian Langdon**

Founding member of the Griffith University Council. Chairman Gold Coast Health and Hospital Service.



**Bruce Lynton**

From humble beginnings in 1974, Bruce Lynton's car dealership still holds its original Nerang Street site, and he is an active member of the Southport community.



**Keith Williams**

Water ski Champ, tourism pioneer, business man, developer, founder of Sea World.



**John Howe**

Chairman of the Committee for Southport leading the regeneration and repositioning of Southport as Gold Coast's CBD.



**Kevin Litfin**

The Litfin family has been a name well respected in the development of Southport and districts and is still active in business ventures.



**Hinze Family**

The Hon. Russell James "Russ" Hinze presided over an era in Queensland politics that included setting up of the Racing Development Fund and the licensing of Jupiters Casino.

**Freeman Family**

The first Southport business to open (a steam driven saw, planing and joinery works and blacksmith) became Johnston and Freeman and shifted to Nind Street in 1886.



**Louise Carroll**

Southport based public relations and marketing professional with over 25 years experience.



**Ted Molhoek**

Arrived on the Gold Coast in 1954 looking for a new life away from war ravaged Europe. Contract painter worked on Kinkabool, the Sands, Iluka, Tiki Village, Focus and Sea World.



**Hetty Johnston**

Founder and Executive Director of Bravehearts - Australia's pre-eminent advocate for child safety.



**Paul Broughton**

Rugby League legend, supporter of indigenous youth, founding Chairman of the Gold Coast Titans.



**Thea Jeanes-Cochrane**

Southport resident and representative for the Queensland Plan and Bid Team Member of CGA presentations at Gold Coast 2018 Commonwealth Games Bid Ltd.



**Professor Lyn Griffiths**

Professor of Molecular Genetics Director, Griffith Institute for Health and Medical Research and Dean (Research Griffith Health). Leading research into Cancer for over two decades.



**Robert Akes**

Akes Plumbing is Southport's longest running business in continual operation since 1919.



**Stuart Bruce**

Southport business owner with strong family connections to the city.







# Commonwealth Games

From 4 to 15 April 2018, the Gold Coast will host the 21st Commonwealth Games.

While it will only last 11 days, the Games offers a decade of opportunity for the Gold Coast, and particularly for the Games' hub – Southport.

This will be the fifth time Australia has staged the Games, and the first time it will be held in a regional Australian city. It will be the biggest event in Australia in more than a decade and the biggest event in the Asia Pacific in 2018, alongside the Winter Olympics in South Korea.

The Games brings together the members of the Commonwealth of Nations in an effort to raise the bar of sport for all humanity and provide a level playing field where athletes compete in a spirit of friendship and fair play.

Although there are 54 members of the Commonwealth of Nations, 71 teams participate in the Commonwealth Games as a number of British overseas territories,

Crown dependencies, and island states compete under their own flag including the four home nations of the United Kingdom.

Throughout the Games, more than 500 TV cameras will capture and broadcast more than 1000 hours of live coverage to a global audience of 1.5 billion. A media contingent made up of more than 3000 photographers and journalists will deliver close to 100,000 media stories, leading to an expected 86 million website page views.

It's the promotional opportunity of Southport's lifetime.





# Australia Fair



Since 1983, Australia Fair Shopping Centre has been the retail heart of Southport. It has seen the CBD grow up around it, and in turn influenced its development.

That pattern looks set to continue with a Chinatown Precinct earmarked for development alongside Australia Fair West, in Young and Davenport Streets. Centre marketing manager Louise Jurgs said plans were being considered to redevelop the centre to align with the Chinatown masterplan.

"Once the masterplan is finalised we will consider the options but they could include the redevelopment of the entire western annex opening onto Young Street," Ms Jurgs said.

"Being centrally located in the new Chinatown Precinct, there is potential to develop the centre in a way that complements the surrounding area as it grows. Ideally, there could be a mix of dining options including restaurants and other food offerings with a focus on al fresco dining in Young Street."

Australia Fair Shopping Centre acts as a hub for Southport CBD, with more than 210 retail stores including Coles and Woolworths supermarkets, Kmart and 900-seats in two food courts. Additionally it houses a Birch Carroll and Coyle 10-cinema complex including Gold Class options, plus a five-storey commercial office tower.

Services include Australia Post, medical and dental centres, Medicare, Medibank, Crown Currency Exchange, and RACQ.

Australia Fair West, originally known as Scarborough Fair was the original stage of the centre. It housed a Franklins supermarket, Treasureway department store and 40 speciality shops. Construction of the bigger \$300 million northern section of the complex overlooking the Broadwater started in 1989 and opened in April the following year.

Ms Jurgs said Australia Fair would benefit from the future plans for Southport while the new Chinatown Precinct would further attract locals, tourists and business investors alike to the district.

## Australia Fair SHOPPING CENTRE

**Retail First Pty Ltd**  
Australia Fair Shopping Centre  
Marine Parade,  
Southport QLD 4215  
Ph. +61 (0) 7 5556 6600  
Fax. +61 (0) 7 5556 6688  
[www.australiafair.com.au](http://www.australiafair.com.au)



# Southport's sporting culture

Since its early days as a beachside getaway, Southport has offered residents the opportunity to make the most of the healthy, outdoor lifestyle. It's not surprising the suburb has a rich sporting history, with numerous sporting clubs and facilities, and countless successful athletes.

Southport has bred dozens of sportspeople who have gone on to represent the country at the top levels of competition. Current and recent local stars include Olympians Sally Pearson and Grant Hackett, rugby union Wallabies James O'Connor

and Nathan Sharpe, tennis player Bernard Tomic, motorcycle racing champion Casey Stoner, and St Kilda AFL Club captain Nick Riewoldt.

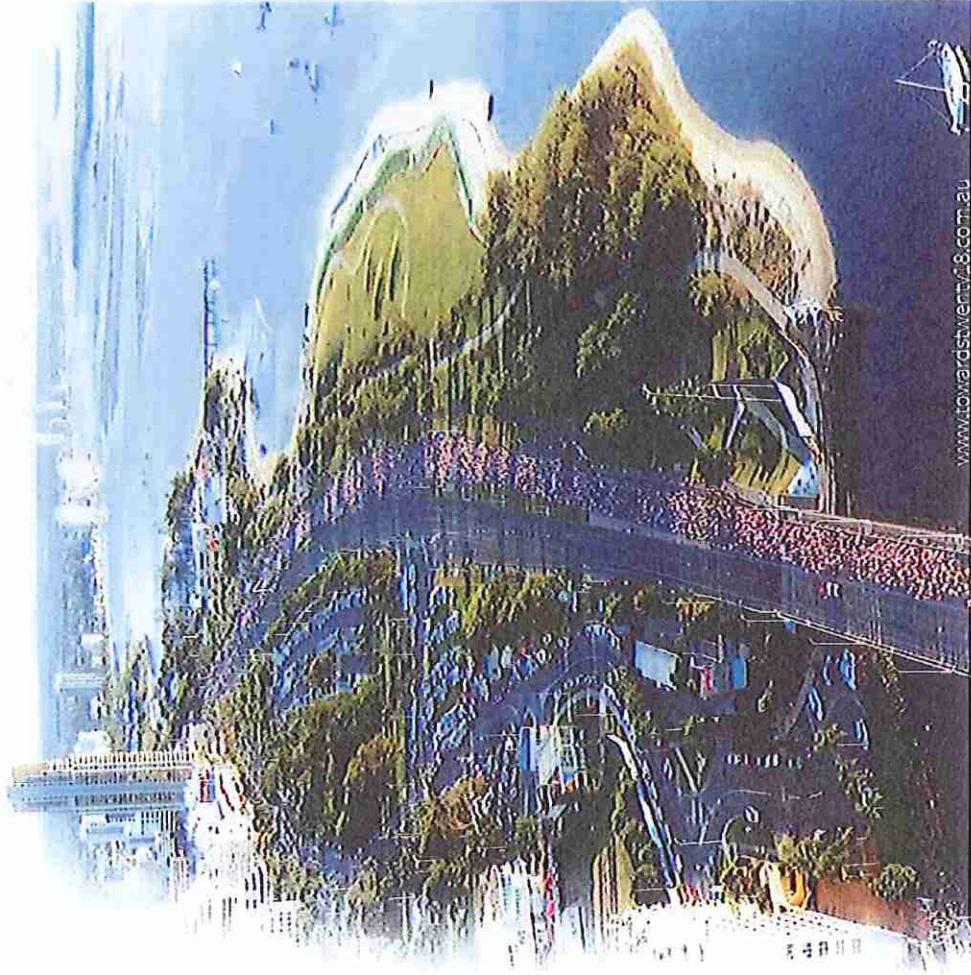
The Southport Sharks Australian Rules Football Club is the largest club on the Gold Coast and patron partner of the national competition's Gold Coast Suns. The Sharks have won 22 premierships in local and state competition, while its local cricketing counterpart, the Southport Labrador Tigers has won 30 since its origins in 1883.

Southport will also be a hub for a variety of sports during the Commonwealth Games including gymnastics, basketball, netball, swimming and diving, as well as providing the start and finish of the marathon, road walks and triathlon. The Broadwater Parklands will also be the location for one of the live sites where people can watch the action on screens provided while enjoying the atmosphere of the Games.



## Sporting Clubs

Southport Tigers Rugby League	Southport Yacht Club	Southport Indoor Pistol Club
Parkwood Sharks Rugby League	Southport Gymnastics	Southport Rifle Range & Gun Club
Southport Sharks Australian Rules Football Club	Queens Park Tennis	Gold Coast Turf Club
Labrador Tigers Cricket Association	Southport Croquet Club	Gold Coast Athletics
Gold Coast Netball	Musgrave Bowls	Musgrave & Southport Soccer
Southport Pony Club	Southport Bowls	Aust Synchronised Swim Squad
Southport Golf Course	Colleges Rugby Union	Southport Pool
Southport Amateur Fishing Club	Southport Sea Eagles	
Southport Surf Life Saving Club	Labrador and Gold Coast Hockey	





# Southport at a glance



Low level residential housing and a number of suburban shopping centres surround the business hub. At the 2011 Census the population of Southport was 28,315. The median age of residents was 36, there was an average of 2.1 people per household, the median weekly rent was \$320, and the median weekly household income was \$881. To the north, the state electorate of Southport includes the suburbs Arundel, Ernest, Labrador, Molendinar and Parkwood.

Situated alongside the Gold Coast's tourism centre Surfers Paradise, Southport is most well known as the city's business, administration and health centre. The CBD boasts more than 100,000sqm of office space – more than any other suburb on the Gold Coast. It is home to the Southport Courthouse and many legal and accounting firms.

Its reputation as an entertainment centre has lapsed somewhat in recent decades in favour of Surfers. However with the magnificent revitalisation of the Broadwater Parklands and a number of inner-CBD residential/retail developments like the \$700 million Southport Central breathing new life into the city streets, Southport is experiencing somewhat of a renaissance as a place to go to eat, drink, and play.

## Highlights



The transformation of Southport represents huge investment opportunities.

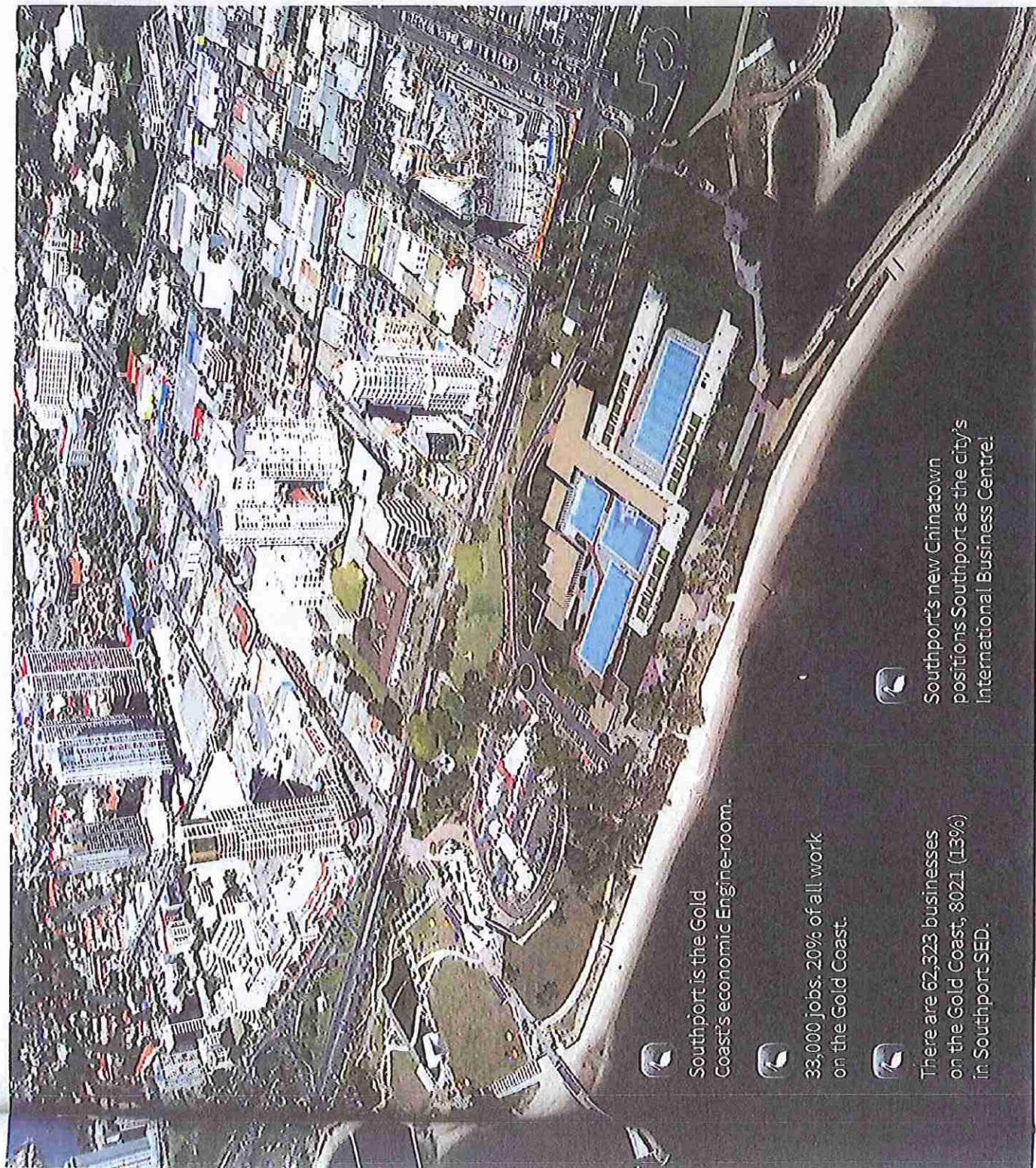


As a health & knowledge hub business has never looked more promising than now!



Located side by side Griffith University and the new Gold Coast University Hospital are set to become a Health & Knowledge Mecca for the Southern Hemisphere!





Southport is the Gold Coast's economic Engine-room.



33,000 jobs. 20% of all work on the Gold Coast.



There are 62,323 businesses on the Gold Coast, 8021 (13%) in Southport SED.



Southport's new Chinatown positions Southport as the city's International Business Centre!



Nowhere else in Australia is quite like Southport and the Gold Coast!



Serviced by 6 Light Rail stops and the city's major public transport interchange.



45 minutes from the State's Capital.



Accessible from two International Airports: Gold Coast (30 minutes) Brisbane (60 minutes).



Minutes from some of the World's best surf beaches.



This is the Decade of Southport.



Home to the Parklands Commonwealth Games Village & new Aquatic Centre.



Gold Coast City Council have declared Southport a Priority Development Area.



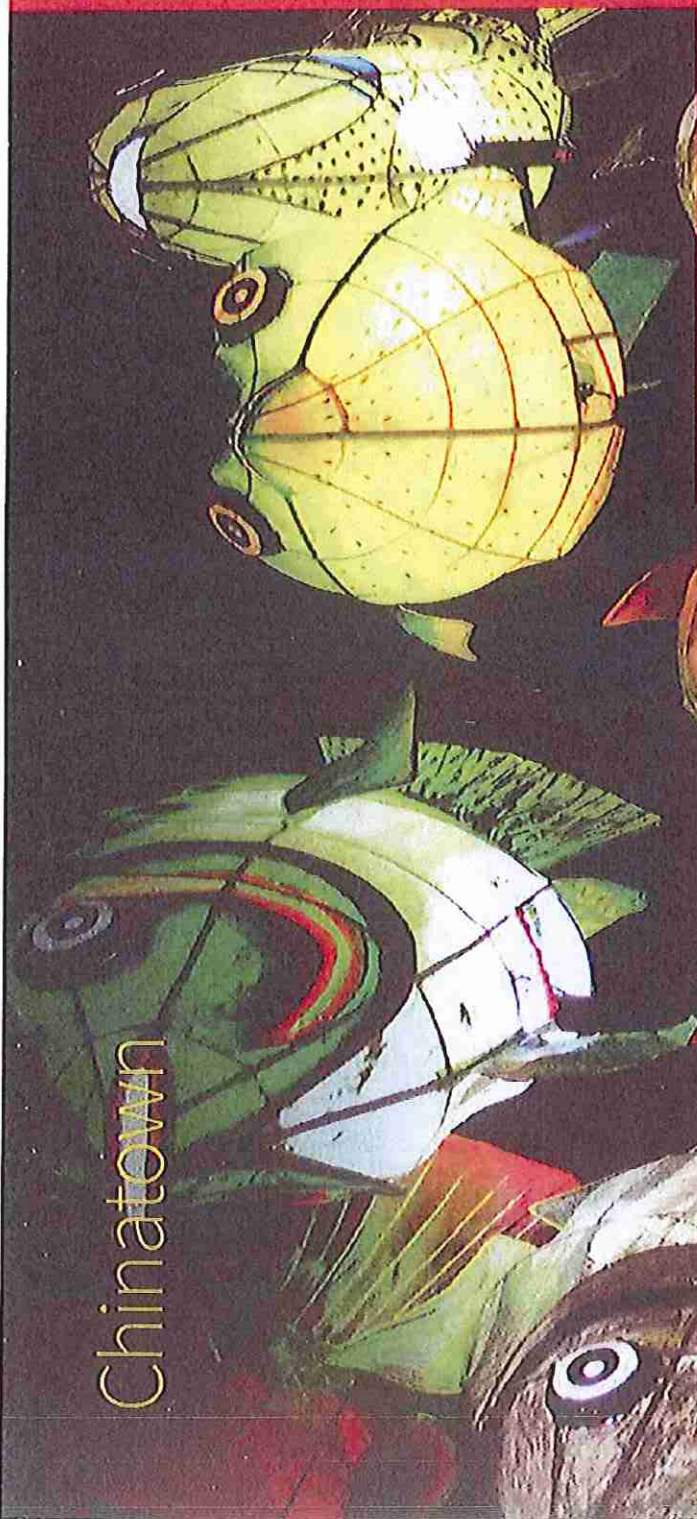
# Chinatown

Located in the heart of the Southport CBD, Gold Coast Chinatown is one of the projects spearheading the revitalisation of Southport. Focused on Young and Davenport Streets, the City of Gold Coast has committed \$3.5 million dollars to undertake streetscape improvements, with further funding allocated to cultural embellishments such as lanterns, public art, signage and street furniture. The City is also working in partnership with four of the Gold Coast Sister Cities, Beihai and Zhuhai in China and Taipei and Tainan in Taiwan to design and donate the Paifang which symbolise the entrances to the precinct.

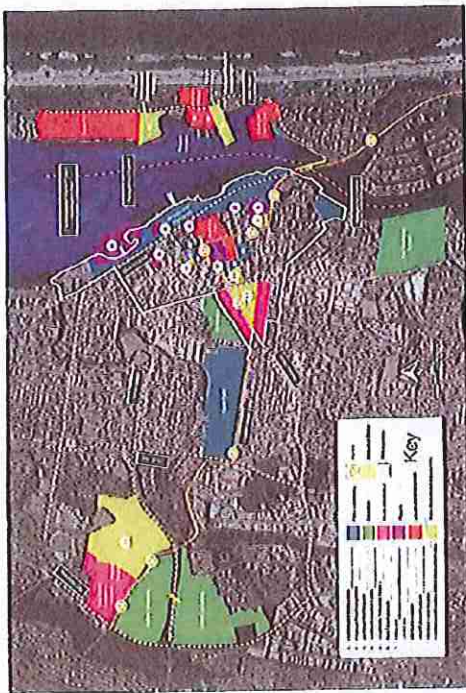
Gold Coast Chinatown will strengthen relationships with the Asia-Pacific region by providing opportunities for cultural exchange, trade and investment. Chinatown will be the place locals will go to celebrate and be immersed in Asian culture and it will bring a sense of home and community to the thousands of tourist and international students who visit the city each year.

Adjacent to one of the busiest light rail stations, Chinatown will be a vibrant retail and dining destination which will bring people into Southport at all times of the day and night.

The place to  
celebrate  
Gold Coast's  
diversity through  
culture, design,  
people and food.



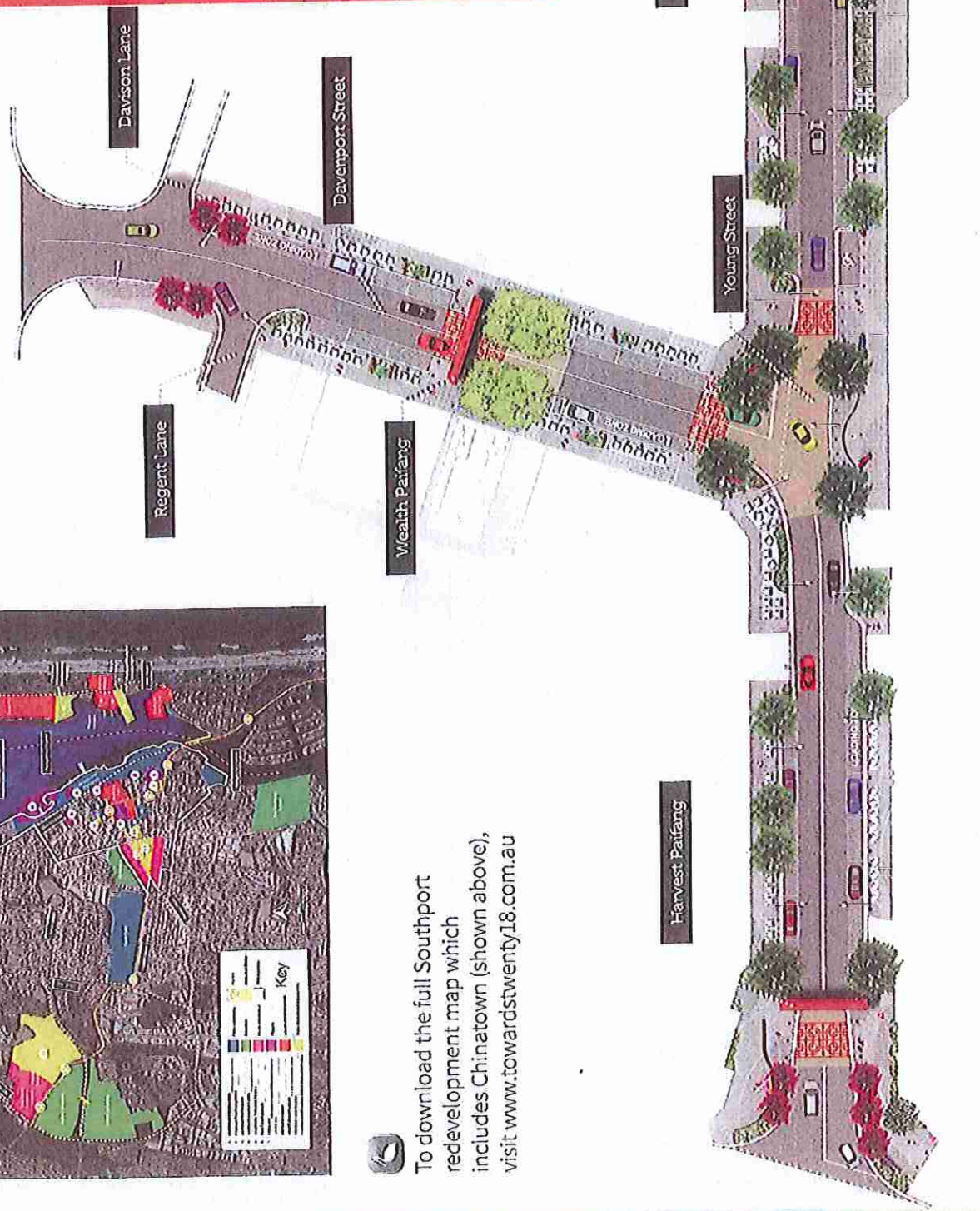




To download the full Southport redevelopment map which includes Chinatown (shown above), visit [www.towardstwenty18.com.au](http://www.towardstwenty18.com.au)

The Chinatown precinct will begin construction early 2014 and completed mid 2014 in time for the opening of the light rail. The streetscape improvements are supported by an **events strategy** which will contribute to the rich fabric of cultural entertainment already on offer in the City; a **retail strategy** which will attract new business and help existing business respond to new retail opportunities; and an **investment strategy** to bring international business and development into the city.

As Gold Coast Chinatown evolves it will assist in positioning the city as a place to do business, be entertained, to live and be educated.





# Southport today

## Population

Gold Coast - 544,165  
 Forecast Projection - 798,417 (2031)  
 Southport SED - 56,714  
 Born Overseas - 41%  
 Speak a second language - 31.5%  
 Median Age - 36.1  
 Aged 15 to 64 - 70.3%

## Businesses

Gold Coast - 62,323  
 Southport - 8021 (13%)

## Jobs

Gold Coast - 185,465  
 Southport SED - 33,138

## Place of Employment by Industry

Place of Employment by Industry	Southport SED	Gold Coast	%
Manufacturing	3282	15814	21%
Construction	2512	14763	17%
Accommodation & Food	1648	19886	8%
Professional & Scientific	2305	11904	19%
Education & Training	3451	15178	23%
Health Care & Social Assistance	6663	22506	30%
Retail	3404	24580	14%
ALL Industries	33138	184583	18%

Statistics quoted sourced from Queensland Treasury and Trade, Government Statistician, June 21 2013.  
 SED - Southport Electoral District.



## Law & Order, Health & Emergency Services -

Southport is home to one of the state's best serviced Police Stations, its own Ambulance and Fire Stations, Headquarters to Gold Coast Emergency Rescue Services, the new Gold Coast University Hospital and 9 other specialist and private hospitals. Gold Coast Courts are located in Southport serving the region from Pimpama in the north to the Queensland Border at Coolangatta.

# Southport looking forward



Southport is the traditional administrative, legal, commercial and medical heart of Gold Coast City, employing 14% of the workforce in 2011. It is also a major educational hub.



The Council is seeking to fast-track higher intensity projects in the Southport business centre, to coincide with the new Light Rail and creation of Chinatown prior to the Commonwealth Games 2018.



Advancement of the Gold Coast Health and Knowledge Precinct, with the opening of the Gold Coast University Hospital and the planned Athletes' Village, continues to cement Southport's role as a centre for innovation.



A recent study by Bond University and Integran Infrastructure Management estimated a 2.5-4 times multiplier effect from Government spending along the Light Rail corridor. This could translate to \$20 billion in urban revitalisation over 20 years. There are several major projects already planned for Southport.



Southport's reputation as a more affordable centre contributed to the 5% increase in the number of businesses since 2007. In 2011, Southport and environs accounted for 8,700 businesses and 36,500 jobs, or 20% of the workforce on the Gold Coast. Its central position on the Light Rail will only enhance Southport's role as a preferred business location.

## Source:

Colleen Coyne  
 Property Research Pty Ltd  
 Ph. 5532 2745 or  
 Mob. 0418 856 439



According to Queensland Government projections, Southport SED's population could increase by 40% to 80,000 people by 2031. This partly reflects the expected impact of the Light Rail.



# Southport Chamber of Commerce and Industry



Laird Marshall, Catherine Palin-Brinkworth, Colin Coverdale, Brian Sohler

Southport has a unique window of opportunity to harness momentum building towards the Commonwealth Games, says the Southport Chamber of Commerce.

Chamber president Laird Marshall said the Games were an opportunity to establish the foundations of a stronger city.

"Thanks to the Games, we are now in an upward spiral of business confidence that will culminate in 2018," he said.

"The Games only last for a few weeks but what's going to happen between now and then, means by the end of it, we should have the infrastructure and big business to support a sustainable city for business."

Mr Marshall said the city had to focus particularly on attracting big business to invigorate and sustain economic independence.

"We need to be able to overcome the plateaus of boom and bust conditions like the Gold Coast has experienced in the past four or five years," he said.

"The sun and the surf, for a reason to be here, are simply not enough. We now have the opportunity to attract big multinational businesses that will bring better jobs for more educated, experienced people. That will have a flow-on effect for small and medium businesses on the coast, and we will

be able to compete with other capital cities in a business sense."

Mr Marshall urged local businesses to join the chamber to help not only their own business, but the strength of the Southport chamber to help capitalise on the coming opportunities.

"The chamber is a non-profit organisation that exists to serve members and the local business community," he said.

"As a united group, we provide a voice to lobby for the interests of our members. The more businesses we have on board, the stronger we are."

Mr Marshall said the chamber offered regular breakfast and evening networking events, with topical speakers that otherwise would be virtually unavailable to meet with.



## Visit

[www.southportchamberofcommerce.org.au](http://www.southportchamberofcommerce.org.au) for details on coming functions or call 5531 4577.



# BUSY At Work



An increase in job opportunities will leave a stronger local workforce long after the Commonwealth Games are gone, says Southport Apprenticeships organisation BUSY At Work.

BUSY At Work was established in Southport in 1977 by local lawyer Martin Punch. While the organisation now employs 200 staff across Queensland, it started off around a kitchen table as "Backing Unemployed Southport/Surfers Youth". Initially a community and support service, BUSY At Work now specialises in apprenticeships, skilling people for work and helping businesses train or recruit new staff.

BUSY At Work CEO Paul Myles said the organisation had helped countless numbers of local people break into the workforce over the years, and the Games would be an excellent opportunity to continue that work and develop the local workforce.

"The key to a strong economy is a skilled and educated workforce," he said.

"So if we can use this opportunity to skill up the local workforce before 2018 then it will help us continue to develop the local economy and provide ongoing employment for local residents."

Mr Myles said the announcement of the games had created a buzz in the local business community and jobs

were already starting to come online – at this stage mostly in construction for projects such as the light rail and redevelopment of the aquatic centre. As it gets closer to the games there will be increasingly more jobs in tourism, hospitality and security.

BUSY At Work has dedicated staff that will be meeting employers and holding events and forums to teach businesses how they can access apprenticeship and traineeship funding. Businesses and job seekers should get in touch with BUSY At Work via its website [www.busyatwork.com.au](http://www.busyatwork.com.au) to learn how it can help them, and check out their new Apprenticeship and Traineeship website [ApprenticeshipCentral.com.au](http://ApprenticeshipCentral.com.au).

Mr Myles said BUSY At Work had been helping school leavers for many years and reminded current students there were now many opportunities for school-based apprenticeships.



**BUSY At Work**  
[www.busyatwork.com.au](http://www.busyatwork.com.au)  
 13 BUSY (132879)



# FSG Australia



Southport is home to FSG Australia (FSGA), one of Queensland's largest not-for-profit community organisations.

FSGA was founded in 1979 by a small group of parents on the Gold Coast who wanted a better deal for their children with a disability. Today, FSGA employs up to 700 staff and 300 volunteers who provide a range of disability and mental health services, vocational and accredited training, children and family services, and operate several social enterprises across the South East Queensland and Fraser Coast regions.



FSG Australia is part of Queensland's Disability Service G8 Summit and joins forces with the state's eight largest non-government disability service organisations to discuss unmet needs and to advocate for rights as a united voice.

CEO Vicki Batten says "Guided by our values of Freedom, Social Justice and Growth, we are continually determined to ensure all our practices uphold the rights of all people to have choice and regard throughout their life."

FSGA also operates several social enterprise initiatives including an Op Shop, Cafe, (which were launched in Southport), a Nursery and Green Shop.

Vicki says "Our Social Enterprises offer social, training and employment outcomes for the people we walk alongside as well as offering shoppers the opportunity to make a social difference in their community."

"Having FSGA's Head Office based at Southport makes good business and social sense. The Gold Coast is the fastest growing city in Australia and Southport is at the epicentre of it. This is where the community is - why would we be anywhere else?" says Vicki.



## Contact:

For more information on FSG Australia's services and enterprises, or to make a donation please visit [fsg.org.au](http://fsg.org.au)



# Did you know?...



Southport was known as Nerang Creek Heads until it was surveyed and declared a Shire in 1875.



Southport was named after an English seaside resort and due to its location as Queensland's southern most port at the time.



Much of the area was tea tree swamp before it was developed.



The first white settler in the area was Richard Gardner, arriving in 1869 before building a home and a wharf at the river end of what is now Queen Street.



The Town of Southport was officially recognised and recorded in the Queensland Government Gazette April 12 1918



The Loders were the first family to settle in the area, establishing a farm beside a salt water creek to the south of Queen Street, before moving to a hill overlooking what is now Loders Creek.



No land sold in 1874 when it was first offered for sale to Brisbane residents. However 22 one acre allotments sold the following year.



In 1876, Robert Johnson opened Southport's first business – a steam-driven saw, planing and joinery works and blacksmith and hardware shop in Nerang Street.



Brisbane resident Frederick Bauer was the Gold Coast's first property developer. He paid 400 pounds for 117 acres of land adjoining Queen Street and subdivided it into 180 marine villas that were offered at public auction.



Queensland's Governor Sir Anthony Musgrave frequented Southport in the late 1800s, raising its profile as an upper middle-class holiday destination.



Before the first bridge was built across to Main Beach in 1925, a ferry used to take people across the river and link with a horse and buggy to Surfers Paradise.



Bauer Street was the original landing point for the Pacific Cable Station making Southport a strategic communications hub to the world in the early 1900s and throughout the war years. Today Southport has been prioritised for early roll-out of the NBN.



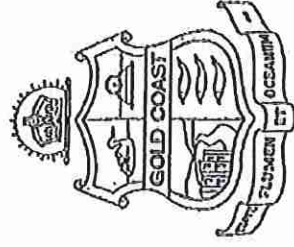
The water flowing through the kids' rock pools in the Southport Parklands is pumped from the Broadwater rather than drawing from the city's fresh water supply.



A state of the art storm-water management system collects, filters and cleans stormwater from the Southport CBD before it enters the Broadwater, reducing the annual gross pollutant load by 90 per cent.



Gold Coast City Crest - the design was taken from the original Town of Southport Crest from the early 1900s incorporating the pelican, a surf lifesaving reel, fish from the Broadwater and Council Chambers opened in 1935.



Southport's census population was 230 in 1881, 1230 in 1901, 3551 in 1921, 4218 in 1933, 8134 in 1954, 12,746 in 1961, 18,930 in 1986. Today Southport SED has a population of 56,714.



# St George



Longtime Southport business St George Bank backs Council's bid to have Southport designated as a Priority Development Area (PDA).

St George opened in Southport in the late 1980s and its local client base includes businesses in the IT, financial planning, accounting, law and government sectors, and a large dealer finance network on the coast including James Frizelle's Automotive Group.

Southport branch manager Wendy Kawan said designation as a PDA would enable the area to take advantage of opportunities in the leadup to the Commonwealth Games to become a true CBD.

"Southport has unofficially been seen as the CBD of the Gold Coast and it should continue to build on this strength and reputation," Wendy said.

"The designation of Southport as a PDA would help attract larger businesses to the area to take advantage of the lifestyle opportunities it provides. The development taking place is creating a rarely seen hub that allows the community to live, work and play, while also attracting the tourism industry.

"In particular the light rail will greatly increase the ease of access for medical and university commuters to reach the centre of Southport, not to mention an attraction for those visiting."

Ross Gillam, head of St George Retail Bank for Queensland, said the strength of Southport's economy was underpinned by the large professional base in the local legal, medical, educational, financial and retail sectors. The bank's customer base has grown to include a larger retiree population who need assistance with retirement planning, downsizing, re-financing and relocating. Meanwhile families and small to medium-sized businesses are also continuing to expand and grow.

Mr Gillam said over the past 25 years the Southport branch had expanded its services to include mobile and home lending, financial planning, business banking, and auto-finance. This change led to the refurbishment and expansion of the branch, which is now a hub for its 'Business Connect' technology model, which services small business through virtual banking.



## Contact:

Ph. +61 (0) 7 5557 7402

Mobile. 0422 535 081

Email. [SOUTHPORT333@stgeorge.com.au](mailto:SOUTHPORT333@stgeorge.com.au)







# GoldLinQ



In 2014 the Gold Coast will be home to Queensland's first contemporary light rail system.

John Witheriff, chairman of project developer GoldLinQ, said the light rail system would be a city-defining project.

"Within the next two decades, as more residents and businesses move into the light rail corridor, a fundamental change will occur with regards to how people choose to live and work in the city," he said.

Mr Witheriff was born and bred on the Gold Coast and spent much of his working life here, and says he has observed the city evolve into the vibrant community it is today.

"Many would find it hard to believe that when I went to school in Southport, just over 45 years ago, the sealed roads finished near the Southport School and families would travel all the way to Nerang for family picnics," he said.

"The construction of the light rail has facilitated the upgrading of the city's infrastructure to facilitate the growth in population over the next 25 years. It has also meant that we can retain one of the most important elements of this liveable city namely our ability to move around with ease and reliability.

"Our climate, natural beauty and excitement have been the reasons why so many people have flocked to this city. They will remain the reasons why so many more come to join us here on the Gold Coast.

Mr Witheriff said Southport was at the heart of the system and would be connected seamlessly to other key centres of the Gold Coast.

"What will flow from this is more development, leading to more jobs, and a positive change in the economic diversity of precincts such as Southport," he said.

"This type of permanent infrastructure is what attracts business and people to invest around it."

The GoldLinQ consortium consists of GoldLinQ Pty Ltd, McConnell Dowell Constructors Pty Ltd, Bombardier Transportation Australia Pty Ltd and KDR Gold Coast Pty Ltd.



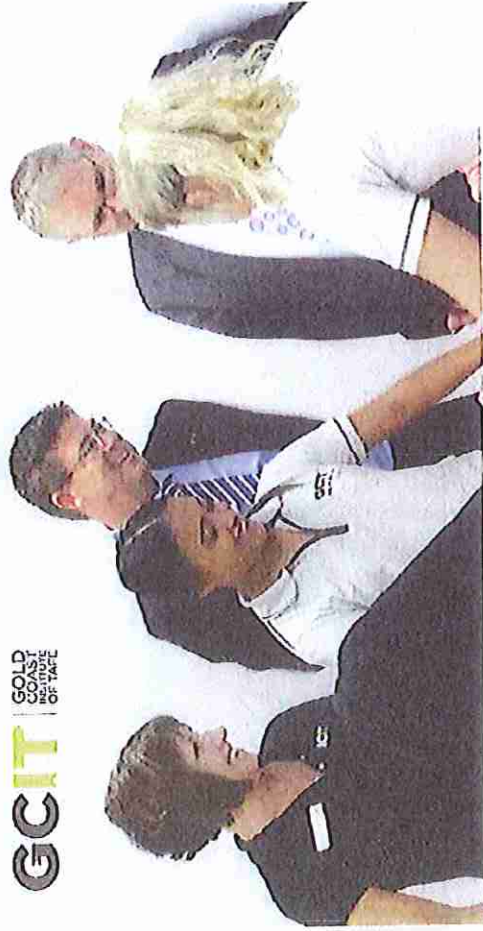
**For more information:**  
[information@goldlinq.com.au](mailto:information@goldlinq.com.au)







# Our billion dollar health industry



## I CAN! International Institute for Neurodiversity

As part of Southport's vision to be the leading Health & Knowledge precinct in the Asia Pacific Region plans are underway to establish an International Centre of Excellence for health and disability care. The dream is to cluster services and research through unique public-private partnerships for the Clinical Advancement of Neurodiversity (I CAN!). Boasting state of the art integrated disability, medical and mental health services, clinical teaching and research all into one area to create a first-of-its-kind centre and many new jobs for the region.

## Health and Knowledge Precinct

The new hospital is a key component of a fully integrated health, medical, technology, research and innovation centre. Combined with Griffith University's Gold Coast campus and the new Gold Coast Innovation Centre, the precinct will become a vibrant hub of research and innovation, leading the way for the Gold Coast to be one of Australia's leading cities.

## Healthscope

Healthscope is a 4,300 bed hospital network in Australia. A new 284-bed private hospital to be built in Southport will offer a 24-hour emergency care centre, level 2 special care nursery, intensive care unit and a dedicated haematology/oncology day unit, along with 11 integrated operating theatres, a hybrid theatre and cardiac catheterisation laboratory, and expansion space to increase to 18 theatres. The new facility will herald a new era of health care on the Gold Coast – it will be unrivalled by any other in the region and equal to the best hospitals in Australia.

## Gold Coast University Hospital

The 2013 opening of the \$1.76 billion, 750-bed Gold Coast University Hospital (GCUH) brings world-leading health services to Southport. Made up of seven main buildings and a total floor space of around 170,000 square metres, it will provide the technology to support high level service delivery for the benefit of both patients and staff, as well as state-of-the-art training facilities and on-site research facilities for students.

## GCIT - Specialist Training Health Services

Situated in the centre of the Southport Central Business District the GCIT Southport campus is within close proximity to the Australia Fair Shopping Centre and provides easy access to an abundance of shops and cafes. The Southport campus provides specialist delivery in a range of programs including commerce, nursing, justice, marketing and Education Support.

A look at the health infrastructure projects in the pipeline in 2013 paints an exciting picture of the Southport that is just around the corner. Over the next few years the inverted commas around "CBD" can rightfully come down. Southport's future is definitely looking healthy.

With a new start-of-the-art hospital, the Commonwealth Games Village, and new sporting, entertainment and cultural facilities all linked by a modern transport system, the business hub of the Gold Coast – Australia's sixth biggest city – is well on the way to becoming one of the country's most dynamic city centres.



# Southport timeline



1889

Railway from Brisbane to Southport opens as the population reaches 1000.



1884

First main jetty built and passenger boats start regularly calling in at the town. (Population 350 with 80 houses.)



1925

The Jubilee Bridge between Southport and Main Beach is opened.

*Jubilee Bridge, Nerang River, circa 1925. Photographer unknown.*



1918

Town of Southport officially gazetted on April 12th 1918.



1914

Southport Pier built.



1932

Water supply to Southport completed.



1874

Crown Reserve at Nerang Creek Heads surveyed and established as the town of Southport the following year.



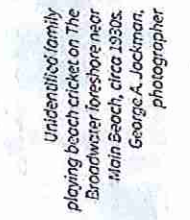
1901

The Southport School founded and plans made for a courthouse in Southport.



1900

First Southport Show.



*Unidentified family playing beach cricket on The Broadwater foreshore near Main Beach, circa 1930s. George A. Jackman, photographer*



1937

Population of 7500 recorded.



1913

Church of England Grammar School for Girls (St Hilda's) founded.



1941

Southport Pier and Theatre  
*circa 1941. Photographer unknown.*



**Background image (screened):**

*Unidentified male diving into the swimming pool attached to the Southport Pier, Southport, Queensland, circa 1930s. George A. Jackman, photographer.*



**1970**  
Keith Williams gains lease of 50 acres of Crown Land on The Spit and establishes Seaworld.



*Dolphins leaping, the manorail and train at Sea World, The Spit, Queensland, circa 1980s. Margaret Steley, photographer*

**1940**  
Mineral Deposits Ltd's treatment plant where Rivage Royales currently stands.

**1947**  
Gold Coast Hospital established.

**1979**  
New Southport general hospital opened.

**2005**  
Griffith University builds a medical education facility next to the existing Gold Coast Hospital and plans for the new university hospital are announced.

**1986**  
Southport Seaway opens.

**2009**  
The Southport Broadwater Parklands redevelopment officially opened.

**1988**  
Opening of Southport Mall and Marina Mirage.

**2013**  
Southport's population estimated at 56,714.

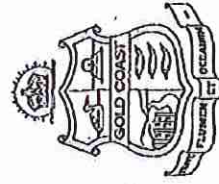
**2010**  
The Gold Coast wins the bid to host the 2018 Commonwealth Games.

**1956**  
Southport Yacht Club opened.

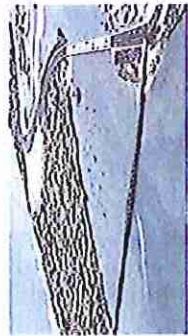
**1968**  
The Southport Hotel demolished to make way for the Sundale Shopping Centre in 1969.

**1960s**  
Gold Coast Aquatic Centre opens.

**1971**  
South Coast Council Crest.



**1966**  
Nerang River Bridge completed at a cost of £609,226.



**1990**  
Sundale Shopping Centre closes and Australia Fair completed and opens.

**2018**  
Gold Coast to host the XXI Commonwealth Games.

**2014**  
Expected completion date for Stage 1 of the Gold Coast Rapid Transit Light Rail System.

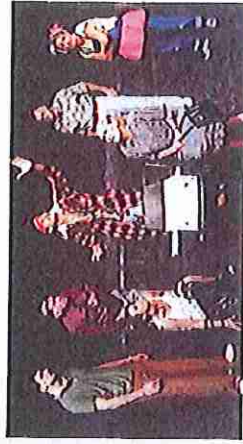




# Southport arts and cultural scene



Southport is home to a vibrant underground cultural community, with a growing number of galleries, studios and art schools emerging.



The Broadwater Parklands is also home to the Gold Coast Art Festival – an annual celebration of local artists which transforms Southport's Broadwater foreshore into a giant outdoor gallery.

The presence of the art community can be seen in the streets and spaces of the CBD. Gallery on the Lane is an independent art space dedicated to showcasing the work of artists without the overheads of commercial galleries. Overlooking the Fig Tree Courtyard in Australia Fair, the Gold Coast Art Festival Gallery is another space fostering and promoting local talent, while also providing a new display for locals and visitors to experience every month.

Retro art cafés such as 42 Fifteen are providing meeting places and opportunities to inspire creativity. Plans are underway to decorate the backstreet laneways, and open unused spaces within these previously neglected areas for art galleries and workshops.

Established nearly two decades ago, the Gold Coast Art School on Nerang Street continues to provide support to budding amateur and professional painters. Local artists are also planning to open an art precinct in the CBD to provide a physical home for the local art community, from which individuals can be brought together to inspire creative expression that can be shared with the broader Southport community in the future.



# What tourism means to the Gold Coast

Tourism is the key driver of the Gold Coast economy, contributing almost one dollar in every five generated within the city.

The Gold Coast is widely regarded as Australia's most popular leisure holiday destination, attracting more than 11 million overnight and daytrip visitors each year.

*(Tourism Research Australia - National and International Visitor Surveys YE June 2012).*

Tourism is the key driver of the Gold Coast economy, contributing almost one dollar in every five generated within the city. *(Gold Coast City Council).*

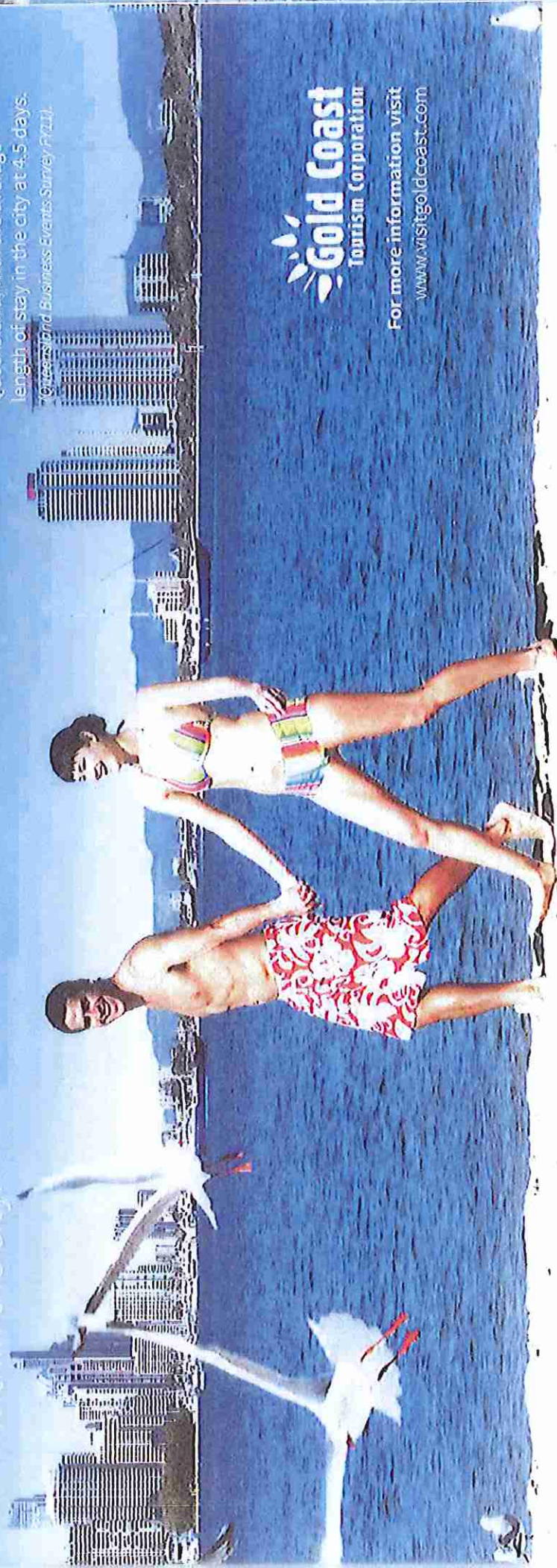
Each year, visitors to the Gold Coast spend an average \$4.5 billion and the city's tourism sector employs 35,300 people, reflecting the value of tourism to Gold Coast residents and businesses. *(Gold Coast City Council).*

The ultimate canvas for business events is the Gold Coast and its popularity with corporate visitors is evident, attracting 1,200 business events each year worth \$273 million to the local economy.

*(Queensland Business Events Survey FY11).*

The Gold Coast holds a 46 per cent market share of all business event delegate days hosted in Queensland, with the average length of stay in the city at 4.5 days.

*(Queensland Business Events Survey FY11).*



**Gold Coast**  
Tourism Corporation

For more information visit  
[www.visitgoldcoast.com](http://www.visitgoldcoast.com)



# Committee for Southport

The Committee for Southport is an apolitical and independent organisation that strategically analyses and advocates issues that impact Southport beyond short-term electoral cycles.

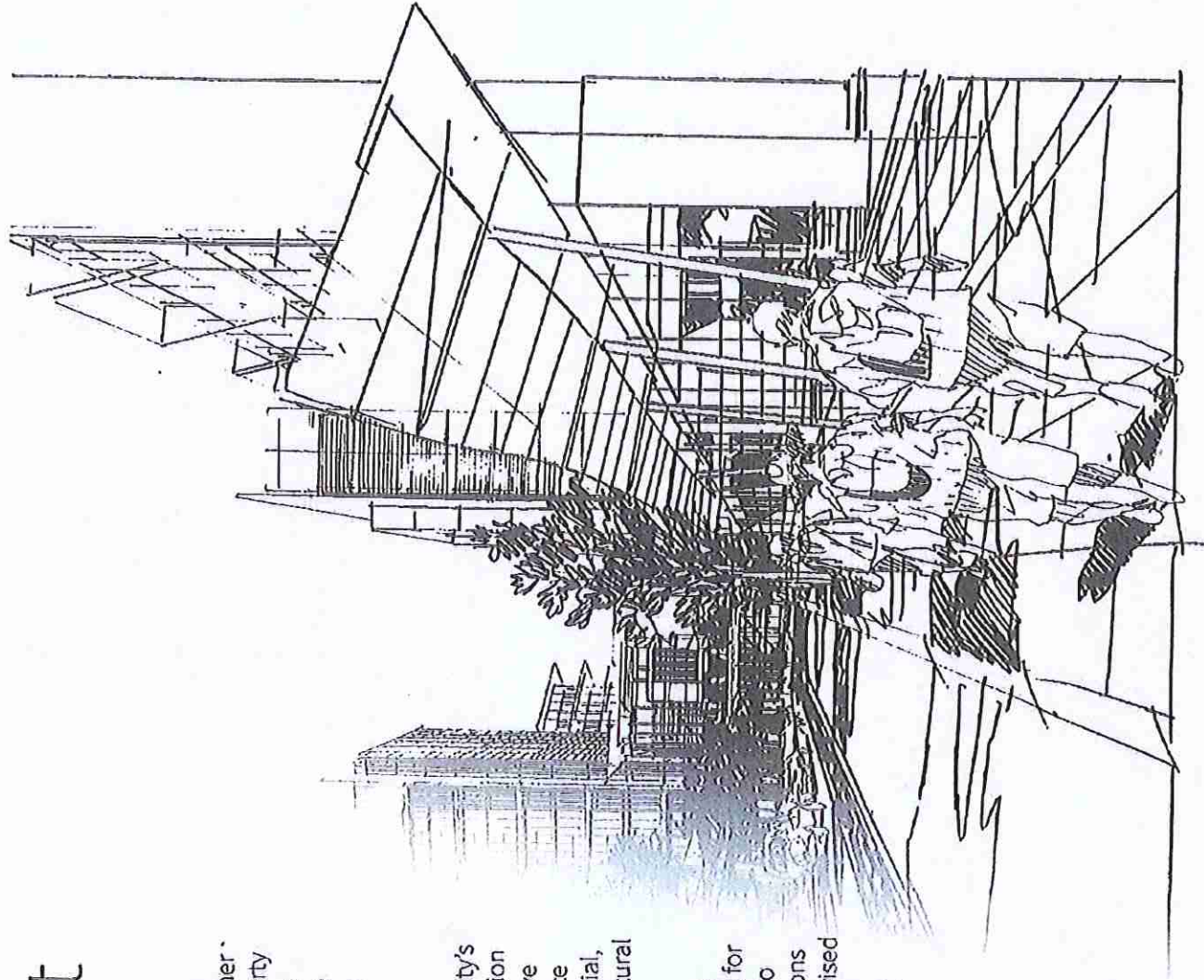
Committee Chairman John Howe said the organisation brings together Southport's most influential property owners and substantial employers to work collaboratively to enhance Southport – economically, socially and environmentally.

"By working together with other Gold Coast leaders to ensure the city's liveability and prosperity, our mission is to act as a courageous, innovative and far-thinking catalyst to enhance Southport as a dynamic, commercial, technological, intellectual and cultural capital of the city," Mr Howe said.

"With the centenary of Southport's proclamation as a town scheduled for 12 April 2018, it is now opportune to ensure that governments, institutions and industry are informed and advised as to Southport's strengths and to take its interests into account in all decision-making."

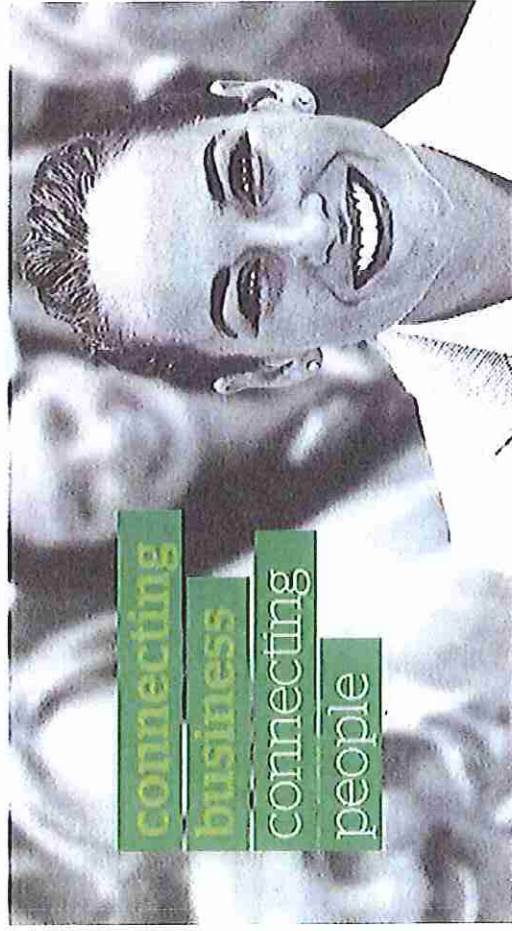


**For more information:**  
Email: [info@oursouthport.com.au](mailto:info@oursouthport.com.au)  
Ph: +617 5668 9677





# Bartercard



Bartercard says Southport has been the ideal location for its global headquarters since 1991, and is confident other large companies will find a comfortable home in the CBD in coming years.

Bartercard International Group Chief Operating Officer Trevor Dietz said he expected more major multinational companies would move into the city as it geared up towards the Commonwealth Games in 2018, and Southport had the right mix of attributes to support all facets of a large business.

"As a large employer, Southport has offered us an excellent range of cost effective office accommodation, good parking for large numbers of employees, excellent public transport links and a good range of quality shopping and entertainment venues," Mr Dietz said.

"This has helped us attract and retain quality staff both locally, from interstate and internationally – Southport has it all."

"For an international business, Southport has the advantage of quick and easy links to two major airports and is just a 45 minute drive to the Brisbane CBD."

Mr Dietz said Southport was gaining a new dynamic as a modern CBD and an all round lifestyle hub.

"We've got an enlarged TAFE, new high rises, new office buildings, focused legal precinct, major investments by prestige motor vehicle dealerships and continued refurbishment of existing buildings," he said.

"Despite all these changes, Southport retains its open, safe, friendly, affordable and positive community spirit that makes working, living and studying in Southport such an easy thing to do. Combine this with quality schools and centres for higher education and Southport has a winning combination.

"The addition of a Chinatown precinct has confirmed Southport as an emerging cultural hub in what is fast becoming a multicultural city. Every CBD in every major city has a China Town and they are all the richer for that addition."

From its Southport base, Bartercard International Group has grown to 72 offices in seven countries.



**Contact :**  
1300 BARTER  
[www.bartercard.com.au](http://www.bartercard.com.au)



# The Twenty 18 Challenge - Your Invitation

Come join the  
Twenty 18  
Challenge!  
Come do Business  
in Southport,  
Gold Coast,  
Queensland,  
Australia!

Southport, this is our decade. As we look towards **Twenty 18** it's up to us to leverage every opportunity to make the most of the Commonwealth Games and work together to create a lasting legacy. Not only great facilities, but sustainable long-term businesses and with them, permanent jobs for our kids and future generations.

<b>Name of Business:</b>	<b>Business Sector:</b>
<input type="text"/>	<input type="text"/>
<b>Current Business Address:</b>	<b>Contact Name / Name of Referrer:</b>
<input type="text"/>	<input type="text"/>
<b>Daytime Phone Number / Mobile:</b>	<b>Email Address:</b>
<input type="text"/>	<input type="text"/>
<b>How do you think this business would benefit from re-locating to Southport:</b>	
<input type="text"/>	

Mail your request to:  
"Move to Southport" or  
"Grow in Southport"  
PO Box 903 Southport BC Qld 4215

OR  
Email:  
southport@towardstwenty18.com.au



As a community let's open our homes and hearts by inviting every person we know, every relative, every friend, every family member or colleague to come and join us in 2018 for the Commonwealth Games. Together let's help fill every seat at every stadium!

As business leaders let's aim to really shake things up! Let's chase every lead. Let's take service standards to new levels. Let's set ourselves some great big audacious business goals. Could we double our turn-over by 2018? Could we attract another 8000 businesses into Southport and double today's workforce to 60,000 by 2018?

If you share our vision and would like to discuss opportunities to relocate or grow a business in Southport then send us your details. If you'd like us to send copies of this book to your personal contacts then just let us know. A member of the Southport **Towards Twenty 18** Team will be in touch. All details you provide are private and confidential.



**Rob Molhoek MP**  
State Member for Southport









Gold sponsors





Tabled Paper No. 4

Date: 17/7/14

Member: Jo Ann Miller MP

✓ Tabled

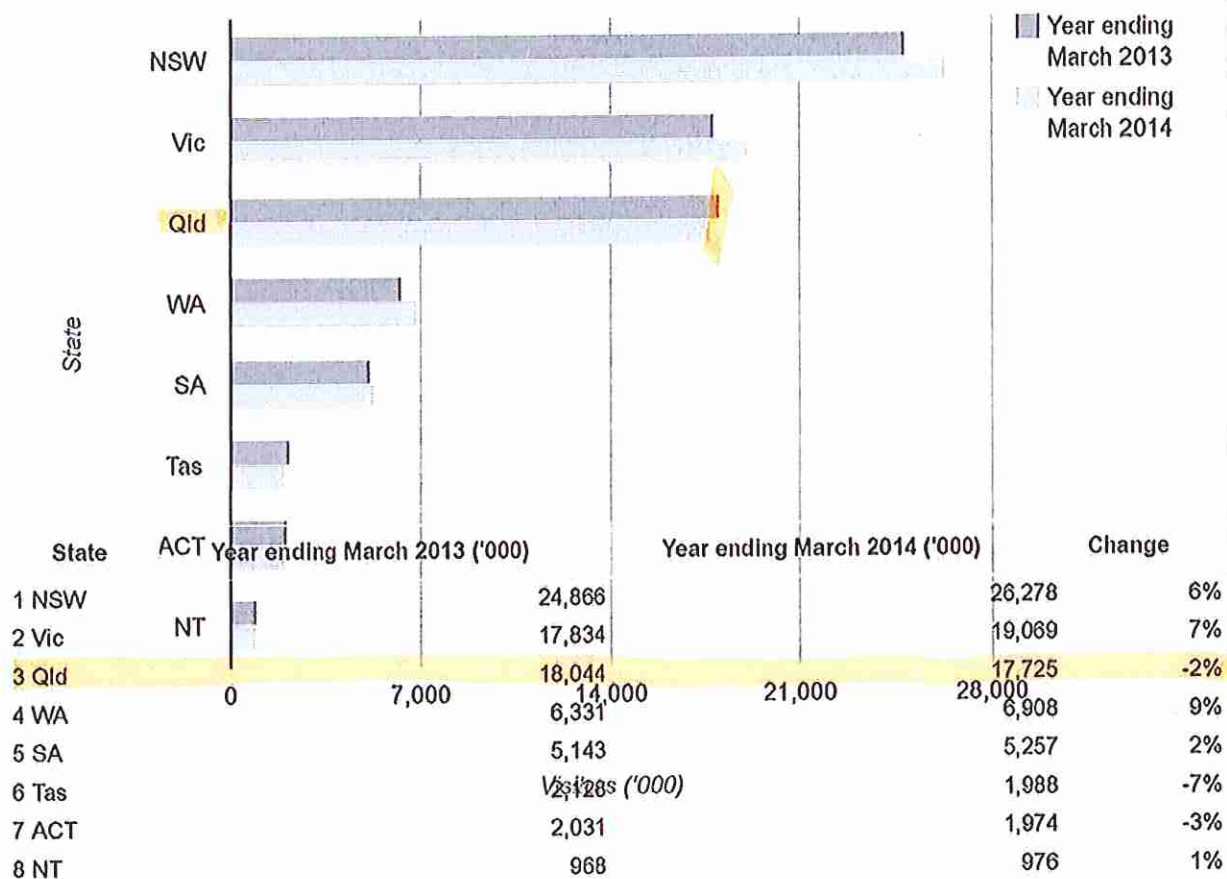
Tabled, by leave

Meeting: SDIIC Estimates Hearing

Clerk at the Table:

McJury

### Overnight visitors by state





# Answers to Questions Taken on Notice at the Hearing

**State Development, Infrastructure and Industry Committee**  
**Questions Taken on Notice**  
**Estimates Hearing - Thursday, 17 July 2014**  
**Minister for Tourism, Major Events, Small Business and the Commonwealth Games**

1. Page 50

**Mrs MILLER:** The pages state that these videos were produced in association with Tourism and Events Queensland. Can the minister or anyone here today confirm that these were funded out of the \$285,000 provided by TEQ to Brisbane Marketing last financial year for the greater Brisbane regional marketing campaign or if these videos were funded by a separate allocation?

**Mrs STUCKEY:** I thank the honourable member. As you can understand, there was a little bit to look at there with the number of pages that have just been circulated. I am familiar with the 'Give Me Brisbane Any Day' marketing campaign and the amount that was spent on that. However, I am unable to give you an answer right now as to whether this was included in that. I am happy to take that on notice if the honourable member is happy with that.

**Mrs MILLER:** Thank you very much, Minister. I am happy for you to take that on notice. In relation to those tabled documents, I would like to know whether anyone here today—and I know, Minister, it might not be you; it could be someone else here—can explain to me how you can promote Brisbane by talking about Surrey Hills or Bondi? If we are talking about promoting Brisbane, shouldn't the video talk about Shorncliffe, Sunnybank or even Springfield and Swanbank or maybe even Stafford rather than Surrey Hills?

**CHAIR:** Member for Bundamba, we cannot direct the question to 'anybody'. Would you like it to be to the minister?

**Mrs MILLER:** I direct it to the minister.

**Mrs STUCKEY:** As I said, we are looking into the information that has been tabled and the honourable member has agreed for me to take a question on notice. From a very quick glance, it would look like we are marketing Brisbane to Surrey Hills and elsewhere. However, as I said, we have taken this on notice and we will get back to you.

**ANSWER:**

The Minister for Tourism, Major Events, Small Business and the Commonwealth Games is satisfied that the response given by Ms Leanne Coddington, CEO of Tourism and Events Queensland, on pages 62 and 63 of the Hansard record, adequately answers the Member's question.



**State Development, Infrastructure and Industry Committee**  
**Question on Taken on Notice**

**Asked on 17 July 2014**

ASKED THE MINISTER FOR TOURISM, MAJOR EVENTS, SMALL BUSINESS  
AND THE COMMONWEALTH GAMES (MRS STUCKEY) —

1. Page 57

**Mrs MILLER:** I am going to go further with this. I am wondering, Minister, or through Mr Peters, did the company headline ad obtain permission from the committee or the board to use Commonwealth Games words or imagery before creating, printing and distributing the *Southport Towards Twenty 18* book?

...

**Mr Peters:** I am not aware of any approach from that company, but if the minister is happy I can certainly find out.

**CHAIR:** Minister, are you happy to take that question on notice to find out?

**Mrs STUCKEY:** Yes, I am happy for us to take that on notice. I understand that all of our protection is for prohibited purpose. There is some community use and not-for-profit use that is allowed. It would assist if Mr Peters could clarify that through a question on notice.

2. Pages 57 & 58

**Mrs MILLER:** I actually have the document here, the *Brand Protection Guide*, where it has the permitted uses et cetera which I would like to table. Minister or Mr Peters, will you inform the committee if the member for Southport obtained permission from GOLDOC or the board to star in a YouTube advertisement posted online by an employee of HeadlineAd agency which uses the words Commonwealth Games to solicit potential advertisers to buy advertising space in the *Southport Towards Twenty 18* book? Again, if you want to take that on notice, I am happy.

**CHAIR:** Minister, as it is relevant, I will allow you to answer the question as you see fit.

**Mrs STUCKEY:** I thank the honourable member for her interest and for the question. It is a question that we would like to take on notice, if Mr Peters is happy with that as well.

**Mr Peters:** Yes.

3. Page 58

**Mrs MILLER:** ...Minister or Mr Peters, are you aware of whether the HeadlineAd agency sought permission or paid a licencing fee to use the Gold Coast Commonwealth Games logo and trademarks?

**Mrs STUCKEY:** I thank the honourable member for the question. Given the amount of detail and depth that the member is asking, Mr Peters may like to make

a comment, but I am happy to add that to the questions on notice. We will take it on notice and add it to the other requests, if the honourable member is happy with that.

**Mrs MILLER:** Yes. I have a follow-up question that you also might want to take on notice. If there was a licensing fee paid, how much did the HeadlineAd agency use to pay the imagery and trademark? Minister, I am happy for that to be taken on notice as well.

**CHAIR:** Minister, I will allow you to answer that but I appreciate there may be commercial arrangements in place. I will leave it to you to answer as you see fit.

**Mrs MILLER:** If it is commercial, I am happy for you to say it is commercial.

**Mrs STUCKEY:** I am happy for Mr Peters to make that comment but I would also encourage the member to address the SDS that we have before us.

**CHAIR:** Mr Peters?

**Mr Peters:** I am not aware to date of any licence fees being paid in relation to any of our business, but I am quite happy to take that forward, as we have, to check out the circumstances.

**CHAIR:** Thank you very much for that.

#### 4. Page 59

**Mrs MILLER:** Okay. In so far as there are penalties involved for the misuse of the Commonwealth Games logo and branding, I am wondering whether or not GOLDOC will investigate any misuse by the member for Southport on the Southport Forum's website of the Commonwealth Games branding and whether or not you will pursue this complaint—which I am now formally making—and see whether there are any penalties that rightfully should go back to GOLDOC.

**CHAIR:** Minister, before you answer the question, member for Bundamba, I appreciate the importance of the issue. There are other forums to pursue an official complaint, which you are very familiar with.

**Mrs MILLER:** And I will follow that up.

**CHAIR:** I will encourage you to do that. Minister, as it is relevant to your appropriation expenditure that we are examining, you are free to answer the question however you see fit.

**Mrs STUCKEY:** I thank the honourable member. It is a question that I will take on notice or I will pass to Mr Peters, but again it is pretty much out of my range today.

**CHAIR:** Understood, Minister. Mr Peters, do you have any comment you would like to make for the committee's benefit?

**Mr Peters:** The legislation allows for certain actions to be taken. There are a number of ways whereby we are informed whether there have been breaches. Some are through the auDA process around domains; others are when people actually inform us. Whenever there is a suspected breach, we will investigate. As previously stated, we are now aware of this one and we will find out the facts.

**CHAIR:** Thank you very much. I call the member for Bundamba.



ANSWER:

- GOLDOC was approached by Zakazukha on 29 May 2013 in relation to an editorial piece for a book on the development of *Southport towards Twenty 18*.
- Section 49 of the *Commonwealth Games Arrangements Act 2011* contains the meaning of prohibited usage in relation to an image or expression.
- GOLDOC is not aware of funding matters associated with the Southport TowardsTwenty18 book.
- GOLDOC has not received any payment from Headline Ad.
- GOLDOC will continue to follow its brand protection procedures.

# Minutes of Meetings



June 2014

# MINUTES



## State Development, Infrastructure and Industry Committee

Meeting No. 86 held on Wednesday, 4 June 2014 at 11.18am  
Committee Room 3, Level 6, Parliamentary Annexe

Members present	Mr David Gibson MP, Chair Hon Tim Mulherin MP, Deputy Chair Mr Michael Hart MP Mr Rob Katter MP Ms Kerry Millard MP Mr Bruce Young MP (from 11.35am) Mr Michael Crandon MP (from 11.37am)
In attendance	Ms Erin Pasley, Research Director Ms Mary Westcott, Principal Research Officer Ms Dianne Christian, Executive Assistant
Apologies	Nil.
Budget Estimates	<i>Inquiry timetable</i> Members <u>noted</u> the draft inquiry timetable. Discussion <u>ensued</u> . <i>Public hearings schedules</i> Members <u>noted</u> the draft public hearing schedules. Members <u>noted</u> the Hansard transcript of the Estimates Hearings motion and debate in the House on 2 April 2014 circulated by Mr Mulherin. Discussion <u>ensued</u> . On the motion of Mr Hart, seconded by Ms Millard, the committee <u>resolved</u> to adopt the inquiry timetable as circulated, and the public hearing schedules, as amended. The committee <u>agreed</u> to further discuss the Estimates hearings schedules at a meeting on Friday 6 June. Members <u>requested</u> the secretariat notify the relevant parties and prepare the committee's correspondence after the meeting on Friday 6 June.
Adjournment	At 11.40am, the committee adjourned to Friday, 6 June 2014 at 1.00pm in Room 5.04A.

Confirmed on 25 of June 2014

A handwritten signature in blue ink, appearing to be "D Gibson", is written over a horizontal line.

David Gibson MP  
Chair



# MINUTES



## State Development, Infrastructure and Industry Committee

Meeting No. 88 held on Friday, 6 June 2014 at 1.27pm  
Meeting Room 5.05, Level 5, Parliamentary Annexe

Members present	Mr David Gibson MP, Chair Hon Tim Mulherin MP, Deputy Chair Mr Michael Crandon MP Mr Michael Hart MP Mr Rob Katter MP Ms Kerry Millard MP (from 1.08pm) Mr Bruce Young MP
In attendance	Ms Erin Pasley, Research Director Ms Mary Westcott, Principal Research Officer Ms Dianne Christian, Executive Assistant
Apologies	Nil.
Confirmation of minutes	On the motion of Mr Mulherin, seconded by Mr Young, the committee <u>resolved</u> that the minutes of the meetings held on 4 June 2014 be confirmed.
Budget Estimates	<i>Inquiry timetable</i> Members <u>noted</u> the inquiry timetable. <i>Public hearing timetable</i> Members <u>noted</u> the public hearing timetable. <i>Ministers' opening statements</i> The committee <u>agreed</u> that Ministers may make one opening statement of three minutes at the beginning of the first session involving the Minister. <i>Ministers' use of ancillary materials</i> The committee <u>agreed</u> to advise departments that the use of PowerPoint presentations and the like will not be accepted as the Legislative Assembly chamber does not lend itself to ancillary materials of that nature.
Adjournment	At 1.31pm, the committee adjourned to Tuesday, 15 July 2014 at 8.30am in the Members' Reading Room.

Confirmed on 25 of June 2014



David Gibson MP  
Chair



July 2014

# MINUTES



## State Development, Infrastructure and Industry Committee

Meeting No. 94 held on Tuesday, 15 July 2014 at 8.33am  
Members' Reading Room, Parliament House

Members present	Mr David Gibson MP, Chair Mr Tim Mulherin MP, Deputy Chair Mr Michael Hart MP Mr Rob Katter MP Ms Kerry Millard MP Mr Bruce Young MP
In attendance	Ms Erin Pasley, Research Director Ms Mary Westcott, Principal Research Officer
Apologies	Mr Michael Crandon MP
Confirmation of minutes	On the motion of Mr Young, seconded by Ms Millard, the committee <u>resolved</u> that the minutes of the meetings held on 4 June 2014 and 6 June 2014 be confirmed.
Budget Estimates	<p><i>Attendance of non-committee members</i></p> <p>Members <u>noted</u> correspondence from the Leader of the Opposition seeking leave to attend and ask questions at both hearings.</p> <p>On the motion of Mr Mulherin, seconded by Mr Hart, the committee <u>resolved</u> to grant leave to non-committee members to attend both Estimates hearings and ask questions.</p> <p><i>Publication of answers to questions on notice</i></p> <p>The Chair advised the committee that answers are deemed to be authorised for release unless the committee resolves otherwise.</p> <p>Members <u>noted</u> that all answers to questions on notice were suitable for publication at the commencement of the hearing.</p> <p><i>Public hearing procedure</i></p> <p>The Chair advised the committee of the following:</p> <ul style="list-style-type: none"><li>• questions on notice can only be taken by the Minister, and</li><li>• if a committee member asks a question that is taken on notice, it needs to be written on the form provided and given to the Research Director.</li><li>• witnesses (including the Minister) and members asking questions with leave of the committee may only table documents with leave of the committee, and</li><li>• tabled documents are deemed authorised for publication unless the committee resolves otherwise.</li></ul>



- that members may directly question the Minister, Director-General or Chief Executive Officer.

*Publication of answers to questions taken on notice*

On the motion of Mr Young, seconded by Mr Katter, the committee resolved to authorise the publication of answers to questions taken on notice received after each Estimates hearing unless there are reasons not to.

**Adjournment**

At 8.44am, the committee adjourned to Thursday, 17 July 2014 at 8.30am in the Members' Reading Room.

**Confirmed on 31 of July 2014**

A handwritten signature in blue ink, appearing to read 'D Gibson', with a stylized flourish at the end.

David Gibson MP  
Chair

# MINUTES



## State Development, Infrastructure and Industry Committee

Meeting No. 96 held on Thursday, 17 July 2014 at 8.46am  
in the Members' Reading Room, Parliament House

### Members present

Mr David Gibson MP, Chair  
Hon Tim Mulherin MP, Deputy Chair  
Mr Michael Hart MP  
Ms Kerry Millard MP

### In attendance

Ms Erin Pasley, Research Director  
Ms Margaret Telford, Principal Research Officer

### Apologies

Mr Michael Crandon MP  
Mr Rob Katter MP  
Mr Bruce Young MP

### Budget Estimates

#### *Replacement members*

The committee noted correspondence from the Leader of the Opposition dated 16 July 2014 advising of the replacement of the Member for Mackay with the Member for Bundamba between 2.00pm and 5.00pm at the hearing on 17 July 2014.

#### *Attendance of non-committee members*

The committee noted correspondence from the Leader of the Opposition dated 14 July 2014 seeking leave to attend the hearing on 17 July 2014 and ask questions.

The committee noted correspondence from the Member for Logan dated 10 July 2014 seeking leave to attend the hearing on 17 July 2014 and ask questions of the Minister for Energy and Water Supply.

#### *Publication of answers to questions on notice*

The committee noted the answers to questions on notice were suitable for publication at the commencement of the hearing.

### Adjournment

At 8.52am, the committee adjourned to Thursday, 31 July 2014 via teleconference at 12.00pm.

Confirmed on 31 of July 2014

A handwritten signature in blue ink, appearing to be "D Gibson".

David Gibson MP  
Chair



# MINUTES



## State Development, Infrastructure and Industry Committee

Meeting No. 97 held on Thursday, 17 July 2014 at 3.19pm  
in the Members' Reading Room, Parliament House

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Members present	Mr David Gibson MP, Chair Mr Michael Hart MP Ms Kerry Millard MP Ms Jo-Ann Miller MP (replacement member) Mr Bruce Young MP
In attendance	Ms Erin Pasley, Research Director Ms Margaret Telford, Principal Research Officer
Apologies	Hon Tim Mulherin MP, Deputy Chair Mr Michael Crandon MP Mr Rob Katter MP
Tabled document	The committee <u>noted</u> document number 1 tabled by Ms Miller during the hearing contained unparliamentary language.  On the motion of Ms Miller, seconded by Ms Millard, the committee <u>resolved</u> to redact the unparliamentary language prior to publication.
Adjournment	At 3.20pm, the committee adjourned to resume the public hearing.
Confirmed on 31 of July 2014	

A handwritten signature in blue ink, appearing to be "D Gibson", is located below the "Confirmed on 31 of July 2014" row.

David Gibson MP  
Chair

# MINUTES



## State Development, Infrastructure and Industry Committee

Meeting No. 99 held on Thursday, 31 July 2014 at 12.06pm  
via teleconference

Members present	Mr David Gibson MP, Chair Hon Tim Mulherin MP, Deputy Chair Mr Michael Hart MP Ms Kerry Millard MP
In attendance	Ms Erin Pasley, Research Director Ms Margaret Telford, Principal Research Officer Ms Dianne Christian, Executive Assistant
Apologies	Mr Michael Crandon MP Mr Rob Katter MP Mr Bruce Young MP
Confirmation of minutes	On the motion of Mr Hart, seconded by Ms Millard, the committee <u>resolved</u> to confirm the minutes of the meetings held on 15 July 2014 and on 17 July 2014 at 8.46am and 3.19pm.
Budget Estimates	<i>Corrections to the public hearing transcripts</i>  The committee <u>noted</u> correspondence from Minister McArdle dated 25 July 2014 and Minister Stuckey dated 24 July 2014 regarding amendments to the hearing transcript.  The committee <u>agreed</u> to amend the transcripts as per the requests circulated with the exception of the request from Minister McArdle to amend page 23 of the transcript of 17 July 2014.  The committee <u>agreed</u> to publish the Minister's letter of clarification dated 25 July 2014 in relation to this request.  The committee <u>instructed</u> the secretariat to confirm that Minister Stuckey's requested changes to Mr Peters' statements were made on his behalf, before amending the transcript.  On the motion of Hon Mulherin, seconded by Ms Millard, the committee <u>resolved</u> to amend the transcripts, as circulated, from the Estimates hearings held on 15 and 17 July 2014.



*Draft Report & additional information to be tabled*

On the motion of Mr Hart, seconded by Ms Millard, the committee resolved to:

- (a) adopt the Chair's draft report as a report of the committee, and
- (b) table with the report, a volume of additional information containing:
  - minutes of meetings
  - correspondence
  - questions on notice and answers to questions on notice
  - Answers to questions taken on notice at the hearing, and
  - documents tabled at the hearing.

The Chair advised that statements of reservation or dissenting reports were due to the secretariat by 12.00pm, Friday 1 August.

The Deputy Chair advised of his intention to submit a statement of reservation.

*Certification of minutes*

The committee agreed that the Chair and Deputy Chair would certify and sign the minutes of this meeting for inclusion in the volume of additional information.

**Adjournment**

The committee adjourned at 12.19pm.

**Confirmed on 31 of July 2014**



Mr David Gibson MP  
Chair



Hon Tim Mulherin MP  
Deputy Chair

# Correspondence relating to attendance of non-committee members and replacement committee members



# Michael Pucci MP

MEMBER FOR LOGAN



I 1093

11.4



10 July 2014

Ms Erin Pasley  
Research Director  
State Development, Infrastructure and Industry Committee  
Parliament House  
George Street  
BRISBANE QLD 4000

Dear Ms Paisley,

With reference to Standing Order 209 of the Queensland Legislative Assembly, I write to seek the leave of the Committee to participate in its public meeting on 17 July 2014.

The purpose of my seeking leave is to question witnesses from Energex regarding a project in my electorate during the portfolio estimates for Energy and Water Supply.

Regards

Michael Pucci MP  
Member for Logan

Cc: David Gibson MP, Member for Gympie

Maxima House, 1/3 Helen Street,  
Hillcrest Qld 4118  
PO Box 513 Browns Plains BC Qld 4118

P 3806 8513

E [logan@parliament.qld.gov.au](mailto:logan@parliament.qld.gov.au)

F 3806 8467

W [www.michaelpuccimp.com](http://www.michaelpuccimp.com)

f [facebook.com/MichaelPucciMPMemberforLogan](https://facebook.com/MichaelPucciMPMemberforLogan)



HON. ANNASTACIA PALASZCZUK MP  
LEADER OF THE OPPOSITION  
MEMBER FOR INALA  
PO Box 15057, City East QLD 4002  
[reception@opposition.qld.gov.au](mailto:reception@opposition.qld.gov.au) (07) 3838 6767



I 1094

11.4.

Mr David Gibson MP  
Chair  
State Development, Infrastructure and Industry Committee  
Parliament House  
Cnr George and Alice Streets Brisbane Qld 4000

14 July 2014

RECEIVED

14 JUL 2014

STATE DEVELOPMENT, INFRASTRUCTURE  
AND INDUSTRY COMMITTEE

Dear Mr Gibson

I write regarding the estimates hearings for the State Development, Infrastructure and Industry Committee on 15 and 17 July 2014.

Pursuant to Standing Order 181(e) I seek leave from the committee to attend the committee hearing on 15 July 2014 and ask questions of the Deputy Premier and Minister for State Development, Infrastructure and Planning, the Minister for Energy and Water Supply, and the Minister for Tourism, Major Events, Small Business and Commonwealth Games.

Yours sincerely

A handwritten signature in dark ink, appearing to be "Anastacia", followed by a horizontal line.

Anastacia Palaszczuk MP  
Leader of the Opposition



**HON. ANNASTACIA PALASZCZUK MP**

**LEADER OF THE OPPOSITION**

**MEMBER FOR INALA**

PO Box 15057, City East QLD 4002

[reception@opposition.qld.gov.au](mailto:reception@opposition.qld.gov.au) (07) 3838 6767



I 1096

16 July 2014

Mr David Gibson MP  
Chair  
State Development, Infrastructure and Industry Committee  
Parliament House  
Cnr George and Alice Streets Brisbane Qld 4000



Dear Mr Gibson

I write regarding the estimates hearings for the State Development, Infrastructure and Industry Committee on 17 July 2014.

In accordance with Standing Order 202 I advise of the inability to attend the committee hearing on 17 July 2014 by the Member for Mackay between 2:00pm and 5:00pm. I have appointed the Member for Bundamba to substitute for the member in accordance with the Standing Order for the committee's meetings during that period.

Yours sincerely

A handwritten signature in dark ink, consisting of a stylized 'A' followed by a horizontal line.

**Anastacia Palaszcuk MP**  
**Leader of the Opposition**

FINAL PAGE