

# **2023-24 Budget Estimates – Appropriation Bill 2023**



**Report No. 50, 57th Parliament**  
**Economics and Governance Committee**  
August 2023

## **Economics and Governance Committee**

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### **Acknowledgements**

The committee thanks the:

- Premier and Minister for the Olympic and Paralympic Games
- Treasurer and Minister for Trade and Investment, and
- Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement.

The committee also acknowledges the assistance provided by the chief executives of portfolio entities and their staff, and by departmental officers, who contributed to the work of the committee during the estimates process.

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## Chair's foreword

This report presents a summary of the committee's consideration of the budget estimates for the committee's portfolio areas for the 2023-24 financial year.

The consideration of these estimates allows for the public examination of the proposed expenditure through questioning of responsible Ministers and other officials during a public hearing, and through a question on notice process.

The committee has recommended that the proposed expenditure, as detailed in the Appropriation Bill 2023 for the committee's areas of responsibility, be agreed to by the Legislative Assembly.

On behalf of the committee, I thank the Premier and Minister for the Olympic and Paralympic Games, Treasurer and Minister for Trade and Investment, Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement, departmental officers, and portfolio entity chief executives and their staff, for their co-operation in providing information to the committee throughout this process.

I would also like to thank the members of the committee for their contributions to the estimates process, as well as other members whose participation in the hearing provided additional scrutiny of the estimates.

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

I commend this report to the House.



Linus Power MP

**Chair**

August 2023

## 1 Introduction

### 1.1 Role of the committee

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

The committee's primary areas of responsibility are:

- Premier and Cabinet and Olympic and Paralympic Games
- Treasury, Trade and Investment
- Tourism, Innovation and Sport.<sup>2</sup>

### 1.2 Referral and committee process

On 16 June 2023, the Appropriation Bill 2023 (Bill) and the proposed expenditure set out in the Bill (estimates) were referred to the committee for investigation and report.<sup>3</sup>

The terms of the referral were subject to a motion agreed to by the Legislative Assembly, setting out the dates on which portfolio committees would hold their estimates hearings, and specifying the timeframes during which the committees would question the Speaker and Ministers about their portfolio estimates.<sup>4</sup>

In accordance with this motion, the committee conducted its estimates public hearing on 1 August 2023 and took evidence about the proposed expenditure from the Premier and Minister for the Olympic and Paralympic Games (Premier), Treasurer and Minister for Trade and Investment (Treasurer) and the Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement (Minister) and other witnesses. The transcript and broadcast of the committee's hearing are available on the committee's webpage.<sup>5</sup>

Prior to the public hearing, the committee provided the Premier, Treasurer and Minister with questions on notice in relation to the estimates.<sup>6</sup> Responses to all the questions were received.

The committee was required to table its report on the Bill (and listed estimates) by 18 August 2023.<sup>7</sup>

### 1.3 Aim of this report

The estimates process is one of the key mechanisms by which to examine government expenditure, performance and effectiveness. By examining and reporting on the proposed expenditure contained in the Appropriation Bill (and the associated budget papers), the committee assists the Parliament in its scrutiny of the Government's proposed expenditure.

The appropriation for 2023-24 is \$78,411,379,000.<sup>8</sup> The proposed expenditure across Government by portfolio is shown on the following page.

<sup>1</sup> *Parliament of Queensland Act 2001*, s 88 and Standing Order 194.

<sup>2</sup> The committee also has oversight functions in relation to the Auditor-General and the Queensland Integrity Commissioner. See Schedule 6, Standing Rules and Orders of the Legislative Assembly.

<sup>3</sup> Record of Proceedings, 16 June 2023, p 2154. Note: SO 176(3) provides that the Appropriation (Parliament) Bill stands referred to the portfolio committee responsible for investigating the appropriations for the Premier's portfolio, unless the House otherwise orders.

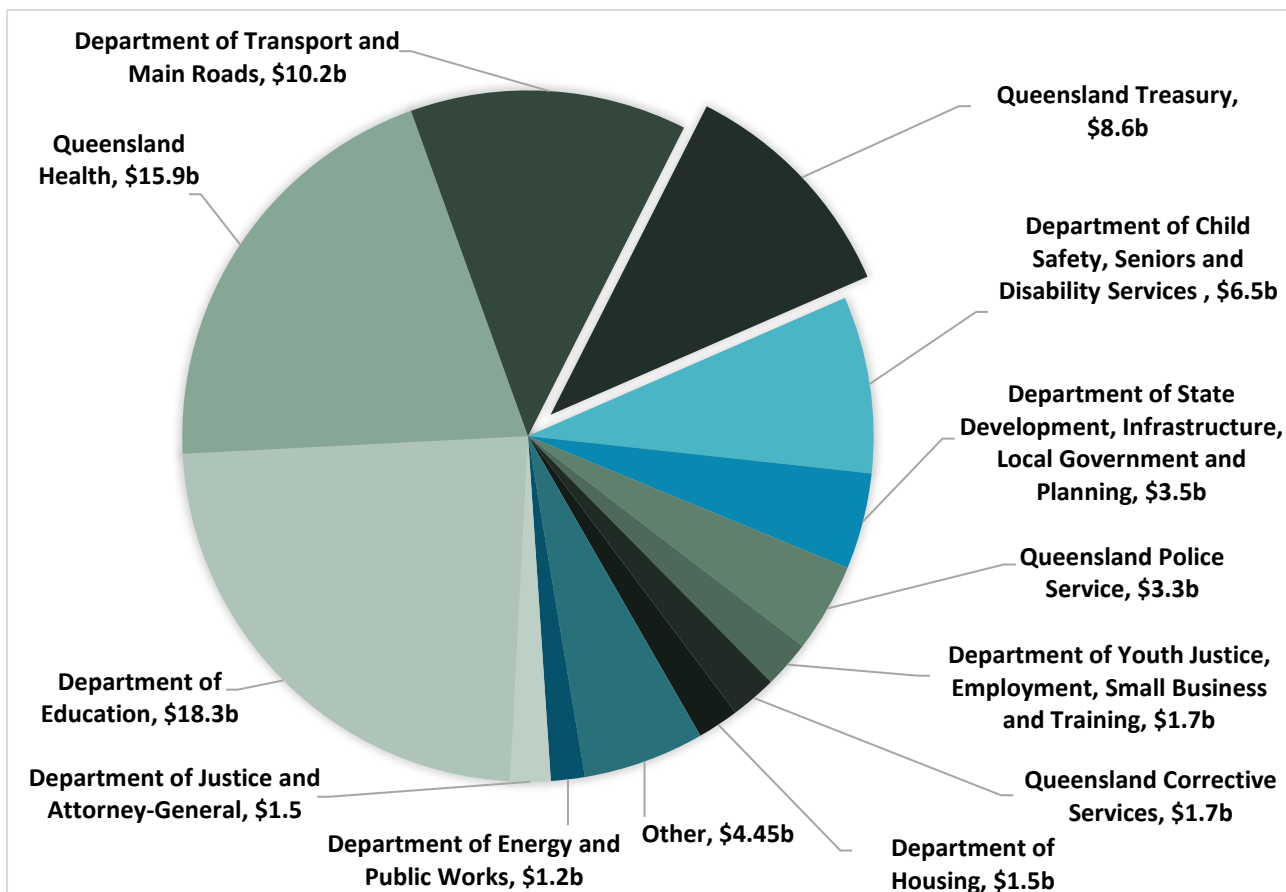
<sup>4</sup> Record of Proceedings, 16 June 2023, pp 2062-66; 2072.

<sup>5</sup> <https://www.parliament.qld.gov.au/EGC>

<sup>6</sup> In accordance with Standing Order 182.

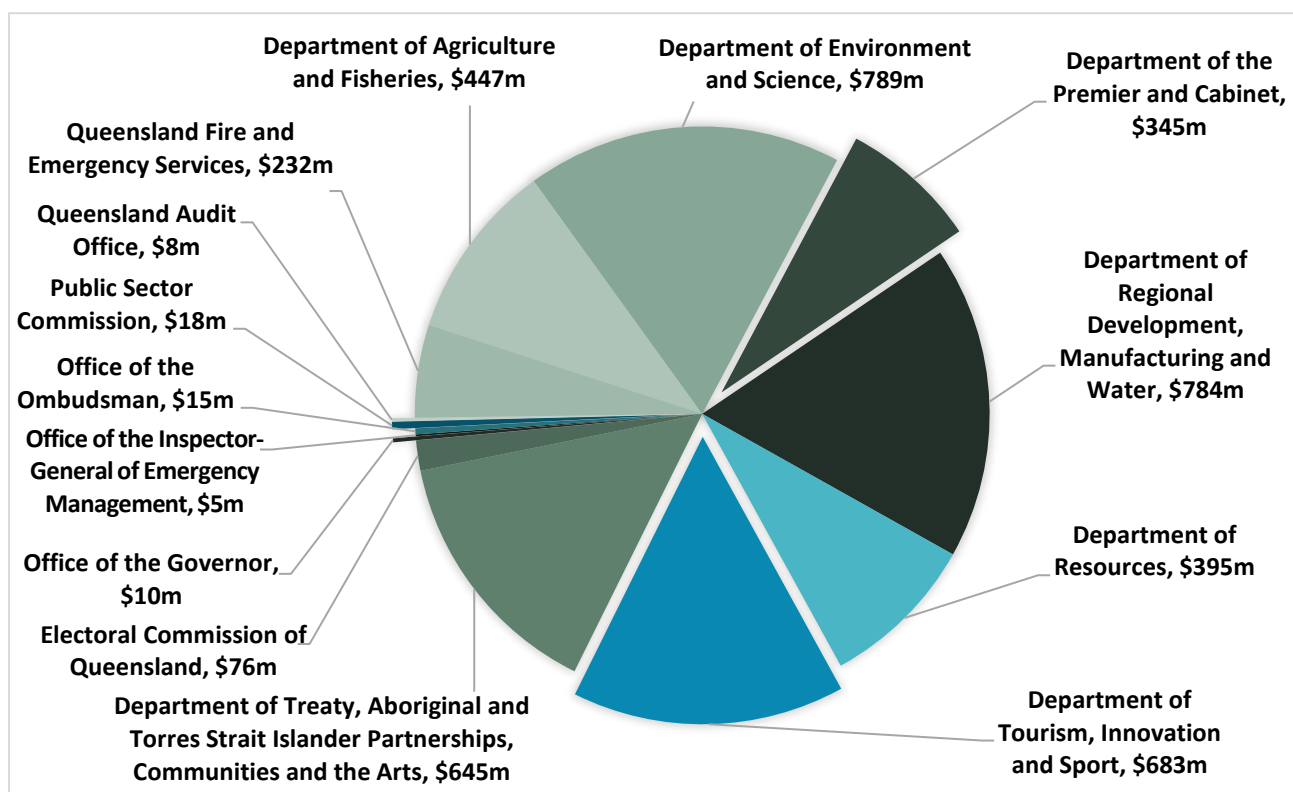
<sup>7</sup> Record of Proceedings, 16 June 2023, 2062-66; 2072.

<sup>8</sup> Appropriation Bill 2023, section 2.



Source: Appropriation Bill 2023, Schedule 1. Note: Numbers are rounded to the nearest hundred million.

**Chart:** Expansion of 'Other, \$4.45b'



Source: Appropriation Bill 2023, Schedule 1. Note: Numbers are rounded to the nearest whole million.

The committee's examination of the Bill is in relation to the appropriations for the:

- Department of the Premier and Cabinet (\$344.994 million)
- Queensland Treasury (\$8.626 billion)
- Department of Tourism, Innovation and Sport (\$682.593 million)
- Public Sector Commission (\$18.407 million)
- Queensland Audit Office (\$7.767 million)
- Office of the Governor (\$10.275 million).

This report provides further detail on the proposed expenditure and highlights some of the issues the committee examined.

In considering the estimates, the committee drew on information contained in:

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

Answers to the committee's pre-hearing questions on notice, documents tabled during the hearing, and additional information provided after the hearing, are included in a volume of additional information tabled with this report. This information is also available on the committee's estimates webpage.<sup>9</sup>

#### 1.4 Participation by other Members

The committee gave leave for other (non-committee) Members of the Legislative Assembly to participate in the hearing. The following Members participated in the hearing sessions for the Premier, Treasurer and Minister:

- Mr David Crisafulli MP, Leader of the Opposition and Member for Broadwater
- Mr Michael Berkman MP, Member for Maiwar
- Mr David Janetzki MP, Member for Toowomba South
- Dr Amy MacMahon MP, Member for South Brisbane
- Mr Tim Mander MP, Member for Everton
- Mr Sam O'Connor MP, Member for Bonney
- Ms Fiona Simpson MP, Member for Maroochydore.

## 2 Recommendation

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

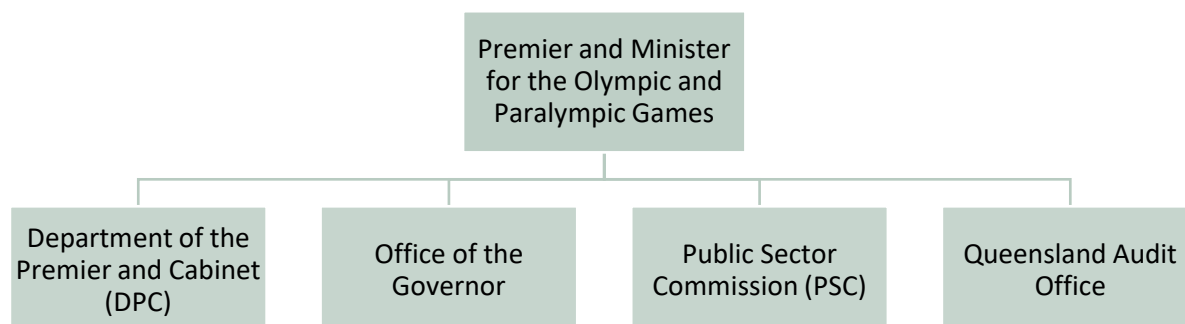
### Recommendation 1

The committee recommends that the proposed expenditure, as detailed in the Appropriation Bill 2023 for the committee's areas of responsibility, be agreed to by the Legislative Assembly.

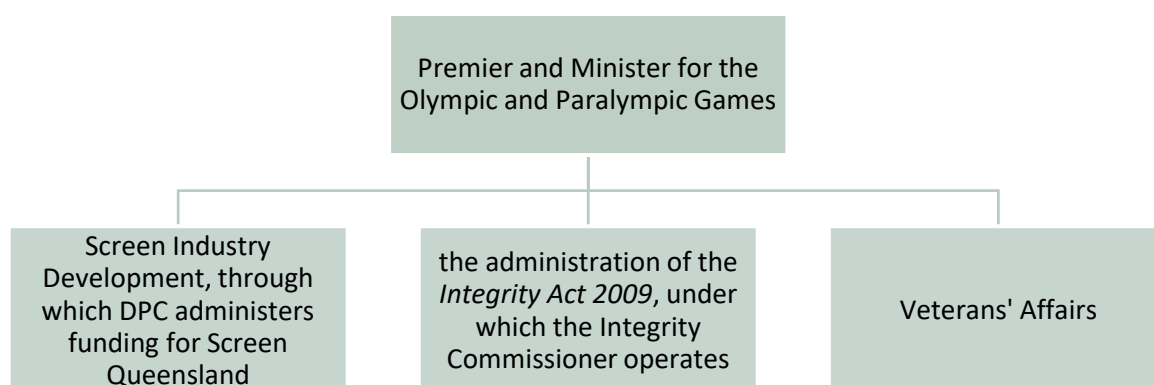
<sup>9</sup> <https://www.parliament.qld.gov.au/Work-of-Committees/Committees/Committee-Details?cid=167&id=4262>

### 3 Premier and Minister for the Olympic and Paralympic Games

The Honourable Anastacia Palaszczuk MP, Premier and Minister for the Olympic and Paralympic Games (Premier) has responsibility for the following agencies, services and statutory entities:<sup>10</sup>



The Premier's responsibilities also include:<sup>11</sup>



To assist the committee with its consideration of portfolio estimates, and in keeping with the requirements of Schedule 7 of the Standing Orders, the Auditor-General, Integrity Commissioner, and chief executives of the Office of the Governor, the PSC and Screen Queensland were present at the hearing on 1 August 2023.<sup>12</sup>

#### 3.1 Department of Premier and Cabinet

DPC is the lead, central agency of the Queensland Public Service, with 6 service areas as follows:

- Policy Advice and Coordination, and Cabinet Support
- Governance Support and Advisory Services
- Engagement and Events Support
- Brisbane 2032 Coordination Office
- Legislative drafting and e-Publishing
- Office of the Queensland Integrity Commissioner (OIQC).<sup>13</sup>

<sup>10</sup> Queensland Budget 2023-24, Service Delivery Statements (SDS), Department of the Premier and Cabinet (DPC), p (i).

<sup>11</sup> Administrative Arrangements Order (No. 1) 2023, p 2.

<sup>12</sup> Schedule 7 of the Standing Orders sets out a list of statutory entities to which direct questioning of chief executives at estimates applies.

<sup>13</sup> Queensland Budget 2023-24, SDS, DPC, p 2.



The objectives of these services areas are to:

- lead agile, collaborative effective policy outcomes for Queensland
- ensure a strong and accountable system of government
- lead collaborative communication and engagement to achieve effective outcomes for Queensland
- lead Brisbane 2032 Olympic and Paralympic Games (Brisbane 2032) coordination and integration
- draft and provide access to Queensland legislation of the highest standard
- promote confidence in public institutions and public office.<sup>14</sup>

Funding for the OQIC was included in the appropriation to the Public Sector Commission (then called the Public Service Commission) for 2022–23. For 2023–24, funding for the OQIC is included in the appropriation for DPC, which will also provide administrative support to OQIC from 1 July 2023.<sup>15</sup>

### 3.1.1 Budget overview

The proposed budget comprises almost \$206.5 million in departmental expenditure and almost \$137 million in funding to be administered by DPC on behalf of the State.<sup>16</sup>

The proposed \$206.5 million in departmental expenses represents an increase of \$51.5 million on estimated actual departmental spending in 2022–23 which, according to the DPC Service Delivery Statements (SDS) is due to additional funding as follows:

- \$36.8 million to support the Brisbane 2032 Coordination Office to lead and oversee the Brisbane 2032 Olympic and Paralympic Games activities across three tiers of Government
- \$3.5 million increase in increased employee costs representing the impact of enterprise bargaining outcomes
- \$2.3 million to implement outcomes of the Coaldrake Report to proactively release Cabinet material, including a digital solution to support the implementation
- \$2 million to support the functions of the OQIC in relation to capability and competency building across the public sector, as well as supporting the OQIC's independence from 1 July 2023
- \$1 million to enhance the all-hazards disaster and crisis management capability for future disaster responses
- \$900,000 to the Office of the Queensland Parliamentary Counsel to build capacity to meet future demand for legislative drafting, editing, and publishing services
- \$651,000 for the Queensland Community Forum Program in the Sunshine and Gold Coast Regions
- \$400,000 to scope and support enhanced coordination of youth justice, early intervention and prevention services in Mount Isa and Toowoomba.<sup>17</sup>

The estimated \$137 million in administered expenses represents an \$8.4 million increase on DPC's estimated actual expenditure (from \$128.6 million) and a \$10.6 million increase on the 2022–23 budgeted amount for these expenses (\$126.4 million).<sup>18</sup>

<sup>14</sup> Queensland Budget 2023–24, SDS, DPC, p 2.

<sup>15</sup> Queensland Budget 2023–24, SDS, DPC, p 10, 12, 22; Queensland Budget 2022–23, SDS, DPC, p 29.

<sup>16</sup> Queensland Budget 2023–24, SDS, DPC, p 11.

<sup>17</sup> Queensland Budget 2023–24, SDS, DPC, p 14.

<sup>18</sup> Queensland Budget 2023–24, SDS, DPC, p 11.

Administered expenses in the 2023-24 budget include:

- \$66.6 million for Ministerial Offices and the Office of the Leader of the Opposition, representing an increase in funding of \$3.7 million for higher employee costs (including due to the impact of enterprise bargaining arrangements) and due to the timing of expenses for ICT projects to be completed in 2023–24
- \$68.2 million in grant funding for Screen Queensland, representing an increase of \$38.5 million for new budget initiatives
- \$2.1 million in grant funding to the Queensland Veterans' Council, including \$1.6 million for the Council to deliver the Anzac Day Trust Fund program and the transition of the management of the Anzac Square precinct.<sup>19</sup>

To fund this budgeted expenditure, the Bill proposes that DPC receive an appropriation for departmental services expenses of \$192.3 million in 2023-24, with the remainder of the \$14.1 million in planned departmental spending to be financed through a combination of user charges and fees, grants and other contributions, interest and distributions from managed funds, and other revenue.<sup>20</sup>

The following table taken from the Bill illustrates the combined total of the cash appropriations for the department for 2023-24, compared with the budgeted and actual cash appropriations for DPC in 2022-23.

Appropriations	Budget 2022-23 \$'000	Est. Actual 2022-23 \$'000	Vote 2023-24 \$'000
<i>Controlled Items</i>			
departmental services	131,627	127,772	192,434
equity adjustment	1,500	1,500	15,000
<i>Administered Items</i>	127,314	114,085	137,560
<b>Vote</b>	<b>260,441</b>	<b>243,357</b>	<b>344,994</b>

Source: Appropriation Bill 2023, Schedule 2, p. 11.

As highlighted above, the total combined 2023-24 appropriation of almost \$345 million represents an increase of \$84.5 million (32.5 per cent) on last year's budgeted appropriations, and an increase of \$101.6 million (41.7 per cent) on the estimated actual total appropriations for the department in 2022-23.

For comparison, the following table shows the appropriation amount sought for vote for 2023-24 against estimated actual appropriation spending over the previous 3 years.

#### Trends in the appropriation – DPC

	2020-21 Estimated Actual \$'000	2021-22 Estimated Actual \$'000	2022-23 Estimated Actual \$'000	2023/24 Estimates Sought \$'000
	216,405	226,733	243,357	344,994
% Change in overall appropriation		4.77	7.33	41.76

<sup>19</sup> Queensland Budget 2023-24, SDS, DPC, p 14.

<sup>20</sup> Appropriation Bill 2023, Schedule 1; Queensland Budget, 2023-24, SDS, DPC, p 15.

### 3.1.2 Budget highlights – Department of the Premier and Cabinet

The 2022-23 budget highlights for DPC include:<sup>21</sup>

Delivering the Brisbane 2032 Games	<ul style="list-style-type: none"> <li>additional funding of \$100.3 million over 4 years and \$13.6 million per year ongoing from 2027–28</li> </ul>
Implementing recommendations from <i>Let the sunshine in: Review of culture and accountability in the Queensland public sector report</i> (Coaldrake Report)	<ul style="list-style-type: none"> <li>additional funding of \$6.1 million over 4 years and \$1.3 million ongoing</li> </ul>
Enhancing the functions of the OQIC in relation to capability and competency building across the public sector and supporting the OQIC's independence	<ul style="list-style-type: none"> <li>additional funding of \$4.1 million over 5 years from 2022–23 (of which \$2 million is held centrally) and \$958,000 per annum ongoing from 2027–28</li> </ul>
Supporting the operation of the Domestic an Family Violence Prevention Council for the remainder of the <i>Domestic and Family Violence Prevention Strategy 2016–2026</i>	<ul style="list-style-type: none"> <li>additional funding of \$3.5 million over 4 years for the continuation of monitoring and evaluation activities</li> </ul>
Supporting the Queensland Community Forum Program in the Sunshine Coast and Gold Coast regions	<ul style="list-style-type: none"> <li>additional funding of \$1.1 million over 2 years</li> </ul>
Extending the Queensland Remembers Grants Program	<ul style="list-style-type: none"> <li>increased funding of \$1.9 million over 3 years</li> </ul>
The Production Attraction Strategy to help grow a pipeline of large scale film and high-end television productions in Queensland	<ul style="list-style-type: none"> <li>additional funding of \$28 million in 2023–24</li> </ul>

### 3.1.3 Capital program

Capital purchases of \$1.3 million have been planned by DPC in 2023-24 for ongoing upgrades to and the maintenance of departmental ICT systems and other minor works (\$691,000), and existing Ministerial Services and Opposition Office ICT systems and other minor works (\$646,000).<sup>22</sup>

DPC's 2023–24 budget also provides for capital grants of \$14.6 million, which includes \$8.1 million of a total \$12.6 million for the Far North Queensland screen production studio (a multipurpose facility in Cairns) and \$5.0 million for the Gold Coast production hub servicing film and television projects. In addition, \$1.5 million of a total \$5.2 million has been allocated for the Queensland Remembers Grants Program, to support ex-service organisations and not-for-profit organisations that provide services to veterans to upgrade their buildings, facilities and equipment.<sup>23</sup>

<sup>21</sup> Queensland Budget 2023-24, SDS, DPC, p 4.

<sup>22</sup> Queensland Budget 2023-24, Capital Statement – Budget Paper No. 3, p 59.

<sup>23</sup> Queensland Budget 2023-24, Capital Statement – Budget Paper No. 3, p 59.

### 3.1.4 Key issues raised during consideration of the budget estimates

Matters raised during the committee's examination of the proposed expenditure for DPC are outlined in the table below.

Matters considered by the committee in relation to the estimates for the Department of the Premier and Cabinet	Reference – Question on Notice (QoN) or Transcript page number
Support for jobs, including measures to deliver jobs in traditional and emerging industries	Transcript p 35; QoN no. 1
The whole-of-government response on youth justice to support community safety and address youth crime	Transcript p 30, 42; QoN no. 2
Integrity reform enhancements, changes to the lobbying register and the implementation of a requirement to disclose diaries of ministerial staff recording all external contacts designed to influence government decisions	Transcript p 40; QoN no. 3
Support for public sector employees, in particular growth of frontline staff	QoN no. 4
Benefits provided by the Office for Rural and Regional Queensland	QoN no. 5
<p>The availability of housing, including:</p> <ul style="list-style-type: none"> <li>• government actions to increase available housing</li> <li>• modern methods of construction, including prefabricated housing production, being used to deliver rapid housing</li> <li>• budget support for social housing supply and further land supply for housing</li> <li>• the number of people living in a newly-constructed home built using the \$2 billion Housing Investment Fund</li> <li>• the proposal of a rent freeze followed by a rent cap to give housing security</li> </ul>	Transcript pp 12, 18-19, 31, 32; QoN no. 6
<p>The 2023 Olympic and Paralympic Games, including:</p> <ul style="list-style-type: none"> <li>• benefits of hosting the Brisbane 2032 Olympic and Paralympic Games</li> <li>• procurement opportunities and benefits for regional Queensland from the 2032 Olympic and Paralympic Games</li> <li>• planning works and budget support for, and legacy of, the 2032 Olympic and Paralympic Games</li> </ul>	Transcript pp 18-19, 33-34; QoN no. 7
Budget support for local productions in Queensland via Screen Queensland and screen industry and associated jobs	QoN no. 8
Support for veterans in the budget, including in response to national cost of living pressures	Transcript p 43; QoN no. 10

<p>The delivery of health care in Queensland, including:</p> <ul style="list-style-type: none"> <li>• budget support for hospital builds in Queensland</li> <li>• initiatives to deliver better local health care</li> <li>• innovative new models of care and attracting front-line health professionals to ease pressure on health system</li> <li>• support for women's health</li> <li>• support for mental health</li> <li>• the percentage of the \$9.8 billion health and hospital funding to be spent by the end of this financial year</li> </ul>	Transcript pp 19, 20, 25, 26, 31; QoN no. 9
Funding for the Defence to Civilian Success Training Program	QoN no. 11
The number and occupation code description (Australian and New Zealand Standard Classification of Occupations code) of departmental employees	QoN no. 12
The breakdown of the 68 staff (as per the 2023-24 budget forecast) in the Brisbane 2032 Coordination Office	QoN no. 13
The status of the Special Commissioner for Equity and Diversity's investigations into the reestablishment of the Sexual Harassment Referral Office and development of a Sexual Harassment Code of Practice	QoN no. 14
The breakdown of the unvalidated frontline and frontline support roles and corporate services roles (as shown in the September 2022 biannual Queensland Public Sector Workforce Profile)	QoN no. 15
The Screen Queensland Studios Cairns, including the increase in the original budget from \$6.8 million, and the commencement date	QoN no. 16
Deliverables for the Brisbane 2032 Coordination Office for 2023-24	QoN no. 17
Reasons for the discrepancy between the budgeted and actual capital outlays for 2022-23	QoN no. 18
The purpose of 'all-hazards and crisis management capability' and deliverables for the 2023-24 financial year	QoN no. 19
The reference in the 2023-24 budget to funding for the First Nations Cultural Centre in Cairns	QoN no. 20
The process to approve extra expenditure on increased project costs, such as via the Cabinet Budget Review Committee or cabinet	Transcript p 13
The approval of increased costs for train manufacturing, the Premier's knowledge of the associated media release, and amendments made to the media release regarding the project's costs	Transcript pp 13, 14, 15
The number of communication and media staff in the Premier's office and the department and the sign-off process for media releases prior to distribution	Transcript p 15

The frequency of reporting on the use of government aircraft and the purchase of government aircraft	Transcript pp 15-18
Allegations of sexual impropriety or domestic violence involving existing or former ministerial staff	Transcript pp 22, 23
<p>The Gabba redevelopment, including:</p> <ul style="list-style-type: none"> <li>the increase in the cost from \$1 billion to \$2.7 billion</li> <li>when the project validation report and the business plan that was provided to the International Olympic Committee in 2021 will be made public</li> <li>the future of the East Brisbane State School</li> </ul>	Transcript pp 24, 45-46
Actions to address the cost of living	Transcript pp 26-27
Support for parents to educate and care for children and additional funding for teachers and schools	Transcript pp 27-28
Budget support for the Queensland Energy and Jobs Plan	Transcript p 28
The completion of the annual Working for Queensland Survey, and the number of public servants who feel their work has a negative impact on their health	Transcript p 29
The date the Callide Power Station will return to being operational	Transcript p 33
Outcomes of the trade mission to Japan, South Korea and Singapore, including how the trade mission and the new Queensland Critical Minerals Strategy support jobs and investment in hydrogen and sustainable aviation fuel	Transcript pp 35-36
The appointment of Frankie Carroll as Under Treasurer	Transcript pp 36-37
Briefings to the Premier or the Premier's office about any acts of noncompliance with the Queensland Ministerial Handbook	Transcript pp 37-38
Consideration of introducing legislation to ensure Crime and Corruption Commission reports are tabled to ensure openness and transparency	Transcript pp 38-39
Consideration of introducing legislation to enable the release of cabinet submissions within 30 days	Transcript pp 39-40
Budget support for the Public Sector Commissioner's vision	Transcript p 40
Government actions to drive economic benefits from innovation and technology	Transcript p 41
Budget support for road and transportation projects	Transcript p 42
Funding and resources for the Queensland Police Service	Transcript pp 42-43
Budget support for First Nations peoples	Transcript p 43

The Auditor-General's recommendation that guidelines be developed for ministers for the release of commercial information	Transcript p 44
The Queensland Regional Accommodation Centre (Wellcamp), including: <ul style="list-style-type: none"> <li>the residual life of the facility</li> <li>the short-term lease covering almost all of the capital cost</li> <li>whether government has first right of access provisions for future quarantine needs</li> </ul>	Transcript p 44
Response to the Auditor-General's referral of the Gladstone Ports Corporation to the Australian Securities and Investments Commission	Transcript p 46
The impact of machinery of government changes on service delivery, including in relation to the departments responsible for youth justice	Transcript p 46
The number of vehicles fitted with vehicle immobilisers since the introduction of the government's 10-point plan on law and order was released and the impact of scheme on vehicle warranties	Transcript p 47
The ability for Acting Directors-General to deliver the answers to questions during the estimates hearings	Transcript p 47
The Premier's knowledge about safety concerns relating to the Cross River Rail project	Transcript p 47
The impact of Callide C power station failure on electricity prices	Transcript p 48, 49
Budget support for small businesses	Transcript pp 48-49
Budget support for water infrastructure	Transcript p 49

### 3.2 Public Sector Commission

The role of the PSC<sup>24</sup> is 'to provide system leadership and stewardship of Queensland's public sector focusing on workforce performance, integrity, capability and culture'. In doing so, the PSC's objectives are to:

- support a modern employment framework providing for the fair treatment of all public sector employees
- ensure the public sector has the capacity and capability to effectively serve the community
- ensure the public sector is equitable, diverse, inclusive and respectful
- ensure public sector leadership drives high performance, integrity and accountability.<sup>25</sup>

#### 3.2.1 Budget overview

The PSC's operating expenses for 2023–24 are estimated to be \$19.8 million, an increase of \$2.3 million on the 2022–23 estimated actual expenses. The SDS advises that the increase is primarily due to

<sup>24</sup> Formerly the Public Service Commission.

<sup>25</sup> Queensland Budget 2023-24, SDS, DPC, p 22.

additional funding of \$2.7 million for integrity reform and \$200,000 for enterprise bargaining arrangements. The increase in operating expenses is also due to the timing of \$400,000 in expenditure for public sector rejuvenation, reviewing Path to Treaty documentation, work programs for the Special Commissioner, Equity and Diversity, and technology rollout at 1 William Street.<sup>26</sup>

However, the increased operating expenses are offset by the financial impact of the transfer of the administrative support for the Office of the Queensland Integrity Commissioner to DPC of \$1.3 million from 1 July 2023.<sup>27</sup>

It is proposed that the PSC will receive \$18.4 million in appropriation revenue, with the remainder of the PSC's \$19.8 million in operating expenses to be funded by user charges and fees, grants and other contributions, and other revenue.<sup>28</sup> The following table shows the proposed appropriations for the PSC for 2023-24, compared with the budgeted and actual cash appropriations for the PSC in 2022-23.

<b>Appropriations</b>	<b>Budget 2022-23 \$'000</b>	<b>Est. Actual 2022-23 \$'000</b>	<b>Vote 2023-24 \$'000</b>
<i>Controlled Items</i>			
departmental services	14,828	15,756	18,371
equity adjustment	..	263	36
<i>Administered Items</i>	..	..	..
<b>Vote</b>	<b>14,828</b>	<b>16,019</b>	<b>18,407</b>

Source: Appropriation Bill 2023, Schedule 2, p. 15.

Additional funding of \$18.6 million over 5 years and \$4.2 million per annum ongoing from 2027–28 is being provided to progress the structural and cultural public sector reforms envisaged by the Coaldrake Report and to implement reforms and support an increased role for the PSC as a system leader and steward of public sector culture and capability.<sup>29</sup>

For comparison, the table below shows the amount sought for vote for 2023-24 against estimated actual appropriation spending over the previous 3 years.

#### Trends in the appropriation – PSC

	<b>2020-21 Estimated Actual \$'000</b>	<b>2021-22 Estimated Actual \$'000</b>	<b>2022-23 Estimated Actual \$'000</b>	<b>2023-24 Estimates Sought \$'000</b>
	11,381	13,460	16,019	18,407
<b>% Change in overall appropriation</b>	18.27	19.01	14.91	

<sup>26</sup> Queensland Budget 2023-24, SDS, DPC, p 27.

<sup>27</sup> Queensland Budget 2023-24, SDS, DPC, p 27.

<sup>28</sup> Queensland Budget 2023-24, SDS, DPC, pp 25, 28.

<sup>29</sup> Queensland Budget 2023-24, SDS, DPC, p 23.



### 3.2.2 Key issues raised during consideration of the budget estimates

Matters raised during the committee's examination of the proposed expenditure for the PSC are outlined below.

Matters considered by the committee in relation to the estimates for the Public Sector Commission	Reference – Transcript page number
Completion of the annual Working for Queensland Survey, and the number of public servants who feel their work has a negative impact on their health	p 29

### 3.3 Office of the Governor

The Premier also has ministerial responsibility for the budget of the Office of the Governor, which has a separate appropriation.

The Office of the Governor (Office) is an independent entity that provides executive, administrative, logistical and personal support that enables the Governor to effectively exercise the constitutional powers and responsibilities of the role, and to undertake constitutional and ceremonial duties and community activities. The Office is also responsible for maintaining the Government House Estate in partnership with the Department of Energy and Public Works.<sup>30</sup>

The following table taken from the Bill compares the appropriations for the Office for 2022-23 and 2023-24.

Appropriations	Budget 2022-23 \$'000	Est. Actual 2022-23 \$'000	Vote 2023-24 \$'000
<i>Controlled Items</i>			
departmental services	11,179	11,292	10,275
equity adjustment	..	..	..
<i>Administered Items</i>	..	..	..
<b>Vote</b>	<b>11,179</b>	<b>11,292</b>	<b>10,275</b>

Source: Appropriation Bill 2023, Schedule 2, p. 14.

In the 2023–24 Queensland Budget, the government is providing additional funding of \$1.3 million over 4 years and \$284,000 ongoing to meet increased Office commitments.<sup>31</sup>

For comparison, the table below shows the amount sought for vote for 2023-24 against estimated actual appropriation spending over the previous 3 years.

#### Trends in the appropriation – Office of the Governor

	2020-21 Estimated Actual \$'000	2021-22 Estimated Actual \$'000	2022-23 Estimated Actual \$'000	2023-24 Estimates Sought \$'000
	7,337	8,404	11,292	10,275
% Change in overall appropriation	14.54	34.36	-9.01	

<sup>30</sup> Queensland Budget 2023-24, SDS, DPC, p 32.

<sup>31</sup> Queensland Budget 2023-24, SDS, DPC, p 33.

### 3.3.1 Key issues raised during consideration of the budget estimates

Matters raised during the committee's examination of proposed expenditure for the Office of the Governor are outlined in the table below.

Matters considered by the committee in relation to the estimates for the Office of the Governor	Reference –Transcript page number
Vehicles in the Governor's fleet and consideration and quoted costs of installing an electric motor in the vintage Rolls Royce	Transcript pp 21-22, 50

### 3.4 Queensland Audit Office

The Queensland Audit Office (QAO) is Parliament's independent auditor of Queensland's state and local government public sector entities. It conducts audits to provide public confidence in the reliability of public sector entity financial statements and operating performance. The QAO has the following objectives:

- support and inspire its people, including its audit service providers, to best serve Parliament and its clients
- have those who are served by the QAO trust and value its services and insights
- use contemporary auditing practices to deliver services that are used to improve accountability and performance.<sup>32</sup>

#### 3.4.1 Budget overview

The QAO's total income is estimated to be \$51.5 million in 2023–24, an increase of \$3.2 million from 2022–23 estimated actual income. The proposed appropriation funding for the QAO is \$7.8 million, an increase of \$466,000 on the estimated actual appropriation for 2022-23. However, appropriation funding comprises only approximately 15.1 per cent of the QAO's overall income, with the majority of the QAO's revenue coming from user charges and fees.<sup>33</sup>

For 2023-24, it is anticipated that the QAO's income from other revenue will be \$43.8 million, a \$2.8 million increase on the estimated actual amount for this income source in 2022-23. According to the SDS, the increase is mainly due to a 5 per cent fee increase approved to commence from 1 October 2023, and the timing differences between when work is performed and when it is planned to be performed.<sup>34</sup>

Total expenses are estimated to be \$51.7 million in 2023–24, an increase of \$4.1 million (the QAO is anticipating a small operating surplus of \$191,000). According to the SDS, the main drivers behind the increase in expenses is an 'increase in salaries and a technology refresh'.<sup>35</sup>

The following table (see over page) shows the proposed appropriations for the QAO for 2023-24, compared with the budgeted and actual cash appropriations for the QAO in 2022-23.

<sup>32</sup> Queensland Budget 2023-24, SDS, DPC, p 41.

<sup>33</sup> Queensland Budget 2023-24, SDS, DPC, p 44.

<sup>34</sup> Queensland Budget 2023-24, SDS, DPC, p 44.

<sup>35</sup> Queensland Budget 2023-24, SDS, DPC, p 44.

Appropriations	Budget 2022-23 \$'000	Est. Actual 2022-23 \$'000	Vote 2023-24 \$'000
<i>Controlled Items</i>			
departmental services	7,301	7,301	7,767
equity adjustment	..	..	..
<i>Administered Items</i>	..	..	..
<b>Vote</b>	<b>7,301</b>	<b>7,301</b>	<b>7,767</b>

Source: Appropriation Bill 2023, Schedule 2, p. 16.

For comparison, the table below shows the appropriation amount sought for vote for the QAO in 2023-24 against appropriation spending on the organisation over the previous 3 years.

#### Trends in the appropriation – QAO

	2020-21 Estimated Actual \$'000	2021-22 Estimated Actual \$'000	2022-23 Estimated Actual \$'000	2023-24 Estimates Sought \$'000
	6,598	6,993	7,301	7,767
% Change in overall appropriation	5.99	4.40	6.38	

#### 3.4.2 Key issues raised during consideration of the budget estimates

The committee questioned the Auditor-General about issues contained in QAO reports to Parliament No. 18 of 2022-2023 (*Queensland Regional Accommodation Centre (Wellcamp)*),<sup>36</sup> No. 17 of 2022-23 (*Implementing machinery of government changes*),<sup>37</sup> and No. 8 of 2022-23 (*Energy 2022*).<sup>38</sup> A question was also asked regarding the Auditor-General referring the Gladstone Ports Corporation to the Australian Securities and Investments Commission;<sup>39</sup> and the committee asked questions of the chief executive officer of the Queensland Investment Corporation on issues raised in QAO Report No. 11 of 2021-22 (*Establishing the Queensland Future Fund*).<sup>40</sup>

<sup>36</sup> Public hearing transcript, Brisbane, 1 August 2023, p 44.

<sup>37</sup> Public hearing transcript, Brisbane, 1 August 2023, p 46.

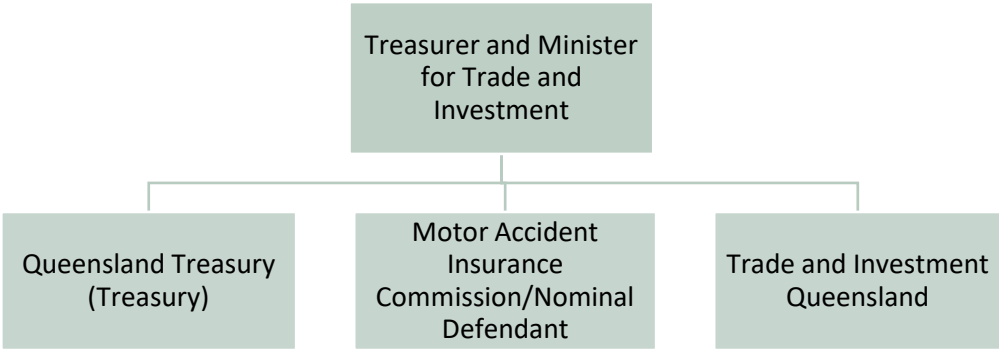
<sup>38</sup> Public hearing transcript, Brisbane, 1 August 2023, pp 48, 49.

<sup>39</sup> Public hearing transcript, Brisbane, 1 August 2023, p 46.

<sup>40</sup> Public hearing transcript, Brisbane, 1 August 2023, p 74, 91.

## 4 Treasurer and Minister for Trade and Investment

The Treasurer and Minister for Trade and Investment, the Honourable Cameron Dick MP (Treasurer) has responsibility for the following agencies, services and statutory entities:<sup>41</sup>



In addition, the Treasurer is responsible for the administration of the *Government Owned Corporations Act 1993*, *National Injury Insurance Scheme (Queensland) Act 2016*, *Queensland Competition Authority Act 1997*, *Queensland Investment Corporation Act 1991*, *Queensland Treasury Corporation Act 1988*, and the *South East Queensland Water (Restructuring) Act 2007*.<sup>42</sup> This legislation governs the operations of:

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

In keeping with the requirements of Schedule 7 of the Standing Orders, the chief executives of each of these entities were present at the hearing on 1 August 2023 to assist the committee with its consideration of the portfolio estimates.

### 4.1 Queensland Treasury

Treasury’s vision is for a strong economy for all Queenslanders, guided by its purpose of driving government priorities through expert advice and services.<sup>43</sup> The department’s objectives of growing the Queensland economy and creating jobs, delivering fiscal sustainability, and driving public sector improvements are coordinated via Treasury’s 5 service areas:

- economics and productivity
- fiscal
- agency performance
- commercial and investment
- revenue management.<sup>44</sup>

<sup>41</sup> Queensland Budget 2022-23, SDS, Queensland Treasury (Treasury), p (i).

<sup>42</sup> Administrative Arrangements Order (No. 1) 2023, pp 5-7.

<sup>43</sup> Queensland Budget 2023-24, SDS, Treasury, p 1.

<sup>44</sup> Queensland Budget 2023-24, SDS, Treasury, p 2.

### 4.1.1 Budget overview

Treasury's total expenses for 2023-24 are estimated to be \$499.7 million, which is a decrease of \$41.7 million on the estimated actual spending in 2022-23. The Treasury SDS states this is mainly due to 'the asset write-off and depreciation expense in 2022-23 for the building assets associated with the Montague Road, South Brisbane property'.<sup>45</sup> The decrease is also due to: 'the transfer of the Queensland Housing Growth Initiative to the Department of Housing, a decrease in provisional expenses associated with emerging whole-of-government priorities and grant payments for the Jobs and Regional Growth Fund'.<sup>46</sup>

According to the SDS, these decreases are:

... partially offset by higher grant payments for the Invested in Queensland Program, costs associated with the development of an investment proposal for the construction of road tunnels from Carseldine to Kedron, and costs for the replacement and modernisation of the legacy whole-of-government financial reporting and budget management enterprise systems.<sup>47</sup>

Treasury's total expenses are expected to increase once again in 2024-25, but then decrease from 2025-26. According to the SDS, the expected rise in 2024-25 is mainly due to an anticipated increase in costs for the Invested in Queensland Program, the Queensland Revenue Office's Debt Management System, and the Defence project. These increases are expected to be partially offset by the finalisation of the Mental Health Levy implementation, the completion of the development of the investment proposal for the construction of road tunnels from Carseldine to Kedron, and cost reductions over time for grant payments associated with the Jobs and Regional Growth Fund and Advance Queensland Industry Attraction Fund.<sup>48</sup>

The anticipated decrease in expenses in 2025-26 is due to cost reductions over time for a number of initiatives, including the Invested in Queensland Program, Advance Queensland Industry Attraction Fund and the Defence project. Also contributing is the reduction over time in the costs associated with the replacement and modernisation of the legacy whole-of-government financial reporting and budget management enterprise systems.<sup>49</sup>

Treasury is responsible for overseeing significant administered revenue and expenses on behalf of the government. The department also administers the government's cash balances and financing requirements, in collaboration with the Queensland Treasury Corporation (QTC).

In addition, the department administers the state's Queensland Future Fund – Debt Retirement Fund (QFF DRF). The QFF DRF holds investments for future growth to be used to offset state debt.<sup>50</sup>

The following table taken from the Bill compares the appropriations for the department for 2022-23 and 2023-24 (see table over page).

<sup>45</sup> Queensland Budget 2023-24, SDS, Treasury, p 14.

<sup>46</sup> Queensland Budget 2023-24, SDS, Treasury, p 14.

<sup>47</sup> Queensland Budget 2023-24, SDS, Treasury, p 14.

<sup>48</sup> Queensland Budget 2023-24, SDS, Treasury, p 14.

<sup>49</sup> Queensland Budget 2023-24, SDS, Treasury, p 14.

<sup>50</sup> Queensland Budget 2023-24, SDS, Treasury, p 14.

Appropriations	Budget 2022-23 \$'000	Est. Actual 2022-23 \$'000	Vote 2023-24 \$'000
<i>Controlled Items</i>			
departmental services	520,311	369,539	454,969
equity adjustment	10,486	(71,666)	229,239
<i>Administered Items</i>	7,107,300	7,538,593	7,941,741
<b>Vote</b>	<b>7,638,097</b>	<b>7,836,466</b>	<b>8,625,949</b>

Source: Appropriation Bill 2023, Schedule 2, p. 17.

As shown above, the total combined 2023-24 appropriation of \$8.6 billion represents an increase of almost \$1 billion (\$987.9 million) on last year's budgeted appropriations, and is \$789.5 million higher than the estimated actual total appropriations for the department in 2022-23.

The proposed appropriation for administered items is also higher than the budgeted and estimated actual appropriations for administered funding in 2022-23. However, appropriation revenue will account for only around 12.9 per cent of all income for administered items in 2023-24, with increases in other revenue sources expected to finance the budgeted rise in administered expenditure for Treasury for the year.<sup>51</sup>

For comparison, the table below shows the appropriation amount sought for vote for 2023-24 against spending over the previous 3 years.

#### Trends in the appropriation – Queensland Treasury

	2020-21 Estimated Actual \$'000	2021-22 Estimated Actual \$'000	2022-23 Estimated Actual \$'000	2023-24 Estimates Sought \$'000
	8,411,817	7,433,096	7,836,466	8,625,949
% Change in overall appropriation	-11.64	5.43	10.07	

#### 4.1.2 Budget highlights – Queensland Treasury

The 2022-23 budget highlights for Treasury include:<sup>52</sup>

Low Emissions Investment Partnerships Program to drive emissions reductions	<ul style="list-style-type: none"> <li>\$520 million between 2023–24 and 2029–30</li> </ul>
Extending the one per cent discount on payroll tax for eligible regional employers to provide ongoing certainty to regional businesses across the state (subject to the passage of legislative amendments)	<ul style="list-style-type: none"> <li>\$505.4 million over 4 years</li> </ul>

<sup>51</sup> Queensland Budget 2023-24, SDS, Treasury, p 18.

<sup>52</sup> Queensland Budget 2023-24, SDS, Treasury, p 4.

Provision of a benefit to qualifying medical practices otherwise liable to payroll tax on payments made to contracted GPs, across an amnesty period ending on 30 June 2025	<ul style="list-style-type: none"> <li>• up to \$100 million per annum</li> </ul>
Establishing the Queensland Critical Minerals and Battery Technology Fund with QIC to assist in positioning Queensland for the next resources boom in critical minerals and support the development of battery technology and advanced materials needed for the clean energy revolution	<ul style="list-style-type: none"> <li>• \$100 million in 2023–24</li> </ul>
Extending the 50 per cent payroll tax rebate on the exempt wages of apprentices and trainees until 30 June 2024 (subject to the passage of legislative amendments)	<ul style="list-style-type: none"> <li>• \$48.6 million in 2023–24</li> </ul>
Providing tax concessions to eligible Build to Rent developments that provide at least 10 per cent of dwellings as affordable housing at discounted rents (subject to the passage of legislative amendments)	<ul style="list-style-type: none"> <li>• \$15.5 million over 4 years</li> </ul>

#### 4.1.3 Capital program

Capital purchases of \$44 million have been planned by Treasury in 2023-24 to develop a Queensland Resources Common User Facility to support pilot and demonstration scale trials of processing methods and technologies for critical minerals and rare earth elements.<sup>53</sup>

Treasury's 2023–24 budget also provides for capital grants of \$152 million, which includes:

- \$72.0 million through the Queensland First Home Owners' Grant to assist first-time home buyers buying or building a new home with grants to get into the market sooner
- \$80.0 million in HomeBuilder Grant funding as provided by the Australian Government to eligible applicants towards building a new home, buying a new home or substantially renovating an existing home (the Queensland Government is delivering the HomeBuilder Grant on behalf of the Australian Government).<sup>54</sup>

#### 4.1.4 Key issues raised during consideration of the budget estimates

Matters raised during the committee's examination of the proposed expenditure for Treasury for 2023-24 are outlined in the table below.

Matters considered by the committee in relation to the estimates for Queensland Treasury	Reference – Question on Notice (QoN) or Transcript page number
The CopperString 2032 project, including an update, funding arrangements and its role in unlocking North Queensland's energy potential	Transcript p 68-69; QoN no. 3
The status of pumped hydro projects and their role in supporting Queensland's clean energy aspirations, including expenditure details for the Pioneer Burdekin Pumped Hydro project	Transcript pp 72-73; QoN no. 2

<sup>53</sup> Queensland Budget 2023-24, Capital Statement – Budget Paper No. 3, p 78.

<sup>54</sup> Queensland Budget 2023-24, Capital Statement – Budget Paper No. 3, p 78.

<p>The Titles Office, including:</p> <ul style="list-style-type: none"> <li>• valuation of the Titles Office</li> <li>• government involvement in the decision to invest in a 25 per cent share of the Titles Office</li> <li>• the short-term saleable assets exchanged by QIC with the government for the Titles Office share</li> <li>• government policy regarding the exchange of short-term saleable assets for investments</li> </ul>	Transcript, p 74, 75, 76, 91; QoN no. 1
The breakdown of funding and costs for the Low Emissions Investment Partnerships Program	QoN no. 4
Budget support for the Towards Tourism 2032 Program	QoN no. 5
Details of new mining projects being progressed by BHP	QoN no. 6
Efforts to ensuring ongoing investment in mineral resources	QoN no. 7
<p>The coal royalties regime, including:</p> <ul style="list-style-type: none"> <li>• mining company investments made since the announcement and introduction of progressive coal royalties</li> <li>• the amount spent by government on coal royalty-related advertising across all media since 1 July 2022 and importance of such advertising</li> <li>• the proportion of the progressive coal royalty tiers that will be lost due to horizontal fiscal equalisation</li> <li>• feedback received from industry or capital markets about sovereign risk or investor concerns</li> <li>• a breakdown of the \$15.3 billion in royalties for the last financial year, including \$5.7 billion from the new tiers, and where they are being invested in regional Queensland</li> <li>• impacts on investment</li> <li>• the potential to increase the base amount of royalties for coal, gas and other resources</li> <li>• Queensland's regional investments, especially in resource communities, that have been facilitated by progressive coal royalties</li> </ul>	Transcript pp 58, 62-65, 72, 91-92; QoN no. 8
QIC's investment in Thames Water, including whether QIC considered selling its interests	Transcript p 74; QoN no. 9
The involvement of any portfolio agencies or entities in the case of <i>Issa v Owens &amp; Ors (No 2)</i> [2023] QSC 96	QoN no. 10
Outstanding debtors for the State Penalties Enforcement Registry (SPER)	QoN no. 11
The Montague Road, South Brisbane Property, including book value and depreciation expenses	QoN no. 12



The reprofiling of expenses associated with the Mental Health Levy, Debt Recovery and Compliance Program and Fine Modernisation Program	QoN no. 13
The number of developments and concessions used to forecast the \$15.5 million revenue impact over 4 years from the tax concessions for eligible build-to-rent developments	QoN no. 14
The revision of the timeframes and changes in the operating model for the Queensland Revenue Office (QRO) Debt Management System	QoN no. 15
The number of child abuse claims administered by the Fiscal service area of Queensland Treasury between 2021-2023, and the number budgeted to be administered in 2023-24	QoN no. 16
Lot and plan numbers of land owned by the State through Treasury	QoN no. 17
Interest and distributions from managed funds	QoN no. 18
The discrepancy between 2022-23 adjusted budget and 2022-23 estimated actual finance/borrowing costs	QoN no. 19
The breakdown of \$58.667 million worth of losses on the sale/revaluation of assets as outlined in the controlled income statement	QoN no. 20
The government's position on, and Treasury modelling of, the previously proposed land tax, including work undertaken to date and the completion date for the automatic land tax exemption process for the principal place of residence for eligible owners	Transcript pp 54, 55, 56, 65, 90-91
<p>The introduction of the GP payroll tax amnesty, including:</p> <ul style="list-style-type: none"> <li>• QRO consultation with the medical profession associated with a private ruling released by the QRO on 22 December in relation to payroll tax</li> <li>• the basis for the figure of \$100 million per annum that Treasury identified may have been recovered had payroll tax on practice payments to contracted GPs been collected, and the number of medical practices and impacted doctors</li> <li>• the amount of payroll tax that will be collected from other practitioners</li> <li>• any modelling undertaken by Treasury to understand possible impacts of the decision on various aspects of public and private health service delivery and access</li> <li>• the number of expressions of interest lodged by medical practices to receive amnesty from payroll tax</li> </ul>	Transcript pp 56-58, 61-62, 67-68, 90, 91
The Big Build and the role the capital works program plays in advancing Queensland's state priority and what role royalties play	Transcript pp 58-59
The operation of Queensland's compulsory third party insurance scheme, including any changes in insurer participation	Transcript pp 60-61

The rationale for the QRO requiring practices issued with payroll tax liability notices to pay the full amount of the liability assessment before they can appeal to the Queensland Civil and Administrative Tribunal or Supreme Court	Transcript p 61, 90
Steps undertaken by Treasury to address the New South Wales ruling that found foreign investment surcharges to be in breach of the Commonwealth double taxation agreements	Transcript p 65
<p>CS Energy, including:</p> <ul style="list-style-type: none"> <li>actions taken by the Treasurer against former CS Energy chair Jim Soorley due to alleged comments about a public servant, and the reason for Mr Soorley's resignation</li> <li>the price CS Energy currently pays for its coal and whether the price has increased over the last 2 years</li> <li>the term of contractual arrangements with Kogan Creek Power Station and Callide Power Station</li> <li>the reason for CS Energy's resignation of its membership of the Queensland Resources Council</li> <li>negotiations held with other potential partners or the government in respect of potential joint venture partnerships in the Callide Power Station, including any timeline and options available</li> </ul>	Transcript pp 69, 70, 71, 88, 89, 92
<p>The Callide Power Station, including:</p> <ul style="list-style-type: none"> <li>the number of times the Treasurer raised concerns about power prices resulting from Callide Power Station's unplanned outage with the former CS Energy chair Mr Soorley</li> <li>the role of Callide Power Station's unplanned outage in the price of electricity</li> <li>the timeline for the power station becoming fully operational and potential for slippage</li> </ul>	Transcript pp 70, 71, 72
The breakdown of the amount of public, community and affordable housing that has been funded from the Housing Investment Fund	Transcript, p 71, 90
The status of Queensland's key economic indicators and how Queensland is positioned relative to other Australian economies	Transcript, p 73
Queensland's economic recovery since the COVID-19 pandemic	Transcript, pp 73-74
The number of QIC investments that would be classified as high risk	Transcript, p 74
Bonuses paid to QIC executives	Transcript, p 76

<p>QIC's investment in the Brisbane Airport Corporation (BAC) including:</p> <ul style="list-style-type: none"> <li>• whether QIC assessed its investment in the BAC against the Sustainable Investment Classification Framework in its Sustainable Investment Policy, including the environmental, social and climate impacts of the new runway and flight paths and any outcome of that assessment</li> <li>• what avenues exist for the shareholding ministers in QIC to intervene to address the community's concerns around flight noise, and whether they have any say about whether QIC might divest its BAC shareholding</li> <li>• details of the investment fund, which fund is it and the major institutional shareholders</li> <li>• whether the QIC or the fund more directly assessed its exposure to financial risk from a potential class action lawsuit around the additional flight noise and from residents who are affected by noise attributable to BAC</li> </ul>	Transcript, p 75-76
<p>External consultancies, including the:</p> <ul style="list-style-type: none"> <li>• amount spent by the government on external consultancies since the Treasurer was appointed</li> <li>• number of contracts Treasury currently has with PwC</li> <li>• sharing of confidential information with PwC, Ernst &amp; Young, Deloitte or KPMG in respect of making tax policy in Queensland</li> <li>• replacement for PwC for Treasury's internal audits</li> </ul>	Transcript, pp 76, 77, 81
The Queensland Government's operating position compared to other Australian economies	Transcript, p 78
Actions being taken by the Queensland Government to improve state regulatory policy	Transcript, p 78
How the budget is supporting jobs and services in the Logan region	Transcript, pp 79-80
How the budget is supporting services and the economy in Hervey Bay and the surrounding Wide Bay region	Transcript, pp 80-81
<p>The operations of the QRO, including the:</p> <ul style="list-style-type: none"> <li>• amount spent in the past year on the QRO website to increase its capacity to support lodgements and payments</li> <li>• cost to rebrand the QRO</li> <li>• cost of collecting each debt in SPER</li> <li>• last time the tax advisory board met with representatives from Treasury, and their activities over the last 12 months</li> </ul>	Transcript p 82, 84, 91

The management of QTC, including: <ul style="list-style-type: none"> <li>the reason for recent departures of members of the QTC executive team and the experience and qualifications of those currently in those positions</li> <li>the CEO's consideration of the performance of the borrowing arrangements of QTC</li> </ul>	Transcript pp 82-83
Government policy on reversing the 2019 amendments to the <i>Auditor-General Act 2009</i> which enabled the sharing of protected information with the Treasurer and Queensland Treasury	Transcript p 83
The recruitment process for the position of Under Treasurer	Transcript, p 84
Government support for the development of traditional and emerging natural industries	Transcript, pp 84-85
Electricity rebate support available and how it compares to other state and federal programs	Transcript, p 85
Concessions available in the budget for Queenslanders to tackle the cost of living	Transcript, p 86
Performance of the Debt Recovery and Compliance program, including any recent milestones	Transcript, pp 86-87
The value of the SPER debt written off in June 2023, including amounts paid, written off and satisfied by the use of a work and development order	Transcript, p 87, 88
Action taken in response to the data processing error resulting in the SPER enforcement notices of 8,400 people being incorrectly sent to another person in May 2022, including the involvement of the Office of the Information Commissioner	Transcript, p 88
Reasons for Powerlink's resignation of its membership of the Queensland Resources Council	Transcript, pp 89, 91
Treasury's contribution to consultation for the whole-of-government work being undertaken in relation to artificial intelligence or ChatGPT, and associated policies and protocols which are to be developed	Transcript, p 89
Cost-of-living support for families and parents with kindy-aged children	Transcript, pp 89-90

## 4.2 Motor Accident Insurance Commission/Nominal Defendant

The Motor Accident Insurance Commission (MAIC) and the Nominal Defendant are statutory bodies established under the *Motor Accident Insurance Act 1994*. MAIC's objective is to manage the Motor Accident Insurance Scheme and the Nominal Defendant for the benefit of the Queensland community.<sup>55</sup>

MAIC is the regulatory authority responsible for the ongoing management of the compulsory third party (CTP) insurance scheme in Queensland. The Nominal Defendant compensates people who are

<sup>55</sup> Queensland Budget 2023-24, SDS, Treasury, p 22.

injured as a result of the negligent driving of unidentified motor vehicles and/or motor vehicles with no CTP insurance.<sup>56</sup>

Key deliverables for MAIC/the Nominal Defendant in 2023-24 include:

- meeting with valued stakeholders through CTP forums to investigate ways to deliver a faster and easier claimant experience with better access to treatment and rehabilitation
- continuing to identify opportunities for alignment with the National Injury Insurance Agency, Queensland to achieve efficiencies across the Queensland motor injury insurance schemes
- implementing the outcomes from the CTP scheme review
- continuing to enhance digital services for motorists, claimants and CTP scheme stakeholders.<sup>57</sup>

#### 4.2.1 Budget overview

The operations of MAIC and the Nominal Defendant are funded by the statutory levy payable with the CTP premiums, with any revenue collected by MAIC from its compliance fines and income earned on investments earmarked for research into injury prevention and rehabilitation.<sup>58</sup> A small component of the proposed Treasury budget for 2023-24 will, however, go towards the provision of corporate services to MAIC/the Nominal Defendant (\$579,000).<sup>59</sup>

MAIC's total income is estimated to be \$29 million in 2023–24, a decrease of \$0.5 million from its 2022–23 estimated actual income. The SDS states this is:

...primarily due to a reduction in the projected interest earnings in 2023–24, offset with an increase in the Statutory Insurance Scheme levy income, in line with projected vehicle growth (the levy per vehicle in 2023–24 remains unchanged at \$2.00 per vehicle).<sup>60</sup>

Total expenses are estimated to be \$36.7 million in 2023–24, an increase of \$0.5 million from the 2022–23 estimated actual expenses.<sup>61</sup>

The difference between the budgeted income and expenses equates to an operating deficit of \$7.7 million for 2023-24, which according to the SDS 'relates to lower budgeted investment returns in 2023–24'.<sup>62</sup> The SDS also states, however, that MAIC's overall financial position 'remains sound'.<sup>63</sup>

The Nominal Defendant's total income is estimated to be \$62.4 million in 2023–24, which represents a decrease of \$2 million from the 2022–23 estimated actual income. According to the SDS, this is 'primarily due to a reduction in the Nominal Defendant levy per policy Class 1 from \$5.00 in 2022–23 to \$4.00 in 2023–24, offset with the increase in the projected interest earnings in 2023–24'.<sup>64</sup>

Total budgeted expenditure for the Nominal Defendant in 2023–24 is \$46 million, reflecting a \$3.2 million increase from 2022–23 estimated actual expenditure. The SDS indicates that this movement 'reflects the increase in estimated outstanding claims liability based on actuarial assessment'.<sup>65</sup>

<sup>56</sup> Queensland Budget 2023-24, SDS, Treasury, p 21.

<sup>57</sup> Queensland Budget 2023-24, SDS, Treasury, p 21.

<sup>58</sup> Motor Accident Insurance Commission, *About – Motor Accident Insurance Commission*, webpage, last updated 17 July 2023, <https://maic.qld.gov.au/about/maic/>.

<sup>59</sup> Queensland Budget 2023-24, SDS, Treasury, p 11.

<sup>60</sup> Queensland Budget 2023-24, SDS, Treasury, p 24.

<sup>61</sup> Queensland Budget 2023-24, SDS, Treasury, p 24.

<sup>62</sup> Queensland Budget 2023-24, SDS, Treasury, p 24.

<sup>63</sup> Queensland Budget 2023-24, SDS, Treasury, p 24.

<sup>64</sup> Queensland Budget 2023-24, SDS, Treasury, p 28.

<sup>65</sup> Queensland Budget 2023-24, SDS, Treasury, p 28.

#### 4.2.2 Key issues raised during consideration of the budget estimates

Matters raised during the committee's examination of budgeted spending for MAIC and the Nominal Defendant are set out below.

Matters considered by the committee in relation to the estimates for Motor Accident Insurance Commission/Nominal Defendant	Reference – Question on Notice (QoN) or Transcript page number
The impact of RACQ's withdrawal from the CTP scheme in Queensland on the review of CTP that is currently underway, and the factors which determine insurance premiums in Queensland	Transcript pp 60-61, 82

### 4.3 Trade and Investment Queensland

Trade and Investment Queensland (TIQ) is a statutory body established under the *Trade and Investment Queensland Act 2013*. TIQ's purpose is to 'grow international trade and investment, and attract global talent'.<sup>66</sup> TIQ delivers on its purpose via trade and investment missions and trade and investment services, with the following objectives:

- promote Queensland
- boost exports
- grow investment and jobs
- be a trusted partner.<sup>67</sup>

TIQ's key deliverables for 2023-24 are to:

- diversify what is exported and where, and support exporters to move up the value chain and achieve higher returns
- attract international investment to support the state's decarbonisation targets, and create jobs for the future
- uplift exporter and investee knowledge and capability, and provide access to the international talent required to grow the range and value of Queensland's exports
- capitalise on the transformational opportunity presented by the Brisbane 2032 Olympic and Paralympic Games.<sup>68</sup>

#### 4.3.1 Budget overview

TIQ does not receive a separate appropriation, with its activities and programs rather funded primarily by state government grant funding (the SDS advises that Treasury receives a large proportion of the state's taxation, royalties and Australian Government revenue, which is used to fund government priorities including the supply of funding to TIQ).<sup>69</sup>

TIQ's total income for 2023-24 is projected to be \$72.8 million in 2023–24, an increase of \$9.8 million from the 2022–23 estimated actual income. The SDS states this is 'mainly driven by an increase in state

<sup>66</sup> Queensland Budget 2023-24, SDS, Treasury, p 32.

<sup>67</sup> Queensland Budget 2023-24, SDS, Treasury, p 32.

<sup>68</sup> Queensland Budget 2023-24, SDS, Treasury, p 32.

<sup>69</sup> Queensland Budget 2023-24, SDS, Treasury, p 14.

funding to support the delivery of the *Queensland Trade and Investment Strategy 2022–2032*’ (2022-32 strategy).<sup>70</sup>

Budgeted expenses will increase in line with this rise in income, with the additional funds to be expended on the implementation of the 2022-23 strategy, ‘with priorities to promote Queensland, boost exports, grow investment and jobs, and be a trusted partner, in collaboration with all levels of Queensland Government and businesses’.<sup>71</sup>

## 5 Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement

The Honourable Stirling Hinchliffe MP, Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement (Minister), is the Minister responsible for the Department of Tourism, Innovation and Sport (DTIS). The department administers funds on behalf of the State which includes the provision of funding for Tourism and Events Queensland (TEQ) and Stadiums Queensland (SQ). TEQ is the Queensland Government’s lead marketing, experience development and major events agency and SQ supports and maintains the operation of sporting and entertainment facilities.<sup>72</sup> SQ is charged with the management of major sports facilities that are declared under Queensland Government regulation as being venues with the capacity to stage national or international sports events, recreational or entertainment experiences.<sup>73</sup>



The Minister also has responsibility for the *Trade and Investment Queensland Act 2013* under which TIQ is established, to the extent that it is relevant to international education and training (eg particularly the Study Queensland business unit of TIQ).<sup>74</sup>

In keeping with the requirements of Schedule 7 of the Standing Orders,<sup>75</sup> the chief executives of TEQ, SQ and TIQ were all present during the Minister’s examination at the hearing on 1 August 2023, to assist the committee with its consideration of the portfolio estimates.

<sup>70</sup> Queensland Budget 2023-24, SDS, Treasury, p 36.

<sup>71</sup> Queensland Budget 2023-24, SDS, Treasury, p 36.

<sup>72</sup> Queensland Budget 2023-24, SDS, Department of Tourism, Innovation and Sport (DTIS), p 8.

<sup>73</sup> Stadiums Queensland, *Who we are*, webpage, <https://www.stadiums.qld.gov.au/about-us/who-we-are.aspx>.

<sup>74</sup> Administrative Arrangements Order (No. 1) 2023, p 23.

<sup>75</sup> Schedule 7 of the Standing Orders sets out a list of statutory entities to which direct questioning of chief executives at estimates applies.

## 5.1 Department of Tourism, Innovation and Sport

To achieve its vision of having world-class, thriving, inclusive and sustainable tourism, innovation, sport and active recreation sectors in Queensland, DTIS works to ‘provide and attract investment to build more competitive visitor and innovation economies, inspire sporting success through Queensland’s elite athletes, and support active, healthy communities’.<sup>76</sup> The 3 service areas of DTIS and their aims are:

- Tourism Industry Development – drive the return and growth of a sustainable and competitive tourism industry, attracting capital investment and maximising the benefit of tourism and major events to boost Queensland’s economy
- Advancing Queensland through Innovation – drive a world-class connected and sustainable innovation ecosystem throughout Queensland by harnessing opportunities to enable new industries, leverage investment, support economic growth and jobs across the State
- Sport and Recreation – lead the sport and active recreation industry to support Queenslanders to participate through quality infrastructure and local environments, and by supporting pathways to assist Queenslanders to reach their full sporting potential.<sup>77</sup>

The following table taken from the Bill compares the proposed appropriation for DTIS for 2023-24 with the 2022-23 appropriation.

Appropriations	Budget 2022-23 \$'000	Est. Actual 2022-23 \$'000	Vote 2023-24 \$'000
<i>Controlled Items</i>			
departmental services	408,453	250,362	465,307
equity adjustment	14,463	(6,918)	20,167
<i>Administered Items</i>	195,524	194,423	197,119
<b>Vote</b>	<b>618,440</b>	<b>437,867</b>	<b>682,593</b>

Source: Appropriation Bill 2023, Schedule 2, p. 13.

As noted above, the proposed appropriation for DTIS services for 2023-24 is \$465.3 million. This includes both state and Australian Government funding.<sup>78</sup>

DTIS is also anticipated to receive an estimated \$70.8 million in other revenue in 2023-24, with this overall income funding an operating budget of \$536.1 million (no operating surplus or deficit). This is an increase of approximately \$214.2 million on DTIS’ 2022–23 estimated actual expenditure (\$321.9 million).<sup>79</sup>

Taken together with the proposed \$197.1 million in appropriation funding for administered items (including funding for TEQ and SQ), and \$20.2 million for equity adjustment, the overall appropriation proposed for DTIS for 2023-24 is \$682.6 million.

Expenses for 2023–24 primarily include the following grant programs:

- Regional Tourism Recovery Program (including the Binna Burra Lodge rebuild)
- Tourism Experience and Infrastructure Grants Program

<sup>76</sup> Queensland Budget 2023-24, SDS, DTIS, p 1.

<sup>77</sup> Queensland Budget 2023-24, SDS, DTIS, p 1.

<sup>78</sup> Queensland Budget 2023-24, SDS, DTIS, p 6.

<sup>79</sup> Queensland Budget 2023-24, SDS, DTIS, p 6.



- Minjerribah Futures
- Tourism Experience Development Fund
- 2023 Year of Accessible Tourism
- Events Boost
- Attracting Aviation Investment Fund
- Great Keppel Island Rejuvenation Project
- FIFA Women's World Cup 2023
- Queensland Music Trails
- Tourism Activation Fund
- Global Marketing Fund
- Regional Tourism Organisation Fund
- *Advance Queensland – Innovation for a Future Economy 2022-2032 Roadmap* initiatives and the Defence Cooperative Research Centre
- *Activate! Queensland 2019-2029*, which includes:
  - funding to support sport and recreation organisations with the clean-up and repair of equipment and facilities damaged from the South East Queensland rain and flooding event
  - the delivery of Browne Park Redevelopment Stage 1
  - the delivery of the 2032 High Performance Strategy.<sup>80</sup>

For comparison, the table below shows the DTIS appropriation amount sought for the vote for 2023-24 against estimated actual appropriation spending across the previous 3 years.

#### Trends in the appropriation - DTIS

	2020-21 Estimated Actual \$'000	2021-22 Estimated Actual \$'000	2022-23 Estimated Actual \$'000	2023-24 Estimates Sought \$'000
	643,503	612,351	437,867	682,593
% Change in overall appropriation	-4.84	-28.49	55.89	

#### 5.1.1 Budget highlights – Department of Tourism, Innovation and Sport

The 2022-23 budget highlights for DTIS include:<sup>81</sup>

Funding for TEQ to deliver on its objectives as required under the *Tourism and Events Queensland Act 2012* and to contribute to the delivery of the *Towards Tourism 2032: Transforming Queensland's visitor economy future strategy*

- \$271.9 million over 4 years

<sup>80</sup> Queensland Budget 2023-24, SDS, DTIS, p 8.

<sup>81</sup> Queensland Budget 2023-24, SDS, DTIS, p 2.

Stage one of the redevelopment of Browne Park (being the home of rugby league in Central Queensland), and also hosting a range of other sporting and entertainment events	• \$54.3 million over 3 years
Developing an end-to-end Paralympic Centre for Excellence with the University of Queensland, which would be an all-inclusive, world leading facility to allow people with disability to strive for gold	• \$44 million over 3 years (held centrally)
Funding for the Tourism Experience and Infrastructure Grants Program to support tourism experience development in priority areas with focus on First Nations, sustainability, eco/nature, accessibility and paleo	• \$20 million in 2023-24
Funding for the 2023 Year of Accessible Tourism to deliver the Accessible Tourism Fund, increase awareness and capability and for visitor experience development	• \$12 million over 2 years
Funding for a Sport Infrastructure Program to support the delivery of priority infrastructure projects that enhance the accessibility, safety, and inclusiveness of community level sport and active recreation infrastructure, including for women and people with disability	• \$10 million in 2023-24
Funding for the Backing Female Founders program to grow and scale Queensland innovation businesses founded by women	• \$5 million over 2 years from 2023-24

### 5.1.2 Capital program

The department's total capital outlays are estimated to be \$246 million in 2023–24, and are intended to support tourism, innovation and sport and active recreation industries recovering from the impacts of COVID-19. This comprises spending on both capital purchases and capital grants.<sup>82</sup>

Total capital purchases in 2023–24 are \$27.1 million, including allocations of:

- \$17 million to Queensland Active Precincts to enhance existing state-owned sport and active recreation facilities at the Gold Coast, Sunshine Coast and Townsville, to deliver experiences that inspire physical activity
- \$10 million to the Wangetti Trail for a 94 kilometre walking and mountain bike trail from Palm Cove to Port Douglas, with public and eco-accommodation facilities.<sup>83</sup>

Total capital grants in 2023–24 are \$218.9 million, including allocations of:

- \$53 million to the Community Recreational Assets Recovery and Resilience Program to support sport and recreation organisations with the clean-up and repair of equipment and facilities damaged from the South East Queensland rain and flooding event
- \$33.6 million to Browne Park Redevelopment Stage 1 including building a contemporary 3,500 seat grandstand, public amenities, food and beverage outlets, media and coach facilities, and increasing the ground capacity
- \$26.4 million to the Local Community Sporting Infrastructure Program to encourage Queenslanders to be more active, more often as well as working to increase health and wellbeing outcomes across the state in line with key government priorities

<sup>82</sup> Queensland Budget 2023-24, SDS, DTIS, p 7.

<sup>83</sup> Queensland Budget 2023-24, SDS, DTIS, p 7.

- \$17.5 million to the Minjerribah Futures Program to progress the construction of the Quandamooka Art Museum and Performance Institute and auxiliary infrastructure of the recreational trail
- \$17.2 million to the Sports Minor Infrastructure Program to fund minor facility improvements that support increased opportunities for Queenslanders to participate in sport and active recreation
- \$16.6 million to the Regional Tourism Recovery Program, to rebuild the heritage listed Binna Burra Lodge and cabins rooms on Mount Roberts.<sup>84</sup>

### 5.1.3 Tourism and Events Queensland and Stadiums Queensland

As noted previously, DTIS provides funding to SQ and TEQ, with some of the major allocations to these statutory bodies for 2023-24 included amongst the department's budget highlights and key capital program allocations above.

TEQ's vision is to 'inspire the world to experience the best address on Earth', which couples with its purpose of achieving 'economic and social benefits for the state by growing the tourism and events industry in partnership with industry and broader government'.<sup>85</sup> TEQ has a projected budget of \$143.4 million for 2023-24, an increase of \$11.8 million on its 2022-23 estimated actual expenditure (\$131.6 million).<sup>86</sup>

Key deliverables for TEQ for 2023-24 include:

- working with broader government and industry to support tourism and events businesses as part of Queensland's *Towards Tourism 2032: Transforming Queensland's visitor economy future*
- implementing the *TEQ blueprint: A plan to support the Towards Tourism 2032 Strategy* to deliver optimal outcomes for the tourism and events industry
- developing and implementing a global marketing strategy and an events strategy that enhances Queensland's national and global competitive position and accelerates tourism recovery to 2032
- building Queensland's global competitive position to drive awareness, consideration and conversion through targeted partnerships and strategic investments
- growing a distinctive and coordinated events calendar of major business and destination events
- guiding and empowering the tourism network to deliver transformational tourism and event experiences aligned to the Queensland brand promise to meet consumer demand
- focusing efforts to engage, influence and collaborate with key stakeholders across the tourism network to deliver agreed priorities through an effective partnership approach
- conducting research and analysis into global economic impacts, aviation, industry and market trends, and consumer behaviour, using a suite of indicators, to identify opportunities and inform government and industry decision making.<sup>87</sup>

SQ will have a capital outlay of \$42.5 million in 2023-24, which the Capital Statement advises:

... represents the minimum capital investment required to assist in ensuring that Queensland's major sports and entertainment facilities continue to provide world-class fan experiences, support high performance development and facilitate community participation in sport and physical activity.<sup>88</sup>

<sup>84</sup> Queensland Budget 2023-24, SDS, DTIS, p 7.

<sup>85</sup> Queensland Budget 2023-24, SDS, DTIS, p 15.

<sup>86</sup> Queensland Budget 2023-24, SDS, DTIS, p 18.

<sup>87</sup> Queensland Budget 2023-24, SDS, DTIS, p 15.

<sup>88</sup> Queensland Budget 2023-24, Capital Statement – Budget Paper No. 3, p 90.

### 5.1.4 Key issues raised during consideration of the budget estimates

Matters raised during the committee's examination of the proposed expenditure for the portfolios of Tourism, Innovation and Sport (including regarding the estimates for DTIS, TEQ and SQ and in relation to international education and training within TIQ) are set out below.

Matters considered by the committee in relation to the estimates for the portfolios of Tourism, Innovation and Sport	Reference – Question on Notice (QoN) or Transcript page number
The return and growth of a sustainable and competitive tourism industry, including via the Queensland Destination Events Program	QoN no. 1
Participation rates of Queenslanders in sport and recreation activities	QoN no. 2
Efforts to build a connected and sustainable innovation ecosystem throughout Queensland, including via Ignite Ideas	QoN no. 3
The Community Recreational Assets Recovery and Resilience Program (which supports sport and recreation organisations' clean up and repair of equipment and facilities damaged from the South East Queensland rain and flooding event)	QoN no. 4
The implementation of the <i>Queensland Innovation Precincts and Places Strategy 2022-2032</i>	QoN no. 5
The development of the Brisbane 2032 Legacy Plan and what it will leave for the state post-Olympics	Transcript pp 108-109; QoN no. 6
The implementation of Phase 1 of the <i>Towards Tourism 2032: Transforming Queensland's visitor economy future</i> strategy	QoN no. 7; Transcript, p 106
Enhancements for sport and active recreation facilities on the Gold Coast, Sunshine Coast and in Townsville	QoN no. 8
The Queensland Academy of Sport vision of 'Inspiring Extraordinary Sporting Success' (as part of the 2032 High Performance Strategy)	QoN no. 9
The Tourism Activation Fund funding and recipients	QoN no. 10
The Wangetti Trail project, including the: <ul style="list-style-type: none"> <li>• approvals for the project</li> <li>• underspend in previous years</li> <li>• signing of indigenous land use agreements</li> <li>• expected completion date</li> <li>• cost to deliver the project</li> </ul>	QoN no. 11; Transcript pp 96-97
The Tourism Experience Development Fund, including the number of projects allocated funding, the amount of total investment secured through the program and the forecast completion dates for each project funded	QoN no. 12; QoN no. 13

The Attracting Aviation Investment Fund, including actual expenditure and the 2023-24 budgeted expenditure for the program, and what aviation routes have been secured	QoN no. 14; Transcript pp 99-100
Expenditure on research and development as part of the 2022 Innovation for a Future Economy roadmap	QoN no. 15
The calculation of the 28,000+ jobs supported across Queensland as a result of Advance Queensland investment	QoN no. 16
Sport grants and funding administered by DTIS	QoN no. 17
Underspending as part of the discrepancy between the actual and budgeted capital expenditure in 2022-23	QoN no. 18
Capital expenditure timeframes and overspend	QoN no. 19
Contract disclosure logs for SQ, TEQ and DTIS (as part of the expenditure undertaken by the department, or statutory authorities for which the Minister has carriage), including the update of and available information in SQ's logs	QoN no. 20; Transcript p 110, 120
The number of regional tourism organisations (RTOs) in Queensland, including factors affecting future RTO numbers	Transcript pp 94-95
Underspend in the budget for tourism industry development	Transcript p 95
<p>The FIFA Women's World Cup, including:</p> <ul style="list-style-type: none"> <li>the tourism plan and marketing plan for during and after the Women's World Cup</li> <li>sporting infrastructure legacy once the Women's World Cup is finished</li> <li>Queensland's contribution of \$13.6 million of the \$357 million spent on football programs and infrastructure as a result of the Women's World Cup</li> </ul>	Transcript p 96, 102-103
When the fast ferry from Howard Smith Wharves to North Stradbroke Island (Minjerribah) will be in operation	Transcript p 97
Actions taken by the Minister in response to correspondence from tourism and marina operators using the Cairns marina, regarding the fee review by Ports North	Transcript p 97
Investigations into a city marina with berthing for at least 12 vessels	Transcript pp 97-98
The TEQ funding guarantee, involving a government commitment to TEQ of base funding of \$125 million a year for the next 4 years	Transcript pp 98-99
The status of the \$20 million Tourism Experience and Infrastructure Grants Program, including the planned launch of round 2 in 2024	Transcript pp 99-100

The 2023 Year of Accessible Tourism and associated efforts to increase awareness and capability and deliver an improved visitor experience for those with a disability	Transcript pp 101-102
Advance Queensland through Innovation funding, including the amount spent, reasons for a recorded underspend, deferrals, and the delivery timeframe	Transcript pp 110-111
<p>The Gabba redevelopment, including:</p> <ul style="list-style-type: none"> <li>the level of consultation SQ has had with the state government with regard to the Gabba knockdown, including costing</li> <li>reasons for the increase in costs for the Gabba redevelopment and potential for further increases</li> <li>when Queensland Cricket and the Lions will know what venue they will be playing at over the next few years, and relevant considerations</li> </ul>	Transcript pp 103-105, 109
The \$10 million sports infrastructure program	Transcript p 107
The SwimStart program and its benefits to Queenslanders	Transcript pp 107-108
Discussions with Dreamworld about funding initially provided for the koala genomic research future lab, and subsequently reallocated to the Steel Taipan roller-coaster	Transcript p 112
The status of the development of the Paralympic Centre of Excellence	Transcript p 113
The redevelopment of Browne Park in Rockhampton and other similar projects across the State	Transcript p 114
What the Queensland government is doing to support innovation and innovative precincts in Queensland	Transcript pp 115-116
Sports whose core funding has been reduced and the amount it has been reduced this financial year compared to last financial year	Transcript p 116, 121
Discrepancies between actual and budgeted capital expenditure and the reasons given regarding the reprofiling of funding required to match the anticipated timing of projected capital expenditure	Transcript p 117; QoN no. 18
Queensland's funding of start-ups or venture capital funding in comparison to other states and territories	Transcript p 118, 119

## **6 Statement of Reservation**

# Statement of Reservation

We, the non-government members of the Economics and Governance Committee, agree with the passing of the 2023/24 Budget.

The Estimates process gives the Parliament the opportunity to question the government on its financial stewardship and its proposals for the forthcoming year.

As has become apparent throughout this process, the government is growing increasingly rigid and unresponsive. Its management of the state's finances has become haphazard and there is a growing gap between its promises and its record of delivery.

The state's economy faces significant challenges and Queenslanders are facing increasing cost of living pressures. This Budget was an opportunity for the government to meet these challenges and provide effective cost of living relief.

Unfortunately, there is little evidence of either of these objectives being met.

Long term economic trends are not encouraging and the government has adopted a piecemeal approach to mitigate cost of living pressures without addressing the fundamental reasons behind spiralling increases.

As a consequence, and despite claims of record expenditure, the government has been unable to reassure Queenslanders that genuine steps are being taken to address critical challenges – the health crisis, the housing crisis, the youth crime crisis and the cost of living crisis.

Immersed in chaos, the government has failed to demonstrate, through the Estimates process, that it has solutions to the problems facing Queenslanders.

## **PREMIER AND CABINET AND OLYMPIC AND PARALYMPIC GAMES**

The testimony provided by the Premier and the Department highlighted the integrity issues rocking the government and the failure to deliver services for Queenslanders.

Many questions remain about the Queensland Train Manufacturing Program, what the Premier knew about the \$2.4 billion cost blowout, and why Queenslanders were misled about the true cost of this program.

No information was forthcoming about the cloud over the appointment of senior public servants or breaches of the Ministerial Handbook, with both the Premier and Director-General failing to adequately answer questions.

It is noteworthy that many recommendations of the Coaldrake Report remain outstanding. Given the unwillingness of the government to answer questions about serious integrity issues in this session, it is clear that there is no desire within government to let the sunshine in.

The integrity crisis should however not distract from the inability of this government to deliver services to Queenslanders. The hearing highlighted many issues such as:



- The impact of watering down youth crime laws and the growing lawlessness across the state.
- Massive cost blowouts on infrastructure projects like the Gabba rebuild and wasted taxpayer money on projects like Wellcamp, which was handed back to the private owner last financial year.
- The failure to maintain affordable, reliable, and sustainable electricity for Queenslanders.
- The lack of any new homes built by the Housing Investment Fund.
- A lack of focus on the Queensland Health crisis with only 5% of the Health and Hospital announcement to be spent by the end of this financial year.

The Committee learnt of the decision to spend millions on new jets for the Premier to use and proposals to spend over a quarter of a million dollars to electrify the Governor's Rolls Royce. These initiatives give no comfort to thousands of Queensland families in the middle of a cost-of-living crisis.

## **TREASURY AND TRADE AND INVESTMENT**

Amidst the chaos and crisis of the Palaszczuk Labor Government and seemingly focused solely on preventing a downgrade of his government's credit rating, the Treasurer does not appear to appreciate the impacts of his tax policies or the extent of his government's contribution to the cost-of-living crisis.

The Acting Under Treasurer made it clear to the Committee that the Palaszczuk Government has not modelled any of the following:

- The impact of the failed "renters' tax" on the rental market in Queensland;
- Projected payroll tax revenue from medical professions outside of GPs following the introduction of the "patients' tax"; and
- The impact of the "patients' tax" on Queensland's already stretched health system.

When a Treasurer has not commissioned sufficient modelling to understand the impact of his tax policy on Queenslanders, you know that a government in its third term has lost its way.

Raising further questions about the government's priorities, the budget for the Treasurer's advertising campaign to defend his broken tax promise is now around \$2.5 million. He refused to take any responsibility for his government's contribution to the cost-of-living crisis, despite the hearing revealing that repairing the broken electricity generators at Callide will help ease the price pressures that their failure helped cause. Furthermore, he refused to acknowledge the figure-shuffling with QIC asset transfers in relation to the 25% shareholding by QIC of the Titles Office under his direction.

## **TOURISM, INNOVATION, SPORT AND OLYMPIC AND PARALYMPIC SPORT AND ENGAGEMENT**

The Wangetti Trail project exemplifies the government's inability to improve Queensland's ecotourism offering. It should be noted that "ecotourism" is not mentioned once in the Department's SDS.

The Department has failed to achieve all the necessary agreements and approvals for the project and yet the Department assured the committee that years of underspends and delays will now end.

Regrettably, the project completion date has now been pushed out from 2022 to late 2026.

Another project yet to be delivered is the promised ferry service from Howard Smith Wharves to Stradbroke Island. This demonstrates a broader lack of interest in Brisbane River tourism activities.

Many previous tourist vessel mooring locations have been removed due to State Government endorsed projects such as Queens Wharf and the Eagle Street Pier redevelopment. The Minister could have taken ownership of the issues caused by these developments and committed to finding solutions. Instead, he blamed Brisbane City Council.

Last year we had the announcement of the next stage of Advance Queensland funding, with the Premier and Innovation Minister committing \$100 million over three years for new and existing programs. However, this year's Estimates Hearing revealed the \$100 million announced will now be diluted over five years stretching the funding out to 2026-27.

This will mean less money each year for innovative programs in Queensland, and it risks Queensland lagging further behind in this space.

Disappointingly, the Minister made it clear there is no intention to ensure the promised Future Lab, a native animal genome lab that could provide opportunity for key koala research, is ever built in Queensland. The Minister obfuscated responsibility to Dreamworld and demonstrated no commitment to this promise.

The Department could not confirm the number of start-ups in Queensland and why we are lagging behind other states.

Instead of being able to investigate why this could be the case and the data the department does have, the clock was run down with an excessive response which avoided the specific question itself.

In the sport component of the portfolio, the Opposition remains concerned by the lack of transparency of State Government expenditure. Significant questions remain about the price tag of the Gabba, how the \$2.7B price tag was reached, and what will happen to sports who use the facility during the knock-down. In the days just before estimates, Queensland Cricket openly vented their frustrations with the ongoing uncertainty about what will happen to the stadium, and how cricket will be impacted. The Brisbane Lions face similar uncertainty.

The estimates process also revealed that Stadiums Queensland does not release the value of contractors it engages. While the Opposition notes that some contracts require differing levels of confidentiality, the fact that no contract values are reported raises legitimate questions about state government expenditure, particularly as most state government departments or statutory authorities report these figures.

The hearing also shone a light on the lack of legacy funding and infrastructure from the 2023 FIFA Women's World Cup and the Queensland Government's slow progress and underspend on local sporting projects.

These hearings have failed to provide the reassurance that Queenslanders seek that the government has solutions to the myriad of problems facing the state.

The Estimates process, despite its well-known and long-standing shortcomings, provided no significant evidence that the government has a sustainable and considered plan to restore and improve key services.

With health services under increasing pressure, housing demand outpacing supply, crime reaching into all corners of the state and infrastructure costs seeing record blowouts, the government has wasted the opportunity presented by the 2023/24 Budget to meet the reasonable expectations of Queenslanders.

A government consumed by crisis and chaos has failed in its basic responsibilities resulting in Queenslanders having to pay an unsustainable price.



**Ray Stevens MP**

**Deputy Chair**

**Member for Mermaid Beach**



**Michael Crandon MP**

**Member for Coomera**



**Daniel Purdie MP**

**Member for Ninderry**