

THURSDAY, 20 JULY 2006

ESTIMATES COMMITTEE G—NATURAL RESOURCES, MINES AND WATER

Estimates Committee G Members

Mrs JM Attwood (Chair)
Hon. KW Hayward
Mr M J Horan
Mr PJ Lawlor
Ms RT Lee Long
Mr JW Seeney
Mrs CE Sullivan

In Attendance

Hon. H Palaszczuk, Minister for Natural Resources, Mines and Water
Department of Natural Resources, Mines and Water
Mr B McCarthy, Director-General
Mr B Coulter, Deputy Director-General, Land, Science and Regions
Mr S Spencer, Deputy Director-General, Water and Sustainable Landscapes
Mr M Cremer, Deputy Director-General, Mining and Petroleum
Mr P Philipson, General Manager, Finance and Asset Management

Committee met at 9.00 am.

CHAIR: Good morning, everyone. I declare the meeting of Estimates Committee G now open. My name is Julie Attwood. I am the member for Mount Ommaney and I am the chair of the committee. Joining me is Peter Lawlor, the member for Southport; Mike Horan, the deputy chair of this committee; Ken Hayward, the member for Kallangur; Carryn Sullivan, the member for Pumicestone; Jeff Seeney, the member for Callide; and Rosa Lee Long, the member for Tablelands. The committee will examine the proposed expenditure contained in the Appropriation Bill 2006 for the portfolios of the Minister for Natural Resources, Mines and Water and the Minister for Primary Industries and Fisheries. We will examine the portfolios in that order.

The proceedings today are lawful proceedings and subject to the standing rules and orders of the parliament. As such, I remind all visitors that any person admitted to this hearing may be excluded by order of the committee in accordance with standing order 206. In relation to media coverage of the hearing, the committee has resolved to allow television film coverage and photography during my introduction and ministers' opening statements. Before we begin, I ask that all mobile phones be now switched off. The first item for consideration are the estimates of the expenditure of the Minister for Natural Resources, Mines and Water. Welcome Minister Palaszczuk and advisers. The committee will examine estimates for the portfolio until noon, with a 20-minute break at 10.25 am.

The time limit for questions is one minute and three minutes for answers. A 15-second warning will be given prior to the expiration of these time limits. An extension of time may be given with the consent of the questioner. For the benefit of Hansard, I ask advisers that if you are called to give an answer please state your name before speaking. I now declare the proposed expenditure for the portfolio of the Minister for Natural Resources, Mines and Water open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, would you care to make your opening statement?

Mr PALASZCZUK: Yes, thank you, Madam Chair. The state budget that was delivered by the Treasurer on 6 June was an outstanding one for our state. As the Minister for Natural Resources, Mines

and Water I am pleased to report that the budget makes a significant investment in the department and the sustainable management of the state's land, water, vegetation, mineral and petroleum resources. The sustainable use of these resources is not only preferred; it is essential. The budget forecasts record spending of \$650.5 million for the department in 2006-07. The budget also made considerable whole-of-government investments in areas related directly to the portfolio, including \$825 million for infrastructure to support the resources sector and approximately \$600 million for water infrastructure.

Water is one of the most complex areas of public policy. I welcome the comments by Prime Minister John Howard on water this week. His comments endorse the approach the Queensland government is already taking. In Queensland, we have been a leader in delivering on the national water reform agreement, the National Water Initiative. The government is committed to delivering water security for all water users—homes, businesses, farms, industry and the environment. Our regional water supply planning approach is essential.

The South East Queensland Regional Water Supply Strategy being developed and implemented by the government and local councils in the region is the blueprint for the region's water security until at least 2050. Through this strategy, the government is committed to a regional water grid, new dams, raising existing dams, a recycled water scheme for industry, a desalination plant and water-saving programs for homes, businesses, industry and local councils. The water saving response from the people of south-east Queensland has been fantastic. By the end of this month, the amount of water saved since the regional drought strategy was launched in May last year will be 100 billion litres or 100,000 megalitres. Based on the region's average current daily water use for July of about 690 megalitres per day, south-east Queensland has saved the equivalent of 145 days water use. Previously, the region's average daily water use for the month of July was 955 megalitres. The actual use is about 690 megalitres each day, which means it is 265 megalitres less for each day.

The government is committed to supporting the community in efforts to save more water and in turn save more money. Whilst the efforts on the demand side of the water equation are clearly working, we are implementing a range of initiatives to secure additional water supplies. One of these initiatives involves exploration work on the Nambour Basin to the city's north. The department has completed preliminary analysis for the region broadly between Caboolture and Nambour and is now preparing to undertake drilling investigations. The department has now selected six sites which I can now show to the committee—and I can table this map—of the areas where the department intends to drill. I will table this for the benefit of all committee members.

The department has been in contact with contractors able to drill up to 600 metres underground. If you can imagine the height of Q1, the world's tallest residential tower on the Gold Coast, which is 322.5 metres, we will be drilling down almost twice as far into the ground in the search for additional water. We hope this drilling work can commence next month. Queensland already uses more than 1.5 million megalitres of groundwater each year. I caution anyone hoping that this drilling will replenish our water supplies. It may provide modest water discoveries that can be used locally, but any such discoveries, I believe, will be welcomed by the people who live in south-east Queensland. With those few words, officers of the department and I welcome the committee's questions.

CHAIR: Thank you, Minister. The minister has also sought leave to table this map.

Mr PALASZCZUK: My apologies. I seek leave of the committee to table the map that I referred to.

Leave granted.

CHAIR: We might as well start our questions. I call the member for Callide.

Mr SEENEY: Thank you, Madam Chair, and thank you, Minister, for the opportunity here this morning and thank you to the departmental officers for attending in such numbers. As I remarked before, I hope there is somebody left in the department to answer the phones this morning. Minister, I refer you initially to your MPS where you identify the strategic issues facing the department, and quite rightly you identify water security particularly in south-east Queensland as a critical issue. You indicate that your department 'will lead the Queensland government's response to this issue'. In question on notice No. 8 that I asked you regarding your department's expenditure, and I would imagine you would agree, on your government's major response to that issue—that is, the construction of the two major dams—you indicate that your department in this budget has only allocated \$2.5 million towards what you call prefeasibility technical studies.

CHAIR: Can I remind the member that he has one minute to ask the question and he should not be making statements; he should be asking the question.

Mr SEENEY: I was working on the timer, Madam Chair, but thank you anyway. Minister, \$2.5 million does not seem like a lot of money. Can you indicate to the committee how you are going to lead the government's response with \$2.5 million, how you are going to lead the government's efforts in building those two new dams with \$2.5 million?

Mr PALASZCZUK: The Queensland government has a very proud record on water. For the benefit of the committee, I will start off by giving a general answer and then I will refer to the honourable member's question in specifics. As a government we really inherited a largely unmanaged and insecure water supply system that had not sufficiently accounted for existing entitlement holders and the environment. The Water Act had been a milestone in the management of our water resources. As a government now we are committed to securing future water supplies for all water users, which includes households, communities, businesses, industry, farms and the environment right across the state. We have one of the highest per capita water usages in the world which is equivalent to around about 1.1 million litres for each Queenslanders each year. In August last year the Queensland government released the Queensland Water Plan which outlines our commitment and our strategies for water use, and it has seven strategies.

When we talk about dams and we talk about the construction of dams, we have to have a look at the experience of the Paradise Dam. The recently completed \$200 million Paradise Dam on the state's Burnett River has added an additional 300,000 megalitres of capacity. If we go through the experience of the government in the construction of the Paradise Dam, the preliminary investigations for that dam, as is the case for the Traveston Crossing Dam, the Wyaralong Dam, the raising of the Borumba Dam, the raising of Hinze Dam and all of the other infrastructure areas that we are looking at, the department provides the initial information to cabinet. We make the recommendation to cabinet on what course of action the government is to take and cabinet then makes its determination.

As was the case with the Paradise Dam—and the honourable member was a member of the parliament when that occurred—a company was formed to then proceed with the construction of the Paradise Dam. A similar situation exists here in Queensland at this moment. The government has formed a company that will then take on through the Coordinator-General the construction of the Traveston Crossing Dam and also the Wyaralong Dam. So when it comes to the big-dollar items, Treasury is in charge of the big-dollar items. When it comes to the construction of the dam, the construction of the dam is then in the hands of the Coordinator-General through the company that has been formed to construct the dam.

Mr SEENEY: Thank you, Minister. I appreciate the answer. However, it was not the answer to the question I asked. The question I asked was specifically about the \$2.5 million that is allocated in this budget for your department to do what you describe as prefeasibility technical studies. Can you provide the committee with some information as to what you are going to spend that \$2.5 million on?

Mr PALASZCZUK: I will just reiterate what I have said previously on the funding of new dams and other water infrastructure. The Queensland government's budget included funding to continue the investigations and land acquisitions for the dams in the Mary and Logan valleys and the development of a range of drought contingency projects, including the western corridor water recycling scheme, the Gold Coast desalination plant, the southern regional pipeline and other regional interconnecting pipelines to create a water grid. Do you want to talk about what we have spent to date?

Mr SEENEY: No. You have indicated to me that there is \$2.5 million—

CHAIR: The member for Callide should—

Mr SEENEY:—in this budget for what you call prefeasibility technical studies.

CHAIR: Member for Callide, every time you ask a question the minister has three minutes to answer.

Mr SEENEY: Well, I wish he would answer, Madam Chair. It would be handy if he would.

CHAIR: Please stop interjecting and allow the minister to answer the question. The minister has the ability to answer the question in any way he deems proper. If the committee wishes, they may report in the final report.

Mr PALASZCZUK: Yes. I will keep going and then I will get the deputy director-general to go through where that money has been spent because we have the information there. However, I need to continue.

When we talk about drought projects, the state has allocated \$135 million in additional funding to the proponents for these projects to ensure that early works and long lead time acquisitions in materials can take place to expedite project delivery to meet drought time frames. We have allocated \$100 million for the western corridor water recycling scheme, \$21 million for the southern regional water pipeline and \$40 million plus an additional \$80 million for the Gold Coast desalination scheme. It is expected that we work in partnership with SEQWater and with the Gold Coast City Council to make sure that these projects are on time. In relation to the \$2.5 million, my deputy director-general will answer that.

Mr Spencer: Of course, that is not our full budget for water, as you know. We have just within my group \$10 million at least in terms of the planning work. The sorts of studies we will get involved in will range from the sort of work we need to do with SunWater in terms of relocating infrastructure to more hydrological work. We are doing water balance work across the whole of the south-east and we will be working with the new Queensland Water Commission to determine the actual water balance that is

required so that we can work out the supply-demand relationship. There are a large number of consultancies that we will enter into. Some we will do internally through our Natural Resource Sciences Centre out at Indooroopilly

CHAIR: Minister, do you want to continue? Member for Callide, does the minister have permission to continue?

Mr SEENEY: He has not come close to answering the question yet. I will ask a further question regarding it. If that \$2.5 million that you referred to is, as you said, committed towards a prefeasibility technical study for those two dam sites—the Traveston Dam and the Wyaralong Dam—what I am trying to establish is how much work has been done by the department and how much work you are going to do for that \$2.5 million.

Mr PALASZCZUK: For the benefit of the committee, I will go through the investigations. It is not one study; it is a combination of studies. There is from GHD the provision of consultancy services to carry out a desktop review. We all know that very lengthy and complicated report. We have committed \$260,000; hydrological assessments, \$200,000; through SunWater, the concept design of the Traveston, Wyaralong and Tilley's dams, \$1.7 million; Tilley's Bridge and Traveston through the Department of Main Roads, \$120,000; and *Water for South East Queensland: a long term solution*, carried out by DNRMW and Sandra Brizca and Associates, \$200,000. That gets us up to \$2.48 million.

Q-Build is providing security for the drilling rig at the Traveston site and at Tilley's Bridge for \$53,000. In relation to community support, Langmont Advantage, the provision of counselling services to landholders affected by plans to build dams on the Mary and the Logan rivers, \$48,000; the Right Connection, Traveston, \$73,000; directors' administration, \$38,500; technical support, \$24,100; mapping, including contractors, aerial photographers and software, \$490,000; valuations, \$43,832; dam land dealings, \$55,353; and the printing of technical reports, \$1,000. That gives us total operating costs of \$3,306,785.

In capital costs, dam land dealings, property settled in 2005-06 was \$1.215 million and property settled by 20 July 2006 was \$2.3 million, with the total capital costs of \$3.515 million. The total costs incurred are \$6,821,785. For the benefit of the committee, I seek leave to table this document that I referred to on operating costs.

Leave granted.

Mr SEENEY: You referred to the GHD report, which has been referred to extensively as the government's basis for the decision. This is the extensive and complicated GHD report, to use your words.

Mr PALASZCZUK: It is.

Mr SEENEY: Here is the section that deals with the Traveston Dam—30 pages. By my count there are nine maps, there are six pages that are left blank where it says that the information is not available and there are two pages—

CHAIR: I remind the member for Callide to put his question to the minister without arguments or statements.

Mr SEENEY: Thank you, Madam Chair. I believe I have a minute and I am working on the time.

CHAIR: Please put a question. Under the standing orders, you are not able to make statements or explanations.

Mr SEENEY: Can I have the minute again to ask the question?

CHAIR: Just ask the question.

Mr PALASZCZUK: Let us be friends, okay. Please, I am ready for the question.

Mr SEENEY: This is the so far publicly available information on which your government has based its decision. I am trying to determine what work your department will be doing to expand on that and to determine whether or not the dam is actually feasible.

Mr PALASZCZUK: Right. I think the question that is asked by the honourable member is a valid question. If you have a look at the number of pages that have been used in relation to the Traveston Crossing Dam, it is 30 pages. But what is that report all about? It is an investigation of how many dam sites? It is an investigation of 80 dam sites—not just one or two but 80 dam sites. Each dam site had to be treated equally with the other dam sites. That is what that report is all about. It is a desktop study that was commissioned by the department in partnership with SEQWater to find dams on the Sunshine Coast and on the Gold Coast that would be the highest-yielding dams. We were after water. As you would know, through that report there were recommendations made to government about a number of dams that were the preferred dams. Of course, the dam that came out as the No. 1 in terms of yield, far and above any other dam, was the Traveston Crossing Dam.

We have to understand that this report was not commissioned just by the state government; this report was commissioned in partnership with the South East Queensland Regional Water Supply

Strategy. As I have said earlier, the intention was to identify projects worthy of further consideration and the additional work that was required. As a result of that report and as a result of reports that we referred to in this document, we produced *Water for South East Queensland: a long term solution*. That now is superseded. This is the working document. This is the one that the department is referring to. This is the one that the department compiled as a consequence of that research plus all the other reports that we have.

For the benefit of the committee—it might take me a while—I will table them all. Not only did we use the GHD report—this is the document that I have just tabled—we also used the *South East Queensland Regional Water Supply Strategy, stage 1*; SEQWater's *Responding to drought in South East Queensland: contingency planning for urban water supply*; the *South East Queensland Regional Plan 2005-2026*; the Gold Coast draft water resource plan; the Moreton draft water resource plan; the Mary Basin draft water resource plan; the *Queensland Water Plan*; the planning guidelines; South East Queensland Water Board; the *South East Queensland Regional Water Supply Strategy*; *Towards Sustainable Housing in Queensland*; *Climate Smart Adaptation*; *Climate Change*; *Nature Smart Suburbs*; the framework; *South East Queensland water and wastewater management study, final report for phase 1: water services and infrastructure needs*; the Queensland government's report *Drivers of economic growth in the Smart State: productivity and regional economic performance in Australia*; the drilling results for the Traveston Crossing Dam site done by Golder Associates—and as we all know that is also on the net; a collection of reports from the Office of Economic and Statistical Research; the *Toowoomba and area water supply future directions*; the *Future water supply options for Toowoomba City and customer shires pre-feasibility study*; the department's *Annual Water Statistics*, released earlier this year and available on the department's web site; domestic water use studies; and *Where is the wealth of nations?* by the World Bank. Do you want any more?

CHAIR: Does the minister seek leave to table all of those documents?

Mr PALASZCZUK: Yes, I seek leave to table these documents for the benefit of the committee. I can also point out to the committee that we have a schematic representation of what the Traveston Crossing Dam is going to look like. I seek the leave of the committee to table the schematic representation of the Traveston Crossing Dam for the benefit of the committee. Would you like any more reports?

Mr SEENEY: No, I would like to ask you some questions about the reports that you have just tabled.

Leave granted.

Mr PALASZCZUK: Could I say to the honourable member—

Mr SEENEY: You have had your three minutes.

Mr PALASZCZUK: They are all summarised in the document 'A long-term solution'.

Mr SEENEY: The most relevant question is: how many of those reports actually mention the government's preferred option of Traveston Dam?

Mr PALASZCZUK: You will find—

Mr SEENEY: How many actually mentioned it before the government announced it?

CHAIR: The member will cease interjecting. He has asked the question.

Mr SEENEY: I know, but the minister will not answer it because he knows as well as I do that it was not even in any of these reports.

CHAIR: I warn the member. He should cease interjecting. Minister, please answer the question.

Mr PALASZCZUK: I think the honourable member has asked a question and he has answered the question in his own way. As far as I am concerned, when you plan a dam you use as many reports as you can. You do not have a dozen reports on the geology of the area and you do not have a dozen reports on anything else; you have a look at the whole picture. That is what the whole picture is about. When we go back to the GHD report, as I said earlier, 80 dam and weir sites were investigated. We all know that GHD did not do any of the on-ground investigations; the department had to do that. As I said earlier, the report ranked potential development options in terms of potential yield and the volume of water that could be potentially delivered.

Let us talk about the Traveston Crossing Dam. Let us call it the Traveston Crossing Dam, please. The people in Traveston do not like the dam being called the Traveston Dam; they want it to be called the Traveston Crossing Dam. We have acceded to their request and that is why I am referring to it as the Traveston Crossing Dam. What are the reasons behind the selection of the Traveston Crossing Dam? We all know about the previous 1994 study called *Water supply sources for the Sunshine Coast and the Mary River Valley*, which investigated supplying rural water to the Mary Valley and urban water to the Sunshine Coast—

Mr SEENEY: He is just wasting time.

Mr PALASZCZUK: You do not want to know the reasons behind the selection of the Traveston Crossing Dam site?

Mr SEENEY: You are not answering the question.

Mr PALASZCZUK: Of course I am.

Mr SEENEY: The question was how many times it was in that report. You know it was.

Mr PALASZCZUK: Ask me again and I will tell you.

CHAIR: Member for Callide, I am warning you.

Mr SEENEY: You have been warning me all morning, before we even start.

CHAIR: Please. The time for non-government questions has expired.

Mrs CARRYN SULLIVAN: Good morning, Minister and departmental staff. I refer you to the first dot point on page 8 of the Ministerial Portfolio Statement and the reference to the construction of water infrastructure on the Logan and Mary rivers. Can you please advise of the government's decision on the dams for these catchments and the way forward to bring them to completion?

Mr PALASZCZUK: I thank the honourable member for the question. Earlier this month the government made major announcements regarding new water infrastructure for the state's south east. Combined, these projects can provide an additional 192,000 megalitres each year. The government and local councils have been working tirelessly on programs and initiatives to secure future water supplies for the state's south east. The fact is that the unprecedented growth in our population, climate change and climate variability have placed unprecedented pressure on our existing water supplies. Water-saving initiatives for homes, businesses, industry and local councils are important, but the fact is that a significant water gap remains.

The staged development of the Traveston Crossing Dam and the raised Borumba Dam in the Mary River catchment can provide 150,000 megalitres each year, and that is proven yield. The construction of the Wyaralong Dam and the Bromelton offstream storage in the Logan River catchment, as well as the raised Hinze Dam and water harvesting at Hinze Dam, can provide 42,000 megalitres each year. The government is well aware of the impacts these water infrastructure projects will have on the residents and also the communities. That is why the government has already committed to providing fair and reasonable compensation for affected landowners. That is why the government has appointed a task force, headed by former Queensland Governor Major General Peter Arnison, and made up of directors-general of many departments including Mr Bob McCarthy, the Director-General of the Department of Natural Resources, Mines and Water.

No dam can be built without having an impact. I am in no way insensitive to the concerns of landowners and other affected residents. The government's commitment to build Wyaralong Dam and Traveston Crossing Dam and operate from a stage 1 elevation level of 71 metres by 2011 is important.

It is interesting to note that the Borbidge government in 1997 committed to the construction of a dam on the Albert River by 2015 and a new dam on Teviot Brook by 2065. The Teviot Brook Dam is essentially the Wyaralong Dam site. So when last in government the National Party wanted to build the Wyaralong Dam 54 years later than our government has planned.

CHAIR: I refer the minister to page 4 of the Ministerial Portfolio Statement, which refers to the new dams located on the Logan and Mary rivers. Minister, I refer specifically to the dam on the Mary River which the government has announced to be at the Traveston Crossing Dam site. Minister, can you give the committee detail about what the Traveston Crossing Dam will look like and how it will operate, and what is the time frame for this project?

Mr PALASZCZUK: In the heat of the moment I tabled the schematic representation of what the Traveston Crossing Dam would look like.

CHAIR: Do you seek leave to table that?

Mr PALASZCZUK: Yes.

Leave granted.

Mr PALASZCZUK: I thank the honourable for the question. On 5 July, the Premier and I attended a public meeting in Gympie with officers of the department to announce the government's decision for a three-stage development of water infrastructure in the Mary River catchment. The full operation of the Traveston Crossing Dam and the raising of Borumba Dam can provide up to 150,000 megalitres each year.

What we need to do is remind members of the committee that the Traveston Crossing Dam site is the only site in the region that can provide such large water yields. To replicate that yield in the Mary River catchment we would require an additional three more dams. No-one should dispute the need for additional water supplies. Our government is committed to new dams and raising existing dams, a regional water grid, a recycled water scheme for industry, a desalination plant, as well as water saving programs for homes, businesses, industry and local councils.

At the time the government made its announcement we also released the drill test results. These results are posted on the department's web site, and I urge anyone interested in examining them, both the statistics and the colour photographs of the cores, to do so. The results show that we can build a dam on that site and we will build a dam on that site.

In terms of the Traveston Crossing Dam, it will have a roller compacted concrete wall type across the valley floor, with earth embankment sections on both the left and right abutments. The roller compacted concrete part of the Traveston Crossing Dam is similar to the new Paradise Dam on the Burnett River. The maximum concrete wall height is 59 metres and the length of the concrete wall is 475 metres. In terms of the abutments, the maximum wall height is estimated at 66 metres. The length of the abutment wall on the left abutment is 471 metres and the right abutment is 350 metres. So the combined length of the dam wall and the walls of the two abutments is 1,296 metres or almost 1.3 kilometres in length. In order to safely pass floods and to mitigate flooding in Gympie, a concrete liner is planned. Both upstream and downstream fish passages will be accommodated in the design and the Paradise Dam example is being considered. There will be outlet works to enable releases of water to downstream water users.

In terms of the time frame for the Traveston Crossing Dam project, I can outline the following process in greater detail. I ask the chair for an extension of time.

Leave granted.

Mr PALASZCZUK: This is very important. The approach will be developed utilising a three-phase approach.

Phase 1—planning and environmental approvals. This phase will involve undertaking all the necessary background information gathering for the development of the EIS. This will include the development of terms of reference, baseline monitoring, design development and initial construction planning. The EIS will be developed and released for comment from the public and the referral agency. The Coordinator-General will undertake the assessment, and the Commonwealth Department of the Environment and Heritage will also be involved in the assessment.

Phase 2—tendering and preconstruction planning. This phase is undertaken once environmental approval is obtained. The project will be tendered for design and construction by a competing consortia and contracts negotiated for the successful bidder. Concurrently the preconstruction development approvals will be obtained.

Phase 3—construction and commencement of operation. Construction of the project and the relocation of affected infrastructure will be undertaken. Construction will be done, conforming with the approval of conditions as identified in the EIS and any subsequent approvals.

The overall dam project summary time frame is as follows: commence environmental studies by August 2006; project of significance declaration by the end of 2006; draft EIS terms of reference prepared by late 2006; Commonwealth EPBC Act referral by the end of 2006; more detailed dam design is ongoing; more detailed affected infrastructure design is ongoing; environmental impact study, research, monitoring, reporting to be conducted by 2007; EIS available for comment by early 2008; state and Commonwealth assessment by mid 2008; tendering for construction by early 2009; construction commences by mid 2009; construction completed by the end of 2011. For the benefit of the committee, I seek leave to table the time frame for the process of the construction of the Traveston Crossing Dam.

Leave granted.

Mr HAYWARD: Minister, this question is from a different part of your portfolio. I refer to page 22 of the Ministerial Portfolio Statement which refers to the Smart Exploration Program. Could you indicate whether there are any areas that have been identified with potential mineral prospects? Could you outline any strategies to ensure that these areas are actively explored?

Mr PALASZCZUK: I thank the honourable member for the question. The Smart Exploration Program is a \$20 million government program managed by the Department of Natural Resources, Mines and Water to stimulate exploration investment in Queensland over four years which commenced in July 2005. It builds on earlier initiatives that apply geological, gravity and airborne geophysical data to increase the area of the state covered by these key data sets. A key strategy in the first year of the program has been to capture new airborne geophysical data in the Mount Isa region, also known as the north-west Queensland mineral province. The province contains a wide range of commodities, including world-class deposits of copper, lead, zinc and silver, and has potential for the discovery of new mineral deposits.

Much of the prospective host rocks of the province are buried under a cover of sedimentary rocks. Geophysical methods allow explorers to see through the sedimentary cover to enable assessment of the underlying rocks. The government has focused on these methods in the Smart Exploration Program—and here is a copy of the Smart Exploration Program—as the data generated is highly sought after by industry to lower exploration risk, particularly in unexplored or underexplored greenfield areas.

Early interpretation of the preliminary airborne geophysical data has indicated a number of significant regions with potential for mineralisation.

To manage the release of the data and to ensure that these regions are actively explored, the government has created seven restricted areas over untenured land totalling approximately 3,350 square kilometres. This area is much larger than the ACT, which is 2,358 square kilometres. These areas will be put out to tender for exploration, together with a package of data. This is expected to occur in December.

This means that explorers with the best programs will gain access to these areas which we believe have significant potential for mineralisation. For the benefit of the committee, I have a map here outlining the restricted area and another schematic interpretation of that area. I will repeat for the benefit of the committee that we believe that these areas have significant potential for mineralisation. We have locked them up, and they are going out for private tender by the end of this year. This really is a good news story for Queensland and a good news story for Queensland mining, because I can see the industry going further and further ahead in leaps and bounds. It is a good news story.

CHAIR: Do you seek leave to table both of those documents?

Mr PALASZCZUK: I seek leave to table both documents for the benefit of the committee.

Leave granted.

Mr LAWLOR: Minister, pages 2 and 3 of the Ministerial Portfolio Statement summarise the Department of Natural Resources, Mines and Water initiatives under the government's historic Blueprint for the Bush strategy in partnership with AgForce and the Local Government Association of Queensland. Could you please detail the department's involvement in the Blueprint for the Bush strategy and the expected benefits from this work?

Mr PALASZCZUK: I thank the honourable member for the question. The Department of Natural Resources, Mines and Water is a major contributor to the whole-of-government Blueprint for the Bush strategy because of our legislative planning and management role as custodian of Queensland's land, water and vegetation resources. Over the next four years the department will outlay a total of \$47 million on seven significant projects to help landholders with practical measures to address rural issues and needs. These projects, developed in response to consultations on the Blueprint for the Bush, are aimed at helping landholders adapt to changing conditions and improving the sustainable management of natural resources.

The State Rural Leasehold Land Strategy will receive \$19 million over four years, including \$4 million in 2006-07 to implement the State Rural Leasehold Land Strategy. This will provide a framework for improved management and use of more than half of the state's total land area by adopting a balanced mix of regulation and lessee incentives.

Reclaim the Bush—a Pest Offensive will receive \$11 million over three years, including \$3 million in 2006-07 to address the three critical aspects of pest management in the state. Specifically, preventing and eradicating new pests, reducing the impacts of widespread pests and developing innovative solutions.

The Environmental Partnership Scheme will receive \$5.5 million over three years, including \$1.5 million in 2006-07 to combine and enhance several existing vegetation management programs. The intention is to give landholders incentives to protect areas of special environmental value.

Rural Water Use Efficiency will receive \$4 million over three years, including \$1.3 million in 2006-07 to extend stage 3 of this water saving program across Queensland. The project will expand the existing partnerships with the initial four industry groups and we also intend to form new partnerships with the production nursery, flower growing and turf production industries.

Our OnePlan initiative will receive \$3 million over four years, including \$640,000 in 2006-07 to give rural landholders a consistent and coordinated approach to preparing property planning documents that satisfy the natural resources and environmental management requirements of government agencies.

The Cape York Tenure Resolution will receive \$1 million from 2006-07 to resolve the tenure of 20 parcels of state owned land.

The High-Priority Artesian Bore Capping Initiative will receive \$500,000 over three years, including \$200,000 in 2006-07 to encourage landholders to participate in the capping and rehabilitation of nine identified high-risk bores on properties in the Great Artesian Basin.

CHAIR: Member for Pumicestone?

Mrs CARRYN SULLIVAN: Page 121 paragraph 2 of the MPS refers to the work the department does to protect the safety and health of the public and police involved in the mining, quarrying, explosives, fireworks, petroleum and gas industries. Can you please outline what work is done and can you specifically deal with the issue of regulating the sale of explosives within Queensland in light of recent allegations that a Brisbane man fraudulently obtained explosives?

Mr PALASZCZUK: I thank the honourable member for the question. Queensland is reliant upon its mining, quarrying, construction and agricultural industries and the wealth which they generate. These industries require an efficient explosives industry, currently providing in excess of 12 million kilograms of explosives per week. While enabling legitimate users of explosives to access and use these large quantities of explosives, controls must be in place to prevent or minimise the probability of an unauthorised person accessing even small quantities.

A quantity of explosives such as 50 kilograms, the amount illegally accessed on this occasion, is sufficient to replicate the London or Madrid transport system bombings or the Bali bombings and hence it is essential that tighter controls on their availability and accessibility are maintained. Following the recent detection and recovery of illegally purchased explosives involving falsified documentation, legislative controls for explosives sellers and authorised purchasers were urgently reviewed to explore opportunities for further security improvements to prevent a recurrence.

We can all be thankful that on this occasion the heightened awareness of security, the provision of information, the alertness and rapid response of the Explosives Inspectorate and excellent police work resulted in the early and safe resolution of an explosives incident with potentially tragic consequences.

A meeting was held by the then acting Premier and myself with the relevant industry stakeholders to discuss the issues involved and to alert industry to the potential dangers and canvass solutions to ensure ongoing explosives security is maintained. As an interim measure, additional security requirements were implemented immediately for explosives sales and purchases in Queensland. These sought to further ensure that explosives remain under authorised control. Ongoing meetings with industry stakeholders discussed potential improvements to explosives controls which could be implemented in Queensland and promoted nationally through the Council of Australian Governments.

Whilst the existing tight legislative requirements for explosives sales in Queensland reflected those in place nationally, a number of additional security measures were identified which would provide a greater level of security and safety for the community. The Explosives Regulation 2003 was amended on 1 June 2006 to improve the security of explosives sales through validation of the explosives authorities of the purchaser via the regulator, production of explosives sales records to the regulator on a monthly basis, inclusion of a security plan in the seller's obligation to ensure explosives control from seller to purchaser and inclusion of obligations on any explosives purchaser to confirm receipt of explosives purchased.

CHAIR: The time for government members' questions has expired. I call the member for Callide.

Mr SEENEY: I refer again to the Traveston Dam project and the answers that you gave to some of the government members about your determination to proceed with that project and the \$2.35 million that is listed in this budget for a prefeasibility study. Are you suggesting that the government is going to proceed with the Traveston Dam whether or not it proves to be feasible?

Mr PALASZCZUK: We have found that the construction of the dam is feasible. The government has made a decision and that decision is based on a number of very important points. The most important point is this: in south-east Queensland we need additional supplies of water. The only large area available to supply that water is the Traveston Crossing Dam on the Mary River. We are looking at a potential yield of around about 150,000 megalitres if we go through to the stage 3 process.

Earlier on I was trying to give the committee the reasons behind the selection. I will continue the reasons as to why we have selected the Traveston Dam. We had that study in 1994 which only looked at water supply for the local area—the Sunshine Coast and the Mary Valley. At that time the Traveston Crossing Dam site was excluded because it was considered unsuitable. However, since that study the water supply situation has changed significantly. The current drought has demonstrated that the existing surface storages are vulnerable to climate variability and climate change. Water can no longer be supplied and managed on a local basis so there is a need to develop whole-of-region solutions to the future water needs of south-east Queensland. The Mary catchment is one of very few river systems in south-east Queensland with the capacity for significant new water resource development.

The overriding reason for selecting the Traveston Crossing Dam site is the yield that it is able to deliver at high reliability. No other dam or combination of dams in south-east Queensland can offer the same quantities of reliability of supply. It is for these reasons that the dam is going to be built, recognising that all options in south-east Queensland are expensive and considerably more so than any of our previous supplies.

Economic assessments undertaken by ACIL Tasman indicate the costs of not having necessary supplies for the future regional economy of south-east Queensland to be between \$55 billion and \$110 billion. In such circumstances, the costs of not augmenting supplies in south-east Queensland will be much greater than the cost of developing the Traveston Crossing Dam. Further, the development of smaller projects such as the Borumba Dam raising on its own and Amamoor Creek Dam are not realistic options that meet future needs. These dams in isolation have very low yields and a high probability of

failure. The end result of not properly addressing the water shortages now will be that additional very expensive water infrastructure will need to be provided during a future drought.

Mr SEENEY: How can your government make a decision to invest billions of dollars before the prefeasibility study has even been completed, let alone the list of studies that are identified as necessary in the GHD report? How can you make the decision to invest at least \$2 billion before any of that work has been done?

Mr PALASZCZUK: I once again refer the committee to the question, 'Why do we not know all the answers now?' Well, quite simply, the process of building a dam is quite a complex one. Our government has recently gone through the process of building the Paradise Dam on the Burnett River. I believe that as a government that has built the only dam in Australia in the last 10 years we are well versed in the process of building dams. I remind the committee that when the Wivenhoe Dam was built—our region's largest dam—the decision to build it was made in 1971. But when was the comprehensive evaluation of it made? In 1977—six years later on. This 1977 report for the then Coordinator-General said as much: 'The decision to build the project was made before this present evaluation was started'. I remind the committee that this 1977 report was commissioned to evaluate the economic, financial, social and environmental effects which would arise as a result of the decision to build Wivenhoe Dam and its associated works.

Surely you must know that with the construction of any dam detailed investigations are made after preliminary evaluations and a decision on the site is made. You have announced that you will follow our government's policy. You have promised to build the Wyaralong Dam—no ifs, no buts, no maybes. You have made that decision and by your own argument you should have taken into account all the infrastructure implications of that decision and budgeted that to the dollar. If you have not done your work then, according to your own argument, you should not be in a position to make your final decision on the Wyaralong Dam.

The fact is that governments need to broadly assess the implications of water infrastructure. If the yield of water is what is required and is sustainable and there are no show stoppers in a hydrological, social, environmental or economic sense, then it should proceed with full investigations, assessments and ultimate constructions. The department, with the Coordinator-General, has been in contact with other departments and agencies regarding the potential impacts of the construction and operation of the dams.

I find it strange that the opposition claims that the government should not have made a decision to build a dam at the Traveston Crossing site when more studies need to be done on the impacts when the opposition has made the decision to build the Wyaralong Dam based on the same information as the Traveston Crossing Dam site.

You have not committed in your plans for a Wyaralong Dam to relocate infrastructure such as the Boonah-Beaudesert Road; you have not made any commitment to work with the affected landholders and community to assist them with the Wyaralong Dam.

CHAIR: I remind you to direct your comments to the chair.

Mr PALASZCZUK: I am very sorry, Madam Chair.

Mr SEENEY: Can you confirm the government's intention to build the Traveston Dam in two stages and confirm that it is the government's intention to build the second stage at the same time as they build the first stage but only half fill the dam? Is that the government's intention?

Mr PALASZCZUK: That is a bit of a fallacy that is out there. The government's intent is to build the full dam at the very beginning. However, we are only going to fill the dam up to 71 metres. That will give us a yield of around about 70,000 megalitres. That is what the government's intent is. While I am answering that question—I need to provide a thorough answer to any question in relation to that dam—the Premier has made it abundantly clear that the government is proceeding with the Traveston Crossing Dam.

Mr SEENEY: Whether it is feasible or not.

CHAIR: I remind the member to cease interjecting and allow the minister to finish his answer.

Mr PALASZCZUK: If the honourable member wants to continue to question me on feasibility, let us do it. Then we will talk about the Wyaralong Dam and we will talk about the Traveston Crossing Dam as well; you have to have both. I can reaffirm and let the committee know that the full dam wall is being built and that it will be built by the end of 2011. Its capacity in phase 1 will be 180,000 megalitres with a yield of 70,000 megalitres per annum; phase 2 in 2025 will be the raising of Borumba Dam by about 30 metres to a 350,000 megalitre capacity to deliver an extra 40,000 megalitres per annum; and phase 3, which is 2035, would be the full operation of Traveston Dam with a total system yield of 150,000 megalitres per annum. That is as plain as day.

Mr SEENEY: Minister, is it correct that the landholders who are going to be affected by stage 2 are not going to have their land resumed until stage 2 is implemented, that they are going to have to live within the inundation area at the risk of a flood?

Mr PALASZCZUK: People who are involved in stage 1, with the dam to be constructed by the year 2011, have been contacted and negotiations are currently underway. Because we are staging the construction we require acquisitions of less than 500 properties before 2011, meaning that many landholders who are not impacted by stage 1 will not have to leave their properties before at least 2035. Nonetheless, the Queensland government will need to purchase their properties eventually. The staging will provide an opportunity to work with the Kandanga and other communities for their redevelopment and to secure their future as a vibrant and viable community centre as part of the full development of Traveston Crossing Dam.

We are currently continuing our consultation processes with the local landholders to purchase properties required for the first stage of the dam. Our government will undertake a fair and reasonable compensation process. The Queensland government will also continue to stand in the market and that is what we have done with Wyaralong Dam and Glendower Dam: when properties come on the market the government will purchase the properties. We intend to buy properties that may be required in the second stage process.

In addition, once the sale process for these properties is completed, former landholders can remain on the property at heavily concessional rents until the dam is completed in five years time. This will involve leasing back the property at either a set rate of three per cent of the unimproved capital value or \$1,000 per annum, whichever is lower. Landholders not affected until stage 2 of the project will be able to remain on their properties for up to 20 years. They will be able to do so once again on a discounted rental basis, and the rent would be set at 25 per cent of the assessed market rental lease rates.

There will certainly need to be significant community adjustment, including attendance to schools, new transport arrangements and social interactions. Independent providers have been engaged to provide independent and confidential counselling services to landholders directly affected by the proposed dam. A project manager has been appointed for ongoing consultation. A series of forums are also being held with the landholders and community members for information exchange and airing of grievances. Other consultation processes include mailouts, newsletters, a web site and a hotline.

Mr SEENEY: This strategy would surely present an enormous flood risk to those people who are affected by stage 2 and for the community of Kandanga especially. What is the government's thinking behind this strategy of building the dam to its full height initially and only filling it to a very low level?

Mr PALASZCZUK: I thank the honourable member for the question. That is a good question. I do not know whether it is related to the MPS; however, I intend to answer this question, Madam Chair.

The dam will be able to pass floods resulting from extreme levels. These will be much greater than have occurred on historical records. Analysis will occur to optimise benefits in respect of flooding. There is no doubt there will be reduced flooding in Gympie. Kandanga is already susceptible to flooding. Flooding in Kandanga will have to be managed and some relocations of infrastructure may be desirable. The design issues will be addressed by Queensland Water Infrastructure Pty Ltd. The Community Futures Task Force, headed by the former Governor of Queensland, Major General Peter Arnison, will address local, social and economic issues.

Mr HORAN: Minister, on this particular question, my wife and I once had a farm right there and it will be flooded by the first stage. I can speak from experience of the floods and the massive floodwater that goes down there. If you build that dam wall to its full extent and the people who are in stage 2 are not bought out, Kandanga itself and other communities will be in absolutely extreme and certain risk of being flooded, because no dam out there will handle the water from floods like those in 1974. It will just go straight over the top.

CHAIR: Could the member actually ask the question rather than make a statement.

Mr HORAN: My question is: what are you going to do to protect those people who will be flooded because of the full construction of the dam wall?

CHAIR: Is the minister happy that this is through the MPS?

Mr PALASZCZUK: Yes. This is a very important issue; we should pursue this. I will ask the director-general to respond and continue from where I left off previously.

Mr McCarthy: I will just go back to the minister's answer in terms of whether the dam is going to be built in one or two stages. The basic infrastructure of the dam will be constructed in stage 1. Essentially, although we have not yet completed the full concept design of the dam itself, the idea is that at stage 1 it will fill to the level of the spillway. The dam design—which is on the photo that was provided earlier—will provide for gates on the dam. At stage 1, gates will not be either closed or fitted. So, basically, any flood levels will come over at 71 metres.

The downside of that is that the dam at stage 1 will not provide the level of security to the town of Gympie that stage 2 will ultimately provide, in terms of the capacity of the dam to hold significantly additional quantities of water. So the water will not be held back in the dam; the water will go through the dam and down the river once it hits the stage 1 supply level.

Mr PALASZCZUK: I understand that the honourable member is referring to people who live upstream of the dam wall. We also need to look at the people who live downstream of the dam wall. However, we are very confident that, with the construction of the dam wall to its full height, with not putting the gates in on the spillway, the water will flow over the dam and just fill to that 71 metres height that I mentioned to you previously. So we are confident that is going to occur.

Mr SEENEY: Minister, without a dam in the Mary Valley there are flood issues for communities like Kandanga. How can you be confident of that when you have not even done any of the initial studies? By your own admission, you have not done those studies, yet you come before the committee and say that you are confident it is not going to do these things. How on earth can you make such broad, sweeping statements with no technical basis and no basis at all for the decisions that the government is taking?

Mr PALASZCZUK: I believe I have answered the question asked by the honourable member to the committee. Suffice it to say, the design in the construction of the dam wall will allow the water to go over the spillway and just fill to that maximum height of 71 metres. This will not affect people who are living in the stage 3 section, nor people who live in Kandanga or Imbil—any more than they are now.

CHAIR: The member should move on to the next question. The minister has answered that question.

Mr SEENEY: Okay. Minister, how much will the water from the Traveston Dam cost for the people of Brisbane? How much will the people of Brisbane pay for the water out of the Traveston Dam?

CHAIR: Is that an appropriate question, Minister?

Mr PALASZCZUK: When we talk about costings and so on, those issues will be handled by Treasury and South East Queensland Water. But simply considering only unit cost is inappropriate in the circumstance where the main issue is to be able to find the volume of water needed to support long-term growth in south-east Queensland. More appropriately, a decision should be made on the basis of being able to deliver the final outcome of safe and reliable supplies.

You referred to the GHD report. It ranked the dam options on the basis of cost per megalitre, and only the Traveston Crossing Dam option, of all those identified, has the capacity to provide significant quantities of reliable supply due to the extent of the catchment that would be commanded by the dam. Traveston Crossing ranked No. 1, and that is the most important criteria for us, in supply yield. But when we look at Traveston Dam and we have a look at its unit cost per megalitre and then we compare that with Wyaralong Dam—which you totally support—do you know what the unit cost per megalitre of water is going to be from the Wyaralong Dam?

Mr SEENEY: You are the minister.

Mr PALASZCZUK: Well, do you? You don't know.

Mr SEENEY: I will come and sit over there, if you like.

CHAIR: Order!

Mr PALASZCZUK: Do you know what it is? It is exactly the same.

Mr SEENEY: You come over here.

Mr PALASZCZUK: It is exactly the same as the Traveston Crossing Dam.

CHAIR: I ask the minister to address his comments to the chair, and I ask the member for Callide to ask his question. He has one more question before we go over to the government members.

Mr SEENEY: Minister, what is the pumping cost from the Traveston Crossing Dam to Brisbane? How much will the pumping infrastructure cost? How much per megalitre will it cost to pump the water back?

Mr PALASZCZUK: The Premier has made an announcement of \$25 million for linking up the northern pipeline. All those costs—

Mr SEENEY: To investigate it.

Mr PALASZCZUK: Of course they have to be investigated.

CHAIR: I ask the member to cease interjecting.

Mr SEENEY: Well, you're not going to build a pipeline for \$25 million. Come on!

CHAIR: Order! I ask the member for Callide to cease interjection and allow the minister to complete the answer to the question.

Mr PALASZCZUK: I have calmed down, Madam Chair. The honourable member should be aware that the issue of the cost of dam projects was raised with the Treasurer during her appearance at the estimates hearing last week. The matter of the costs for the dam project is a matter ultimately under the Treasurer's responsibilities. For the benefit of the honourable member, let me refer to the Treasurer's comments on this issue.

Mr SEENEY: You don't know how much it will cost.

CHAIR: Member for Callide!

Mr SEENEY: Your department has rolled.

CHAIR: Member for Callide, I warn you to cease interjection. Otherwise, I will have to adjourn the committee and we can discuss it further. Please allow the minister to finish his answer. You are impeding the work of the committee by interjecting continually.

Mr PALASZCZUK: If the opposition had any further questions on costs, you should have raised them with the Treasurer. If you believe that the Liberal leader did not do his job when questioning the Treasurer, that is a matter only you can fix.

Mr SEENEY: So you don't know; you haven't got a clue.

Mr PALASZCZUK: For the benefit of the committee—

CHAIR: I warn the member for Callide under standing order 184(1). Your conduct is grossly disorderly. If it continues, I will have no option but to ask you to withdraw from this hearing. Please continue, Minister.

Mr PALASZCZUK: Madam Chair, the Treasurer said—

As you would be aware, we have only just finalised the sites for the dams.

...

Having just finalised those decisions, we are now in a position to begin doing some thorough costing and to also work through the allocation of those costings into predicted and forecast financial years. That is obviously a matter that we will have to look at in both the mid-year review and the 2007-08 budget. We are reasonably comfortable that the funds that will need to be expended this financial year are provided for in this year's budget and further expenditure on what are very significant new pieces of infrastructure obviously will have to be provided for in the out years. But we are in the process of calculating the costs ... across those years as well as determining how we might also account for a return on the investment in that infrastructure.

The Treasurer also said—

We are yet to make final decisions, but we are anticipating that we would be looking at funding this infrastructure through a combination of debt and equity.

That is not something the Department of Natural Resources, Mines and Water does. It is purely and solely a function of Treasury.

CHAIR: Minister, the time for non-government questions has expired. I call the member for Kallangur.

Mr HAYWARD: Note 10 on page 32 of the Ministerial Portfolio Statement refers to the government owned water service provider, SunWater. Can you detail SunWater's planned capital expenditure program across its business and whether there has been any independent assessment of local management for SunWater schemes?

Mr PALASZCZUK: I thank the honourable member for the question. With respect to capital investments, the following projects are being implemented by SunWater during 2006-07. SunWater expects to complete the Burdekin-Moranbah pipeline in March 2007. The pipeline will bring much-needed water supplies to new and existing coalmines in the Bowen Basin and will provide a commercial return to the state. The total budget for the project is \$270 million, of which about \$129 million expenditure is budgeted for this financial year.

SunWater is extending the existing Eungella water pipeline to the east and south of Moranbah to improve its local distribution network. The extensions will transport existing water supplies plus new supplies from the Burdekin-Moranbah pipeline to coalmining customers. The \$20 million Eungella eastern spur pipeline will take water from the Moranbah terminal storage to mines along its route towards Coppabella. Most of the project was implemented last year. About \$2 million is required for completion, which is planned for this September.

The Eungella southern spur pipeline, which was approved by the Treasurer and me after the budget papers were assembled, will take water from Moranbah to two local major coalmines to the south of Moranbah. The \$20 million pipeline was commenced late in 2005-06 and about \$17 million is required for a project completion, which is planned for this year.

SunWater is investigating the feasibility of a number of new commercial projects, including development of a water supply and pipeline to service a proposed mine near Monto, provision of water services to a proposed paper mill at Swanbank, and a proposal to bring water from the Burdekin River to the Bowen area for irrigation and industrial users. Whilst these projects are not included in the budget, if they meet SunWater's investment parameters and are approved by the Treasurer and me, construction could be underway this year on one or more of these issues.

As a responsible asset owner, SunWater has committed this year \$11 million to the ongoing refurbishment and enhancement of existing water supply assets throughout the state to ensure their ongoing serviceability and integrity. SunWater will continue to pursue capital development projects that

will achieve appropriate returns to the state and support regional development opportunities. Predictions are for SunWater's turnover this year to increase by over 40 per cent compared to last year, which is due predominantly to increased revenue from new developments. As for local management, the water pricing process which SunWater recently undertook with its customers proved once and for all that there is no case for local management of SunWater schemes. An independent review determined the efficient costs of operating both at the local level and the Brisbane based support and management level. This review noted that, if SunWater were broken into separate entities to manage the schemes, costs could be expected to rise by between 24 and 40 per cent.

CHAIR: Minister, on page 4, paragraph 4 of the MPS, there is reference to the commitment to water reform, continuity of supply. How is the government working to provide continuity of supply for the people of Queensland? Can I also ask the minister to refer to the water availability provisions being made by SunWater under its schemes in this answer.

Mr PALASZCZUK: I thank the member for the question. This new initiative has provided funds of some \$30 million over four years to continue the development and implementation of a range of important water reform activities. I shall set out the commitments for 2005-06: an acceleration of water resource planning and regional water supply strategies, \$5.2 million; improving groundwater management, \$800,000; for outside of south-east Queensland, the development of regionally specific strategies to reduce urban potable water demand and use, \$590,000; continuing to develop and implement water reform policies as part of commitments relating to the National Water Initiative, \$1.35 million; delivering enhanced monitoring and assessment of aquatic ecosystem health, \$1.6 million; for extending the successful Rural Water Use Efficiency Initiative, \$1 million—this is in addition to the funds made available under the Blueprint for the Bush—and to rationalise and integrate the department's computer systems for dealing with water entitlements, water use and billing, \$960,000.

As the committee can see, the government is committed to a range of initiatives and is delivering on the key planks of water reform. I would like to share just a few highlights of the achievements delivered from this additional \$10 million investment in 2005-06. Water resource plans and resource operations plans continue to roll out and up to 30 June 2006 more than 7,000 tradeable water allocations have been established and placed on the secure water allocation register. These water allocations involve almost 1.5 million megalitres of volumetric shares and are conservatively valued at approximately \$1.6 billion.

The stage 2 interim report for the South East Queensland Regional Water Supply Strategy has been released. Significant improvements in managing groundwater including the finalisation of the Great Artesian Basin water resource plan and exploring options for using water extracted in association with coal seam methane gas have been made. The draft central Queensland Regional Water Supply Strategy has been released for public submissions. These submissions are now being considered and I expect this strategy to be finalised very soon.

A significant outcome for Queensland is that we are the only Murray-Darling Basin state to receive full national competition payments in recognition of our progress on water reform implementation. For 2005-06 the state will receive some \$178 million. This is a clear demonstration of Queensland's commitment to water reform and a clear recognition from Canberra that our approach to water reform is acceptable. In 2006-07 it is planned to maintain all of these key initiatives with a specific focus on accelerated water resource planning, and an additional \$0.6 million will mean a total of \$1.6 million for Rural Water Use Efficiency Stage 3.

Mrs CARRYN SULLIVAN: Page 3, paragraph 1 of the MPS refers to the Rural Water Use Efficiency Stage 3 program under the Blueprint for the Bush. Minister, can you detail how stage 3 of the Rural Water Use Efficiency Initiative will operate and how successful has this initiative been to date?

Mr PALASZCZUK: Stage 3 of the Rural Water Use Efficiency Initiative continues the very successful partnership between government and rural industry bodies. Previous rural water use efficiency programs involved the four major industries—cane growers, cotton, dairy and horticulture. Rural Water Use Efficiency Stage 3 has now established additional partnerships with the production nursery, flower-growing and turf production industries. We have already provided \$2.58 million over 2005-06 and 2006-07 for stage 3. We have now built on this commitment to the initiative with additional funding of \$4 million—\$1.25 million in 2006-07 under the Blueprint for the Bush program. This funding will allow stage 3 to be extended for a further two years to June 2009.

The primary aim of stage 3 is to build on the good work of the previous programs to promote water use efficiency and improve on-farm natural resource management, particularly through better nutrient management and the implementation of farm management systems. To assist irrigators, rural industries will provide field demonstrations on better irrigation management, irrigation system efficiency assessments, field trials and workshops, extension services, development of information packages and financial incentive schemes where appropriate. Stage 3 will continue to support the irrigation manufacturing and supply industry in conjunction with the Irrigation Association of Australia to raise the professionalism and standard of the irrigation sector.

The Rural Water Use Efficiency Initiative has to date far exceeded expectations in water use efficiency, saving in excess of 150,000 megalitres of water per year across Queensland irrigation industries. The potential increase in production from this improved water efficiency would conservatively have generated \$197 million in industry productivity and led to the creation of 1,600 jobs in regional Queensland. Rural water use efficiency 3 will build on these achievements by setting new targets in water efficiency gains and the number of enterprises that have made changes in management practices and/or improved equipment efficiency and operation.

By the completion of stage 3 in 2009, it is estimated that grower awareness of the program and its goals will be greater than 90 per cent and that 80 per cent of individual growers will be directly involved in extension and adoption activities related to water use efficiency and natural resource management. It is expected that 10 per cent overall improvement in water use efficiency will be achieved. I believe this is very good news for rural Queensland simply because this program has been very well received by our rural community and is to be extended to 2009.

CHAIR: That is great news, but I just remind the minister that he should stick to the three-minute time frame or ask the questioner to extend.

Mr LAWLOR: Minister, I refer you to the first dot point on page 8 of the Ministerial Portfolio Statement and the reference to water infrastructure. I also refer you to the government's recent decision to support the Gold Coast City Council's proposal to raise the Hinze Dam. Could you please advise of the benefits of raising the Hinze Dam? And are there any alternative proposals?

Mr PALASZCZUK: On 4 July the Premier and I announced that the government would be progressing the raising of the Hinze Dam. As the honourable member would know, the raising of the Hinze Dam has been proposed by the Gold Coast City Council. The raising of the Hinze Dam has also been identified as a water storage option in the south-east Queensland Regional Water Supply Strategy stage 2 interim report which the Brisbane Lord Mayor and I launched in January this year.

As well as progressing the raising of the Hinze Dam, the government has announced that it will progress water harvesting from Canungra Creek, Coomera River and other suitable locations. Combined these projects will provide an additional 16,000 megalitres of water each year.

The honourable member's question refers to any alternatives. The state opposition's policy document does not provide any alternatives. The document has no reference to the Hinze Dam despite the fact that it is the Gold Coast's major water source. However, an alternative has emerged. Late last week the National Party's member for Gaven told ABC Radio that he does not support the raising of the Hinze Dam and that he advocates a Coomera River Dam at Canungra. What the member for Gaven is saying, in effect, is that his party does not support more water and greater flood protection for the Gold Coast that a raised Hinze Dam will provide. I am not sure whether this is National Party policy, whether it is coalition policy or whether it is simply the member for Gaven's own policy.

Mr Seeney interjected.

CHAIR: The member for Callide should cease interjecting and the minister should address the chair.

Mr PALASZCZUK: Madam Chair, I will continue. I believe there is a need for clarification because the state director of the National Party, Brad Henderson, issued a media statement on 27 October last year in which he said—

There are many issues—transport, roads, a lack of policing and mental health resources and the raising of Hinze Dam to name a few—that all need urgent State Government attention.

So why does the National Party state director say that the raised Hinze Dam is important but the National Party member for Gaven says it is a waste of money? I believe that the member for Callide needs to clarify this issue very quickly within his own party. I would strongly suggest to him that he back the raising of the Hinze Dam.

Mr Seeney: Absolutely.

Mr PALASZCZUK: A raised Hinze Dam and water harvesting is sustainable. The Coomera Dam cannot be built. The member for Gaven knows this. The member for Gaven has proposed a dam that all three levels of government reject. The member for Gaven must know that the federal defence department has already ruled out providing land from its Kokoda Barracks to allow for a dam at the Coomera River at Canungra. The defence department site has undergone \$120 million in upgrades in recent years. I have kept within my time limit, Madam Chair.

CHAIR: Thank you, Minister. I appreciate that. The committee will now break for morning tea. We will resume at 10.45 with non-government members' questions.

Proceedings suspended from 10.25 am to 10.44 am.

CHAIR: The committee is resumed. I call the member for Tablelands.

Ms LEE LONG: I refer to MPS page 9 and water metering on the Barron project area above Tinaroo Dam where irrigators are in the process of installing 450 meters to measure water consumption.

I understand that irrigators have not yet been given a firm costing for the installation of these meters but have been told that they can pay them off over a 25-year period, which indicates that the cost will be quite high. Twenty-five years is a very long time frame to have that sort of impost on them. What is the estimated cost per farmer? Will farmers who are in a position to do so be able to pay a single up-front fee rather than face the significantly more expensive 25-year payment plan for the installation of their meters?

Mr PALASZCZUK: I thank the honourable member for the question. The metering project was established to implement the government's metering water extractions policy, which is a fundamental element of the water reform process in Queensland and also vital to the implementation of the National Water Initiative. The overall aim of the metering project is to effectively meter or measure the take of water by all active, unsupplemented, volumetric irrigation, commercial and industrial water entitlements.

The original time frame for metering was seven years for a total of 16,500 new meters. Both of these measures—that is, the time frame and the total number of meters—were estimates, and actuals will depend on a number of factors, most notably the final number of entitlements issued under the water planning processes which are activated by users. The initial estimate made in late 2004-05 of the number of meters that would be installed by the end of 2005-06 was 1,700. This was based on the estimated number of meters expected to be required in areas where water metering was to be implemented—namely, the Boyne, the Fitzroy, the Barron, the Moonee, the Warrego, the Paroo, Bulloo and Neebine areas.

Metering has commenced in all of the above expected areas as well as some additional areas. However, the actual number of meters installed will be less than the original estimate due to the proportion of entitlements that are found to be inactive and therefore are not able to be metered, together with some slippages in project time lines. Areas with meter installations completed as at 30 June were the Boyne, most of the Fitzroy-Moonee and the Warrego, Paroo, Bulloo and Neebine, which is a total of 50 meters. The Barron area is well advanced, with meters selected and supplied and an installation contractor engaged. Installation will commence this month with approximately 340 meters to be installed. The additional areas commenced are Toowoomba groundwater and Toowoomba city.

The honourable member asked about the actual costs. Costs vary from region to region and from area to area. In relation to that part of the question, is the honourable member interested in the costs for her area?

Ms LEE LONG: That is right.

Mr PALASZCZUK: We do not have that detail with us at this moment, but I will endeavour to get that information to the honourable member as soon as we can.

Ms LEE LONG: Thank you, Minister. I refer again to MPS page 9 in relation to water metering and trading in the Barron project area above Tinaroo Dam. No decision has yet been made on the conversion rate of area licences to volumetric, even after a number of years of negotiation. It is common sense that to simply multiply each hectare by 6.6 would be a plain rip-off, given that it takes at least that amount of water to water just one crop. This could reduce the farmer's use and income from that particular land by two-thirds and cannot be justified in any way, shape or form. Can you advise what progress is being made in that regard and when a decision is expected to be made?

Mr PALASZCZUK: Our work with your irrigators is ongoing. Our discussions with them are ongoing. We do not want to make decisions that are not acceptable to your local irrigators. We want to end with the right answer and the right outcome for irrigators. That is why we are continuing our negotiations with them. On the issue of tradable water allocations, the good news is that in this financial year over 4,500 new tradable water allocations have been created in Queensland with a combined volume of over 640,000 megalitres. This brings the total number of tradable allocations to over 7,800 with an estimated worth of \$1.5 billion.

The expansion of these water markets is allowing water to be reallocated between competing uses on a voluntary basis. This ability to transfer water between sectors means water use can be applied where the economic benefits are greater. Through placing a value on water, the markets are also providing signals to water users which are fostering innovative and entrepreneurial attitudes. For example, those irrigators who choose to instigate efficiency measures can derive an income by selling excess water in the market which has the potential to increase the efficiency of water use. When water planning processes are finalised in more catchments across the state further water allocations will be introduced, expanding the economic benefits for rural Queensland. The separation of water from land title means that water can be traded on its own without selling the farm.

In Queensland we continue to lead the nation in our approach to water trading. In 2003 we established a water allocations register, which maintains a central and secure record of all water allocation titles and dealings. This means that water allocations may be used as security for borrowing money to invest in business opportunities. To date, there have been almost 250 permanent water allocation transfers involving over 20,000 megalitres of water and a total consideration in excess of \$30 million. Prices paid for water vary across the state, with typical prices being around \$500 per

megalitre in the Barron Basin to over \$2,000 per megalitre in the Fitzroy Basin. I think, Madam Chair, I have answered that question for the honourable member and answered her concerns.

Ms LEE LONG: I refer again to MPS page 9 and water metering and trading in the Barron area. When is the ROP expected to be finalised specifically in that area and water trading able to commence? What is the National Water Initiative agreement time frame for this to happen? Will a decision on the allocation of the additional 4,000 megalitres, which is still available above the dam, be made before the finalisation of the ROP?

Mr PALASZCZUK: I would like to thank the honourable member for the question. The honourable member has brought to the attention of the committee the role of the National Water Commission and the National Water Initiative. They are extremely important for people who live in rural and regional Queensland simply because we in Queensland, as I have said earlier, are leaders in the field when it comes to implementing our National Water Commission programs. As a matter of fact, we were the only mainland state that was not penalised in terms of its competition payments because we adhered to the National Water Initiative.

Unfortunately, there are a few people in the federal arena—the former chair of the National Farmers Federation, Peter Corish, and the National Party minister for primary industries—who always attack Queensland for our contribution towards the National Water Initiative. I think it is very counterproductive and those people should desist from that.

In relation to your question about the ROPs, I point out that our water resource planning activities occur in 23 plan areas and cover 98 per cent of the state. Resource operation planning activities occur in 18 plan areas, which cover around 75 per cent of the state. We continue to progress water planning activities and we can confirm our commitment to the National Water Commission.

During the past year significant progress has been made in water planning areas across the state, with 12 water resource plans and amended water resource plans now completed, included the Great Artesian Basin plan. Twelve ROPs and amended ROPs are now completed. When we talk about other plans, such as the Barron River ROP that the honourable member is interested in, my information is that we aim to have a draft ROP ready later on this year to go out for public consultation.

We talk about ROPs and the finalisation of ROPs. We talk about the Burnett ROP. Some of the amendments there include the Paradise Dam and the Barker Creek and Barambah Creek. This has brought the total number of tradable water allocations throughout Queensland, as I have said earlier, to well over 7,000.

Ms LEE LONG: Is the National Water Initiative agreement time frame 2008?

Mr PALASZCZUK: Our government is a signatory to the 2004 National Water Initiative, which builds on the 1994 Council of Australian Governments framework for water reform. The National Water Initiative commits the Queensland government to specific actions that continue to increase the productivity and efficiency of Australia's water use. It will ultimately provide greater certainty for investment and the environment.

In meeting the state's commitment under the initiative the department has undertaken catchment based water resource planning. Water resource plans now cover over 90 per cent of Queensland, as I have said earlier. Water resource planning balances both consumptive and non-consumptive water requirements in each catchment. It also enables water trading by converting existing water entitlements to tradable water entitlements.

Queensland continues to make excellent progress in meeting its other COAG commitments on water reform. We work in with the Murray-Darling Basin. We also work in collaboratively with other jurisdictions on matters such as water registers, water resource accounting, water service provider benchmarking, water metering and customers' water accounts.

If I dare mention the issue of water charges, we believe that we will continue to work with the federal government to develop consistent approaches to pricing and costs for water planning and management. We believe this is in accordance with the National Water Initiative. At the same time, the department will continue to work with industry on this matter. We are proceeding with an independent analysis on water planning and management costs. We will also work together on business improvement opportunities for the department. We are committed to developing an accountable and transparent process to meet our National Water Initiative commitments. To that end, it is good to see that finally Western Australia is a signatory to the National Water Initiative.

I believe that the National Water Initiative is a major policy initiative that really does build on the achievements of the 1994 COAG water reform. My understanding is that the intergovernmental agreement will exist until 2010 and includes the establishment of a National Water Commission that is responsible for the assessment and review of individual jurisdictions' progress until 2011. I believe that our participation is important as it provides opportunities for us to develop a national approach to those elements of water reform and gain access to funds from the Australian Water Fund.

Ms LEE LONG: Minister, is there a time frame or not for these to be finalised?

Mr PALASZCZUK: Yes. You will find that information on our web site. Perhaps I will ask our deputy director-general to comment on that.

Mr Spencer: The government has committed to a time frame which is set out—and I do not have the details here—on our web site of water planning which we have committed to the Commonwealth government, and we will be reporting to it. The various ROPS and WRPs vary in time frames. So we have made it quite clear that we intend to do that. In areas where we are having difficulty, we are working with people to try to work through these issues. We are aware of the situation in north Queensland and are trying to work as closely as possible with the irrigators to meet that time frame. I think you are right; I think the amendment to the Barron ROP is, I think, scheduled for 2008—that is, the final ROP.

Ms LEE LONG: Thank you.

Mr PALASZCZUK: If I could continue, for the benefit of the committee I will table our water resource plan status as at 20 July 2006. It gives you the plan area and its status. It starts from the Barron River and goes right through—it includes the ROPS as well—to the Whitsundays. So we have the ROPS included there as well. I will seek leave of the committee to table these tables not only for the benefit of the member for Tablelands but also for the benefit of the committee.

Leave granted.

Ms LEE LONG: Thank you, Minister. Could you provide the information that you mentioned before? Could you—

Mr PALASZCZUK: Which information was that?

Ms LEE LONG: The things that Scott Spencer was talking about.

Mr PALASZCZUK: The pricing?

Ms LEE LONG: Yes.

Mr PALASZCZUK: Yes, we will get that for you.

Ms LEE LONG: Thank you. Minister, with regard to the additional 4,000 megalitres which is still available above the dam, will that be finalised before the ROP finalisation?

Mr PALASZCZUK: What I would like to do is to take that question on notice and try to supply you with an answer as soon as we can.

Ms LEE LONG: Okay.

CHAIR: Just going back to the minister, I think he was talking about a web site. Perhaps you could give us the name of the web site you mentioned before.

Mr Spencer: I am sorry. It is the Natural Resources, Mines and Water web site.

CHAIR: Thank you.

Mr PALASZCZUK: Perhaps Greg Claydon would like to come forward and—

CHAIR: Are you okay with this, member for Tablelands?

Mr PALASZCZUK: I think we can settle your query now with—

Ms LEE LONG: Can I have it on notice please, because otherwise I will run out of time for questions?

Mr PALASZCZUK: You want to take it on notice?

Ms LEE LONG: Yes.

Mr PALASZCZUK: Okay. We will take it on notice.

CHAIR: The member for Tablelands has asked for the minister to take it on notice. The time for non-government questions has expired. I call the member for Kallangur.

Mr HAYWARD: Thank you, Madam Chair. Minister, I refer to page 1 of the Ministerial Portfolio Statement and the reference to the establishment of the Queensland Water Commission. Minister, can you explain how the formation of the Queensland Water Commission will benefit water users in the state's south east and are there any alternative views to the establishment of that commission?

Mr PALASZCZUK: I thank the member for the question. The establishment of the Queensland Water Commission has been an important initiative under the South East Queensland Regional Water Supply Strategy. The strategy identified the inherent problems with a lack of coordinated water infrastructure planning under the current structure. The fact that the region's 19 water storages had 12 different owners highlights the problems and the obstacles to sustainable water supply planning. 'Fragmented' was how Brisbane Lord Mayor Campbell Newman described the previous arrangements when we announced the commission's formation earlier this year.

In August last year the government initiated a review of the institutional arrangements for water in the state's south east. Through the review steering committee, a new planning model provided for the first time a statutory approach to water supply, allowing decisions to be based on regional planning. The Queensland Water Commission was established through an amendment to the Water Act 2000. I am very proud of the panel of three commissioners the government has appointed—Elizabeth Nosworthy as chair, Jamie Quinn and of course David Green. With the formation of the commission, which commenced duties formally on 19 June, we have an expert body that will progress the completion of the strategy. The commission will also play a key role in ensuring the commitments to water infrastructure. The commission is also well placed to be able to provide strategic and independent advice on water issues where previous consideration by councils may have resulted in a deadlock. For instance, the commission has circulated a proposal to provide broader residential water restriction exemptions for elderly residents and people with a disability. The commission expects to receive responses from councils by tomorrow. Members of the committee would understand that this has been a contentious issue for councils.

In referring to the commission, I must acknowledge that the member for Callide has been very supportive of the formation of the commission. He told the *Courier-Mail* in February that the commission was a good idea. I believe that the member for Callide has offered the bipartisan support the formation of this truly independent commission does deserve. Unfortunately, the opposition leader told state parliament on 21 April this year that the commission was a media stunt. If the opposition leader stood by this statement and if he did not intend to mislead the parliament, then he would have not included the commission in any water policy documents released by the coalition. However, the coalition has liberally cited the commission in its water policy document. At one stage the coalition says that it doubts desalination yet it will ask the commission to scour the region looking for sights for future plans. I must take serious issue with the references to the commission in the coalition's discredited document on water for Toowoomba.

CHAIR: The minister's time has expired. I call the member for Pumicestone.

Mrs CARRYN SULLIVAN: Minister, I refer you to page 32 of the MPS and the reference to government investment in SunWater. Can you explain the government's position on SunWater dividends and where any dividends were reinvested for the previous financial year?

Mr PALASZCZUK: I thank the honourable member for the question. SunWater does play a very important role in the service and delivery of water in Queensland. SunWater owns and operates 27 water supply schemes throughout the state. These schemes supply water to more than 5,500 customers in the irrigation, industrial and urban sectors. The infrastructure that underpins that supply includes 26 major dams, 82 weirs and barrages, 72 major pumping stations, over 2,500 kilometres of pipeline and open channels, and more than 730 kilometres of drains. For 2004-05 SunWater's dividend to the government was \$3.175 million from a profit net of asset revaluation of \$12.7 million. These profits were made primarily on industrial and urban water contracts and external consultancy and facilities management work.

SunWater's past dividends have been reinvested into water industry initiatives. The work that has been underway upgrading the spillway at Fred Haigh Dam was funded through a dividend reinvestment. I am pleased to announce that the 2004-05 dividends will also be completely reinvested into water projects recommended by SunWater to the government through the shareholding ministers. I can announce that the dividends will be spent in this way: \$2.5 million to construct a fishway on the Claude Wharton Weir in the Upper Burnett region; \$275,000 to enhance the fish lock at the Dumbleton Weir on the Pioneer River; \$150,000 to fund planning work for the Kinchant Dam wetland reserve; \$150,000 to conduct the Mareeba channel fluming study, and I am happy to arrange a briefing for the member for Tablelands to explain the detail of the project; and \$100,000 to develop online climate tools for irrigators.

In terms of the profits retained by SunWater, they are being used to fund commercial investments such as Tinaroo hydro to generate green power from releases made for other purposes, and that is again of interest to the member for Tablelands; Stag Creek pipeline to minimise losses in transferring water to Callide Dam, an issue that the member for Callide is, I believe, very well aware of; the Gattovale offstream storage completed last year; and of course the Burdekin to Moranbah pipeline. I believe that our commitment to reinvest the dividends of SunWater is worthy of note for the owners—

Mr LAWLOR: Minister, in the context of the department's work to secure long-term water needs for the state's south east as referred to at page 1 of the Ministerial Portfolio Statement, can you explain the department's role in securing the future water needs for the city of Toowoomba?

Mr PALASZCZUK: I thank the honourable member for the question. Toowoomba City Council has developed and is implementing its drought contingency plan to deal with the city's ongoing water supply in the short term in the event that its main surface water supplies continue to diminish. The department is working with and providing support to the council in the development and implementation of the contingency measures, particularly in relation to assisting with identifying and approving access to groundwater. The Toowoomba City Council has engaged a drilling contractor to drill 20 to 30 bores to

obtain additional access to the basalt aquifer resource that underlies the city. Council will also be constructing a deep bore to access the Great Artesian Basin later in the year.

With these additional supplies being progressively brought online combined with a reduction in demand as the level 5 restriction regime kicks in around midyear, the life of Toowoomba's three storages can be expected to extend out to mid-2009. This still leaves three summer wet seasons ahead to afford opportunity for storage-replenishing rains to occur. An increase in the combined dam storage capacity of only 10 per cent, or 13,000 megalitres, is needed to provide a year of further supply to the Toowoomba system. The state government is pleased that the federal government has now announced its position on the Toowoomba Water Futures. The Queensland government has indicated that it is prepared to financially support the Water Futures proposal as part of the overall proposal that involves funding from both the Commonwealth and the Toowoomba City Council. There can be little doubt that Toowoomba needs a viable solution to its water problems, both in the context of improving the performance of the existing water supply system as well as enabling continued urban growth to occur with confidence.

The Queensland government support extends to providing an effective policy and regulatory environment to enable the proposed treatment and re-use facilities to be approved. Toowoomba has clearly identified the need to secure new sources of water as current demand exceeds the assessed available supply. It is acknowledged that the issue of indirect potable re-use is one that continues to cause a measure of ongoing community debate and of course media attention. The recent announcement by the federal government suggests that all three levels of government—local, state and federal—should accept the need for communities to consider this supply option should the situation require. The community's verdict on 29 July 2006 will help to provide clarity on how to secure a better water future for Toowoomba and the actions to achieve this. There certainly has been a broad detail of alternative water supply options that have been promoted by various interests opposed to the Water Futures strategy.

CHAIR: The minister's time has expired. I call the member for Kallangur.

Mr HAYWARD: Minister, I refer to page 21 of the Ministerial Portfolio Statement which referred to 34 mining and petroleum projects being facilitated, with 13 of these projects reaching construction stage. Minister, can you provide some details of these 13 projects and their benefits and whether the department intends to facilitate more projects in the future?

Mr PALASZCZUK: I thank the member for the question. The mining and petroleum sector continues to prosper under the responsible and innovative stewardship of this government, providing increased royalties and rentals to the state and also a stimulus to a broader economy through capital expenditure in jobs. In the financial year just ended, royalties from mining and petroleum are anticipated to amount to \$1.4 billion, up from \$965 million in the preceding year. In the last financial year, the department facilitated 34 mining and petroleum projects. Of these projects, 12 have reached construction stage.

These 12 projects have a combined capital investment of approximately \$1.4 billion and are expected to result in the creation of about 700 new full-time jobs. One project, the Lake Lindsay coal project in the Bowen Basin, which was anticipated to commence construction just before the end of the financial year—bringing the total to 13—has been delayed slightly and is now expected to commence construction during the first quarter of 2006-07.

In addition to these new full-time jobs, indirect jobs are expected to be created in both downstream processing and support industries. Of the 12 projects that reached construction stage, eight are coal projects, two are coal seam gas projects and two are mineral projects. The \$1 billion Dawson coalmining complex is a major expansion—an upgrade of the Moura mine, now called Dawson Central. It includes establishing two new mining operations at Dawson North and Dawson South. Each mining area will be linked by an overland conveyor to a new central coal preparation plant and coal-handling facilities. These combined new operations will produce approximately 12.7 million tonnes per year of coking and thermal coal.

The Berwyndale South coal seam gas project south of Chinchilla, which has recently commenced production, will stimulate economic expansion in the Surat-Dawson area as well as adding to the state's options for energy sources. During 2006-07 the department anticipates that this positive outlook will continue and will contribute to the facilitation of up to 20 mining and petroleum projects that are forecast to reach construction stage. These projects have a combined estimated expenditure of more than \$2.4 billion and are expected to generate 2,000 new full-time jobs. The successful facilitation of these mining and petroleum projects will ensure that the Queensland community continues to receive the economic and social benefits from its mineral endowment through the responsible development of these resources.

CHAIR: I refer to page 2 paragraphs 7 and 8 of the Ministerial Portfolio Statement which refers to the government's new OnePlan initiative. Can the minister explain how the OnePlan initiative will benefit rural producers in getting on with running their businesses by reducing red tape?

Mr PALASZCZUK: I thank the honourable member for the question. The state government is contributing \$3 million over four years to the implementation of the OnePlan initiative as part of the Blueprint for the Bush program. This initiative is another demonstration of the Beattie government's commitment to rural Queensland. The aim of OnePlan is to coordinate and standardise existing regulatory and government financial support programs. It is expected that this will produce a consistent and coordinated set of guidelines to facilitate regulatory property-level planning and minimise duplication. OnePlan will also align and complement industry and community property planning approaches, such as the Farm Management Systems Framework being developed by the Queensland Farmers' Federation, the AgForward program and various programs coordinated by regional natural resource management groups.

A number of information kits are currently being prepared for a range of regulatory purposes containing guidelines, work sheets and some reference manuals. The first of these modules will be available on the web site during the latter half of 2006. They will provide guidelines for accessing resource management loans, pest management planning, eventually land and water management plans and vegetation and wildlife management. Information Queensland is working with the project to streamline access to data and information resources for property-level planning. This will make it easier for landholders to get the information they need to be able to better manage the natural resources component of their business.

This initiative will also include a review of agency administrative processes with the aim of ensuring that these applications and approval processes are as streamlined as possible. Applications and requests for essential support and information should be dealt with more efficiently both for landholders and agencies. The Department of Natural Resources, Mines and Water, DPIF, EPA and QRAA are the agencies that are supporting these initiatives.

The blueprint initiative will provide additional staff to ensure that the regional implementation of OnePlan is coordinated with other property planning programs and that its benefits are realised.

Mr LAWLOR: At page 11 paragraph 2 of the Ministerial Portfolio Statement it states—

To encourage voluntary compliance with natural resource statutory requirements and deter potential offenders, the department uses education, awareness and communication in an integrated compliance strategy.

Could you advise the committee how the engagement by AgForward, referred to on page 10 of the MPS, is assisting landholders to improve their land and vegetation management practices?

Mr PALASZCZUK: I thank the honourable member for the question. Education is a key element of administering the vegetation management framework. A range of initiatives have been employed to better assist an understanding of the requirements. A key initiative has been the AgForward Best Management Practice Program, run through AgForce. This \$8 million program informs landholders of vegetation requirements and promotes good land management practices. The government has provided \$4.5 million to support the activities of AgForward to date. AgForward has now held 95 workshops, training nearly 1,000 farm enterprises about vegetation management and property maps of assessable vegetation. Property maps are a key tool for landholders to lock in their category X vegetation—vegetation not covered by the act—that can currently be cleared to preserve their future right to clear.

AgForward has now commenced computer mapping workshops to help producers generate digital information for use in property planning and land management activities. These workshops are creating a better understanding of natural resource requirements and are assisting landholders to employ contemporary land management tools to better manage their land and businesses.

Other initiatives supported by the government include a collaborative project with the Queensland Conservation Council for managing weeds and vegetation. Through targeted workshops and support materials, this project will enhance an understanding about vegetation management and provide practical approaches for controlling weeds whilst protecting remnant vegetation. The Department of Natural Resources, Mines and Water and the Urban Development Institute of Australia also have a partnership project to assist in an understanding of development application requirements under the act.

Currently being developed, the project aims to simplify the application process, reduce assessment delays through an improved quality of applications and ensure that impacts and vegetation are avoided or mitigated to the greatest extent possible at the planning stage. Unfortunately, there are still some landholders, albeit a few, who will do the wrong thing. For this reason compliance monitoring will continue to play a role in the administration of the act. However, most landholders simply need information to manage their land in consideration of a wide range of both regulatory and productivity requirements. These programs, supported by the government, will assist them to do so.

Mr SEENEY: I refer you again to page 8, the reference to the South East Queensland Regional Water Supply Strategy, and the document that you were waving around before that you said was the government's working document. Have you ruled out sourcing water for south-east Queensland from catchments further north where the dam building opportunities are better and the rainfall would perhaps be higher?

Mr PALASZCZUK: I thank the honourable member for the question. If we talk about our water supply strategy for south-east Queensland, we need to be cognisant of a number of points. Part of this is to have a look at what is happening in south-east Queensland. When I attended the inaugural meeting of the Australian water ministers in Sydney last month, the federal government's National Water Commission recommended a way for tackling water supply issues in urban areas. On top of that list was—

To pursue regional water supply planning which is transparent, consistent with the National Water Initiative commitments on water planning and ensures all feasible water supply options are on the table.

This is the process that we are approaching. In south-east Queensland we are committed to building new dams—a dam at Traveston Crossing, raising the Borumba Dam, building a dam at Wyaralong, raising Hinze Dam, water harvesting, Cedar Grove Weir and, of course, the Bromelton off-stream storage. What we then intend to do is to link all of those dams with a water grid. That water grid will take water from areas of supply to areas of demand.

If we look at the presentation that my director-general intended to present to the people in the Mary Valley, we see the current water usage, the medium-term water usage and the long-term water usage. We found that by employing this current strategy that we have in place we will be able to meet the water needs of south-east Queensland.

Currently in 2006 we are using about 450,000 megalitres per year. We intend to bring that figure down by a number of initiatives that we are putting together on the demand side. Of course, that \$87 million program that we have introduced will go a long way towards doing that. With a water grid, with recycling and desalination, that will give us an extra 110,000 megalitres. Traveston Crossing, Borumba, Wyaralong, Bromelton and Hinze dams and water harvesting give us an extra 192,000 megalitres.

Mr SEENEY: That is not even close to answering my question. I will ask it again very directly. Have you considered and ruled out supplying south-east Queensland with water from catchments further to the north, such as the Paradise Dam or a dam on the Dawson River or the Fitzroy River, or further north as an alternative to the huge social and economic costs of the Traveston Dam? Have you considered that and have you ruled it out?

Mr PALASZCZUK: We have considered that. I do not believe that that is an option. We believe that what we have currently put in place—the Traveston Crossing Dam, raising Borumba, the Wyaralong Dam, the Bromelton off-stream storage, raising the Hinze Dam, water harvesting, our water grid, our recycling and our desalination—will cater for the needs of south-east Queensland up until the year 2050. The fact that we are staging the Traveston Crossing Dam so that we need only 70,000 megalitres until the years 2030-35 is evidence that we believe that the strategy we have in place is going to work.

The honourable member talks about tapping into other areas of water supply. What about a pipeline from the Burdekin? I do not know whether the opposition supports a pipeline from the Burdekin but there has been a lot of debate out in the media in relation to a pipeline from the Burdekin Dam and further afield. What people have to understand is that in bringing 150,000 megalitres down from the Burdekin—and that is what we are looking at in the Mary River catchment—you are looking at constructing 1,200 kilometres of pipeline. We have done a preliminary analysis and we have estimated that the total cost for the proposed pipeline project to transfer 150,000 megalitres of water per year is around about \$7.5 billion. That is just the start. Unlike gas, water is heavy and, therefore, extremely energy intensive to move. We would need approximately 40 pumping stations—one every 30 kilometres—along the route to transfer the water. On top of that, operation and maintenance costs have to be added. The total annual operation and maintenance costs are estimated to exceed \$250 million. These costs are extremely high compared to other alternative water supply options being considered as part of the ongoing process of developing the regional water supply strategy for south-east Queensland. So when we talk about trying to bring water down from the Burdekin, that is not an option.

The mayor of Cairns is even contemplating bringing water down from the Atherton Tableland. That is even further away. That is also certainly not an option. So to give the honourable member a definitive answer, we believe that what we have in place will supply enough water for south-east Queensland until the year 2050. If you want to talk about the Paradise Dam and maybe areas closer to the Paradise Dam, the government could have a look at that. That will be in the water resource plans.

Mr SEENEY: I refer you to the western corridor water recycling project that is also mentioned in that dot point on page 8 of the MPS. Minister, has your department reached any agreement with any entity that will be a customer of that water pipeline?

Mr PALASZCZUK: Let me just say—

Mr SEENEY: Yes or no?

Mr PALASZCZUK: I have good news for Queensland.

CHAIR: Good to hear it.

Mr PALASZCZUK: For the information of the committee, the Premier has announced this morning that the government is going to allocate \$334.8 million for the Western Corridor Recycled Water Scheme and an additional \$22 million for the southern regional water pipeline project, taking the total allocation for this project to \$50 million. This funding comes on top of the \$25 million the Premier announced earlier this week for preliminary work on the pipeline from the Traveston Crossing Dam to the North Pine water system in Brisbane. As the Premier said, by providing this funding now, the Queensland government is doing everything it can to ensure that construction on these vital projects begins in October this year. That ends the untruth that the honourable member has been peddling in Brisbane papers just recently.

Mr SEENEY: Any contracts?

CHAIR: Member for Callide, cease interjecting.

Mr PALASZCZUK: Regulatory approval processes for the works are well underway to secure the pipeline corridors in time for work to begin on site in October. We have also provided \$100 million for the initial order of pipes for the first stage of the Western Corridor Recycled Water Scheme and the first tenders are now being considered. We also provided \$20 million for the feasibility and planning studies. Twenty million dollars of that funding will now be switched across to the southern regional water pipeline project to provide for pipes for that project and land procurement costs.

To be more specific to the honourable member's question—isn't that good news for south-east Queensland?

CHAIR: It is good news.

Mr SEENEY: Have you got any contracts?

Mr PALASZCZUK: The Western Corridor Recycled Water Scheme is a project between the Queensland government and the Brisbane and Ipswich city councils. The project manager is South East Queensland Water. Therefore, the tenders and the contracts are matters for South East Queensland Water. It has the responsibility for that. As minister, I have arranged previously briefings for MPs on this project from South East Queensland Water. I am happy to arrange further briefings when parliament resumes. So Madam Deputy Speaker, when we talk about—

CHAIR: Madam Chair.

Mr PALASZCZUK: Sorry, Madam Chair. In conclusion, in total our state has now put on the table \$484.8 million for these two vitally important projects to deal with the drought in the south-east corner and to help me meet the long-term water needs of one of the fastest growing areas of Queensland.

Mr SEENEY: Can I ask a question similar to the one asked by the member for Southport earlier regarding water supply for Toowoomba. Minister, the Premier has described the option of direct recycling of sewage effluent from the western corridor pipeline into Wivenhoe Dam as the Armageddon option. Why is your government prepared to spend so many hundreds of millions of dollars to avoid the Armageddon option for the people of Brisbane, yet is not prepared to spend any significant amounts of money to ensure that the people of Toowoomba can avoid that option and have a long-term sustainable water supply?

Mr PALASZCZUK: I thank the honourable member for the question. Our government's approach to recycled water for indirect potable use is the Prime Minister's position, it is Malcolm Turnbull's position, it is your leader's position and it is Stuart Copeland's position.

Mr SEENEY: That is not right.

Mr PALASZCZUK: Our government policy on the use of recycled water for indirect potable use is simply this: it is not government policy to place recycled water into dams across Queensland. It is not government policy.

Mr SEENEY: Why don't you help Toowoomba?

Mr PALASZCZUK: Our government will consider any council proposal and will ensure that the council consults the community. That is what is being done in Toowoomba. I remind members of the committee that the council's Toowoomba Water Futures proposal has the support of three tiers of government. In terms of the Western Corridor Recycled Water Scheme in south-east Queensland, the government and local councils believe that it can supply Swanbank and Tarong power stations. Let us look at the broader options there.

Prime Minister John Howard said this week—

Cities, towns and rural communities around Australia will in time see the benefits through, for example, better drinking water in Adelaide and, if the communities of Toowoomba and Goulburn so decide, greater water recycling.

Malcolm Turnbull has said that the Toowoomba Water Futures proposal was 'groundbreaking and innovative'. Mr Turnbull told the *Chronicle*—

The only Commonwealth funding on offer for Toowoomba is the Water Futures project. Any suggestion that there is Commonwealth money for unspecified alternatives is false.

Even your own policy document—and I have a copy of your policy document right here—

Mr SEENEY: Copy it too.

Mr PALASZCZUK: It is seven pages, but I still have a copy of it.

Mr SEENEY: Copy it like you did last time.

Mr PALASZCZUK: It states—

The Coalition has a firm policy that recycled water should be reserved for industrial and irrigation uses before any consideration is given to its reintroduction into drinking water supplies.

Your own National Party member for Cunningham, Stuart Copeland, has said of the Toowoomba Water Futures project—

I am aware that the water situation in Toowoomba is reaching a critical point and commend the council for taking this proactive, innovative and responsible approach to meet this challenge. Indeed, I believe this project will be the forerunner of many similar projects throughout the nation once it is successfully implemented. I also believe that the people of Toowoomba and the surrounding region would be very grateful if funds were granted by the Commission.

In terms of Toowoomba's Water Futures proposal, the 29 July referendum will be held next week. I certainly await the outcome of the vote. If the vote is unsuccessful, all three levels of government will need to regroup to consider another way forward.

Mr SEENEY: Minister, can I ask you directly are you prepared to match the commitment I gave on behalf of the coalition that the state government should make a significant financial contribution to ensure that the people of Toowoomba can avoid the Armageddon option—the Premier's words, not mine—when you are prepared to spend so much for the people of Brisbane to avoid it? Are you prepared to provide the money to allow the people of Toowoomba to access the other options that are available to them? The option such as the coal seam gas water—

CHAIR: Member for Callide—

Mr SEENEY: I have a minute, Madam Chair.

CHAIR: You are making a statement rather than asking a question.

Mr SEENEY: It is a question.

CHAIR: I think you have already asked this question.

Mr SEENEY: That is the question. I am asking, 'Minister, are you prepared ...' You cannot ask any more direct a question than that.

CHAIR: You have already asked this question and the minister is obliged to answer the question in any way he thinks proper.

Mr SEENEY: I think in all fairness I am allowed to ask a question without continual interruption by the chair.

CHAIR: You have asked that question. Minister.

Mr PALASZCZUK: As the Minister for Natural Resources, Mines and Water, I cannot make a unilateral decision on behalf of the government, and I will not be goaded into doing anything as silly as that. However, I do want to go through all of the processes that the government has gone through to look at alternative supplies for the people of Toowoomba. We have looked at about half a dozen proposals—from swapping Toowoomba's waste water for existing irrigation entitlements from groundwater systems west of Toowoomba to heading further west and securing access to emerging coal seam gas by-product water. Consideration of these alternatives was provided by Toowoomba City Council, which concluded that none were found to be as attractive on economic and environmental grounds. Officers of the department completed a review of the consideration report prepared by the Toowoomba council. This review agreed with the conclusions of that report.

To further bring credibility to the assessment of alternatives, the department recently engaged an independent engineering consultancy firm to examine and report on the viability of the Water Futures proposals and the alternative supply options. We are committed to working with the Toowoomba City Council and other councils in the region and the Toowoomba community to forward the Water Futures strategy.

If we have a look at the Parsons Brinkerhoff peer review, which was released jointly by the mayor of Toowoomba and our Premier, it considered the option 3A of importing water from the Condamine groundwater management area. This involves using water from existing bore licence holders south-west of Toowoomba in return for treated effluent returning to them as replacement water.

Mr SEENEY: That is not right.

Mr PALASZCZUK: I understand that there has been a change there. However, essentially the new water proposal is the same without the return supply of treated effluent for irrigation to replace their groundwater entitlements. The review identified that that proposal is a significantly overallocated and overutilised resource. Sourcing 6,500 megalitres per annum—

Mr SEENEY: Of existing allocation.

Mr PALASZCZUK:—is considered feasible but would require a substantial reduction in privately held groundwater entitlements.

Mr SEENEY: It is the same. It has been used—

Mr PALASZCZUK: The Parsons Brinkerhoff report notes that to supply 6,500 megalitres per annum approximately 7,800 megalitres per annum would need to be extracted to account for water quality and treatment constraints.

Mr SEENEY: Minister, are you prepared to provide support to the other options that are available to Toowoomba? Are you prepared to provide the regulatory support that is needed to allow irrigators to lease the water that they currently use for other purposes to Toowoomba City Council for urban use? Are you prepared to provide the regulatory support that is needed to quickly access significant supplies from the Great Artesian Basin? That is within the realm of your department.

Mr PALASZCZUK: What the government has done is, as an emergency contingency, we have agreed with the Toowoomba City Council to allow for drilling to look for additional water supplies. I will go through the Parsons Brinkerhoff report. The problem in Toowoomba is no different from the problem in the south-east Queensland corner. We have only relied on one source of water to supply both regions, and that supply has been dams. In south-east Queensland I will not go through that process any further because I think the members of the committee know exactly what the government is doing in relation to south-east Queensland. If you have a look at the three dams that supply Toowoomba, unfortunately, those dams are at very historically low levels because of the drought. You cannot rely on these dams. We need to find alternatives. What the Toowoomba City Council is proposing is, I believe, something that should be supported by the people of Toowoomba, and we will find out what happens when the referendum is held on the 29th.

CHAIR: The time for non-government questions has expired.

Mrs CARRYN SULLIVAN: Minister, on page 2 at paragraph 5 and page 13 at paragraph 1 of the MPS reference has been made to a three-year \$11 million program to address a number of critical aspects of pest management, such as preventing and eradicating new pests, reducing the impact of widespread pests and eradicating new pests. Can you please advise the committee on how DNRMW is assisting rural and regional Queensland landholders manage and eradicate pests and weeds?

Mr PALASZCZUK: The Department of Natural Resources, Mines and Water already spends in excess of \$11 million annually on a suite of pest management programs in Queensland, including the eradication of new pests such as crazy ants, developing new pest management control practices, supporting local governments with planning and information, implementing the memorandum of understanding with local government and industry for wild dog control, and community awareness and education. However, weeds and pest animals remain a substantial threat to the bush and the long-term management of our natural resources.

Most farmers rank weeds as their worst land management problem and weeds are the greatest threat to remnant vegetation now protected in Queensland. Pest animals ravage crops and livestock and are a cause of environmental damage across much of regional Queensland. In response, as part of the Blueprint for the Bush, the government has allocated an additional \$11 million over three years for the improved management of high priority weeds and pest animals.

Three critical areas of pest management will be addressed: preventing and eradicating new pests; reducing the impact of widespread pests; and developing innovative solutions for weed and pest animal control. To achieve this, the program has the following components: prevention of new threats—efforts to identify and prevent the introduction and establishment of new weeds and pest animals will increase significantly; woody weeds; wild dogs and feral pigs; prevention of weed spread; and Indigenous community pest management.

While I still have a bit more time, Madam Chair, I would like to respond to the question that we took on notice from the honourable member for Tablelands. Since late last year the department has been working with local irrigators. There are representatives on the Barron Metering Area Project Team to ensure transparency and value for money when installing meters. Cyclone Larry did have the impact of delaying work. The project, however, is well underway.

Implementation of metering in the Barron, as in other parts of the state, involves site assessments on farms, meter selection and purchase, meter installation, ongoing reading and maintenance and administration. In the Barron the project team has recently let the contract for meter installation. The number of meters to be installed continues to change as irrigators decide not to operationalise their works and not all entitlements get metered. About 150 irrigators have advised that they are ready. The installation contract is in excess of 300 meters with at least four different sizes. These are mostly mechanical meters to keep costs down while providing effective measurement. May I please have an extension of time?

CHAIR: Is that okay, member for Pumicestone?

Mrs CARRYN SULLIVAN: Absolutely.

Mr PALASZCZUK: As to the final costs, this will not be finalised until the installations are completed. Based on the latest figures and projections, the meters are costing from \$580 to \$1,600 and reading and maintenance, depending on the meter, ranges from \$127 to approximately \$260. This is for one reading per year. Irrigators can choose to make an up-front payment to cover the site assessment, purchase and installation plus a small administrative charge. This is taking a commercial approach.

At this stage and depending on meter size, the up-front option could range from \$1,600 to \$3,300 per metre. The annual reading and maintenance will be in addition to this up-front payment. For irrigators choosing to pay meter service charges, capital component over 25 years—the assumed life of the meter—the annual charge would range from \$260 to \$400. This includes the reading and maintenance costs. Meters are an important part of the overall package for sustainable management of these highly valuable water entitlements. One of the overriding objectives is to protect irrigators' access to water.

Ms LEE LONG: Thank you very much.

Mr HAYWARD: With reference to page 11 paragraph 1 of the Ministerial Portfolio Statement the department has become a partner in a number of cooperative research centres. Minister, can you advise the committee how the department's partnership with the Invasive Animals CRC is benefiting Queensland's ongoing fight against those animals?

Mr PALASZCZUK: I thank the honourable member for the question. Natural Resources, Mines and Water is a very diverse portfolio. Questions that do come from honourable members are very, very wide ranging and this certainly is one of those in relation to the CRC on invasive animals. In 2004 the Vertebrate Pests Committee commissioned the National Cane Toad Task Force to review the impact and control of cane toads and provide recommendations on future research and management approaches.

One of the high priority research recommendations was to use molecular biology to develop a cane toad-specific toxin. The Queensland government has committed \$1 million over three years starting in 2005-06 to this research with the Department of Natural Resources, Mines and Water which is responsible for overseeing the research contract.

The project is being managed by the Invasive Animals CRC with the work being undertaken by the Institute of Molecular Biology at the University of Queensland which is another partner in the Invasive Animals CRC. The Invasive Animals CRC, through its partnership with the department, is funding research that is developing methods of using cyanide in bait for feral pigs. The Invasive Animals CRC is sponsoring the development of a manufactured pig bait which will utilise the latest technology for enclosing the toxin within the bait and additives to improve the acceptability and palatability to feral pigs. Both these technologies will reduce the potential impact to non-target species.

The Invasive Animals CRC is also leading a project with the involvement of departmental staff and facilities that is investigating the use of—I cannot pronounce this word, it has got about 30 letters in it—PAPP as an alternative to 1080 for the control of wild dogs. This compound has fewer non-target issues and is considered to be a more humane toxin. With the potential for an antidote to be available, PAPP should pose a lower risk to working dogs.

Before we continue, could I indulge the committee to ask the deputy director-general to respond to the further query by the honourable member for Tablelands?

Mr Spencer: We were talking about the time frame for the amendment to the Barron ROP and I indicated that I thought it was 2008. We would hope to have a draft out, by working with the deputy mayor of Atherton and his group, by the end of September. The aim would be to deal with the final ROP in early to mid next year, 2007. We will be dealing with the 4,000 megalitres as part of that process.

Mr PALASZCZUK: That clears up your issues.

Ms LEE LONG: Thank you.

Mr LAWLOR: I refer to you page 8 of the Ministerial Portfolio Statement where it states—

Natural Resource Management Services supports healthy landscapes and, as a consequence, healthy regions, which contribute to the state's economic, environmental and cultural needs now and in the future.

What role has the department played in terms of understanding the impacts of climate change on our future?

Mr PALASZCZUK: I thank the honourable member for the question and could I also thank, at this juncture, the members of the department who are here supporting the estimates process. The fact that we were able to supply the honourable member for Tablelands her two answers so quickly bears testimony to the professionalism that the Department of Natural Resources, Mines and Water displays and I would like to thank all departmental staff who are here today in support for their contribution. Preparing for an estimates committee hearing is certainly very time consuming. Many of the people who are sitting behind me would have been working into the wee hours of the morning for weeks on end and

I recognise their contribution and thank them on behalf of the government. I also thank the director-general.

In November 2005 I released, with the Minister for the Environment, Local Government, Planning and Women, a public discussion paper entitled *Climate Smart Adaptation—What Does Climate Change Mean For You?* The purpose of the discussion paper was to increase community understanding of climate change and raise awareness of the need to make adjustments and adapt to the environmental, social and economic impacts it might cause.

Public consultation on the discussion paper was led by the Department of Natural Resources, Mines and Water. Officers of the department held 12 public forums and 18 stakeholder meetings across the state. Approximately 1,000 people attended those consultation meetings. The aim was to encourage discussion within the community on the future direction of climate change adaptation in Queensland.

The discussion paper sought Queenslanders' views and ideas on how the state can be best prepared for a changing climate. Ideas on how our state can take advantage of climate change were also sought. There were 121 submissions received from all parts of Queensland from a wide range of individuals, peak representative bodies, non-government organisations, local governments, businesses, and Commonwealth and state government agencies. The submissions strongly emphasised that adapting to climate change is not a replacement for ongoing effort to reduce the level of greenhouse gases we emit to the atmosphere. Greenhouse gas mitigation and adaptation were viewed by the community as complementary exercises.

Mrs CARRYN SULLIVAN: I refer the minister to page 17 of the MPS. Queensland's land registration system is recognised as one of the most efficient in Australia. Will the system be able to cope with Queensland's expected high growth over the next decade?

Mr PALASZCZUK: I thank the honourable member for the question. Since the development of the Torrens system of land title registration almost 150 years ago, property conveyancing in Australia has been based on paper documents, bank cheques and face-to-face settlements. Currently, all Australian states and territories are investigating the feasibility of developing a national electronic conveyancing system which has potential to secure significant efficiencies for government, industry and the community.

It is proposed that the National Electronic Conveyancing System, NECS, will be a system which will be able to be used for the lodgement of titling documents and the settlement of moneys in every state and territory. The system will allow legal practitioners and financial institutions to electronically prepare land titling documents, settle financial transactions, lodge the dealings in the appropriate land registry and receive confirmation of lodgement and registration.

In order to progress NECS, detailed governance arrangements involving both government and industry have been established. These include the formation of a national steering committee comprising of representatives from all key stakeholders, establishment of a small national office to work under the direction of the steering committee, a series of consultation forums to ensure full user input and separate state project teams.

Queensland is playing a leadership role in progressing this investigation and is well advanced in the preparation for electronic conveyancing. For the past two years the automated title system has been enhanced in preparing for digital searches of the register and subsequent digital lodgement of titling data. Queensland has an active pilot underway for the provision of digital searches and acceptance of digital lodgements. It is expected that NECS will result in a more efficient conveyancing industry offering better, faster and cheaper services to parties buying and selling real estate anywhere across Australia.

CHAIR: Member for Kallangur?

Mr HAYWARD: Minister, earlier in the day I asked a question about the Smart Exploration Program

Mr PALASZCZUK: Yes, you did.

Mr HAYWARD: I again refer to page 22 of the Ministerial Portfolio Statement and the reference to that program. How is this program advancing exploration by Queensland's resources sector?

Mr PALASZCZUK: I thank the member for the question. Smart Exploration, with funding of \$20 million over four years, involves the collection and delivery of new geoscientific data, preservation of historical data and its conversion to modern accessible formats. The Queensland government is using the delivery of this new geoscientific data as the basis for attracting global exploration investment to this state.

With new results from Smart Exploration being released progressively over the next four years we can already see some increases in exploration investment in Queensland. Australian Bureau of Statistics figures show mineral exploration expenditure in Queensland increased by 46.7 per cent in the March 2006 quarter compared with the March 2005 quarter. In the March quarter 2006 Queensland achieved a 18.6 per cent share of Australia's total mineral exploration expenditure. Mineral exploration

expenditure for the first nine months of 2005-06 was \$153.6 million, an increase of 28.5 per cent over the same period in 2004-05.

Queensland's share of Australia's mineral exploration expenditure for the first nine months of 2005-06 was 17.4 per cent, up from 16.2 per cent for the first nine months of 2004-05. Offshore and onshore petroleum exploration expenditure in Queensland increased by 60.7 per cent in the March 2006 quarter compared with the March 2005 quarter. In the March quarter 2006 Queensland achieved a 14 per cent share of Australia's total petroleum offshore and onshore exploration expenditure. In the March quarter 2006 Queensland achieved a 46.8 per cent share of Australia's total petroleum onshore exploration expenditure. Onshore and offshore petroleum exploration expenditure for the first nine months of 2005-06 was \$92.5 million, an increase of 21.4 per cent over the same period in 2004-05. Queensland's share of onshore and offshore petroleum exploration expenditure for the first nine months of 2005-06 was 10.5 per cent, up from 9.9 per cent for the first nine months of 2004-05.

The delivery of new geoscientific data plus improved policies and procedures are helping to ensure that Queensland remains an attractive destination for exploration for all commodities.

CHAIR: This concludes the consideration of the Natural Resources portfolio. I would just like to remind the minister that there is a question on notice that you took before that you were going to provide more details on.

Mr PALASZCZUK: We have answered that.

CHAIR: I thought there was another one there.

Mr PALASZCZUK: There were two; we answered them.

CHAIR: Any additional information that you would like to provide must be provided by 10 am Monday, 24 July.

The time allotted for the consideration of the proposed expenditure for the portfolio of the Minister for Natural Resources, Mines and Water has expired. Thank you, minister, advisers and departmental staff for being here today and putting so much effort into these estimates.

The committee will break for lunch and resume at 1 pm to examine the estimates for the portfolio of Primary Industries and Fisheries. Thank you again.

Mr PALASZCZUK: Thank you.

Proceedings suspended from 12.00 pm to 12.59 pm.

ESTIMATES COMMITTEE G—PRIMARY INDUSTRIES AND FISHERIES

In Attendance

Hon. TS Mulherin, Minister for Primary Industries and Fisheries

Department of Primary Industries and Fisheries

Mr J Varghese, Director-General

Mr B Turner, Executive Director, Strategic Policy

Dr R Glanville, General Manager, Animal Biosecurity

Prof. B Woods, Executive Director, Research and Development Strategy

Mr C Holden, Chief Executive Officer, Queensland Rural Adjustment Authority

Mr D Currey, General Manager, Resource Protection

Mr C Adriaansen, General Manager, Plant Biosecurity

CHAIR: I declare this meeting of Estimates Committee G now open. My name is Julie Attwood, member for Mount Ommaney and chair of this committee. Joining me on the committee is Ken Hayward, member for Kallangur; Mike Horan, deputy chair and member for Toowoomba South; Peter Lawlor, member for Southport; Rosa Lee Long, member for Tablelands; Jeff Seeney, member for Callide; and Carryn Sullivan, member for Pumicestone.

The committee this afternoon will examine the proposed expenditure contained in the Appropriation Bill 2006 for the portfolio of the Minister for Primary Industries and Fisheries. Welcome, Minister Mulherin and advisers. The committee will break for 20 minutes at 2.25 pm and conclude at 4 pm, if not before. The proceedings today are lawful proceedings subject to the standing rules and orders of the parliament. As such, I remind all visitors that any person admitted to this hearing may be excluded by order of the committee in accordance with standing order 206.

In relation to media coverage of the hearing, the committee has resolved to allow television film coverage and photography during my introduction and the minister's opening statement. The limit for questions is one minute and three minutes to answer. A 15-second warning will be given prior to the expiration of these time limits. An extension of time may be given with the consent of the questioner. For the benefit of Hansard, I ask advisers who are called to give an answer to please state your name before speaking.

I now declare the proposed expenditure for the portfolio of the Minister for Primary Industries and Fisheries open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, would you care to make an opening statement?

Mr MULHERIN: Thank you, Madam Chair, and good afternoon, committee members. The gross value of production of Queensland primary industries commodities for 2005-06 is now forecast at \$10.93 billion—four per cent more than the original forecast published in September 2005. This is an outstanding achievement by Queensland primary producers. The latest forecast as outlined in the *Prospects Update*—which I table here today—is just \$165 million less than the gross value of production for 2004-05. The decrease in the gross value of production from 2004-05 to 2005-06 is mainly due to the expected reduction in the gross value of production for cotton and for other crops which my department believes will outweigh the expected increases in gross value of production for sugarcane and for cattle and calves.

Despite the ongoing dry conditions and the destruction caused by Cyclone Larry in far-north Queensland, the state's primary producers have continued to perform well in 2005-06. As of 27 June 2006, there were 62 shires and five part shires drought declared under state processes. This is equivalent to 60.2 per cent of the land area of Queensland. There are also 138 individually droughted properties in a further 15 shires. Add to this the effects of cyclones Larry and Monica, and once again the forecast gross value of production has reflected the resilience, hard work and dedication of this state's primary producers.

Significant movers in this forecast include the banana industry, which was decimated by Cyclone Larry, and sugarcane, which was affected by Cyclone Larry and more recently by the discovery of sugarcane smut. The gross value of production of bananas for 2005-06 is forecast at \$300 million—five per cent higher than the forecast published in the September 2005 edition of *Prospects* and the March 2006 edition of *Prospects Update*. Unpublished forecasts prepared in March 2006, before Cyclone Larry, estimated that the banana gross value of production would reach \$370 million—a 30 per

cent increase on the forecast published in the September 2005 edition of *Prospects*. This large revision was mainly due to the higher than expected prices being paid to growers.

Following the destruction of banana crops and subsequent loss in banana production caused by Cyclone Larry, this forecast was revised back down to the original September 2005 forecast of \$285 million. Since Cyclone Larry, record prices have been paid for the few growers with bananas to sell. This has caused the department to revise the forecast up slightly to \$300 million, although losses from the cyclone will continue to be felt in the 2006-07 financial year.

The forecast gross value of production for sugarcane for 2005-06 as reported in the March 2006 edition of *Prospects Update* remains unchanged at \$1 billion. However, gross value of production for 2006-07 is likely to be impacted by the aftermath of Cyclone Larry. It is still uncertain as to what impact sugarcane smut may have on cane production in future years but, while many other industries—such as sorghum, avocados and some exotic fruits and nuts—have been affected negatively by either the prolonged drought or Cyclone Larry, the overall forecast at just under \$11 billion is higher than expected, and it is only marginally lower than the March 2006 forecast.

Queensland's top five commodity categories in dollar terms are: cattle and calves, valued at \$3.675 billion; lifestyle horticulture, valued at \$1.48 billion; sugarcane, valued at \$1 billion; fruit and nut, valued at \$785 million; and vegetables, valued at \$740 million. Together, these make up 70 per cent of the total value of Queensland primary producers. Beef is by far the largest industry and it has experienced a long and sustained period of growth over the last decade, with a gross value of production increase of more than 13 per cent on the September 2005 forecast.

There is no doubt that this state's primary producers are in many instances doing it tough. But what they can rely on is this government's commitment to do all it can to work with organisations such as QFF, AgForce, Growcom, QDA, QSIA, Canegrowers, the federal government and other key stakeholders to ensure continuing profitability and sustainability.

CHAIR: The minister's time has expired. Thank you, Minister. I call the member for Toowoomba South.

Mr HORAN: Minister, I refer to the statement on page 1-2 of the Ministerial Portfolio Statement that the Queensland government's investment in DPIF in 2006-07 will be \$227.8 million. Minister, the Queensland government's investment in DPIF was approximately \$234 million in 2004-05, it was \$230 million in 2003-04 and it was \$236 million in 2002-03. Can you explain why the Queensland government is putting less money into the DPIF budgets than it was two, three and four years ago? Why is the DPIF the only government department that continually has a reduced contribution to its budget funding from the Beattie government?

Mr MULHERIN: I thank the honourable member for his question. The Department of Primary Industries and Fisheries is committed to ensuring it has the capability to effectively deliver Smart State priorities and profitable primary industries for Queensland. The department is strengthening its focus in priority areas such as trade, biosecurity, sustainable production, science and research, and industry development. I refer to the recent interview that you had with Jane Paterson and the remarks during the program about the decline in the Department of Primary Industries and Fisheries budget over the last three years. I would like to take this opportunity to clarify and explain the key reasons for the apparent reduction of \$38.7 million in the department's budget allocation over the last three years.

The major changes in the department's funding from the 2002-03 estimated actual of \$352.1 million to the 2005-06 budget of \$313.4 million include the planned winding down due to the successful implementation of the national Red Imported Fire Ant Eradication Program. That is a limited-life project under the national funding arrangements resulting in a corresponding reduction in funding in the 2005-06 budget of \$24.5 million relative to the 2002-03 estimated actual of \$43.1 million—a reduction of \$18.6 million.

Also, a change in government policy resulted in the equity return regime being discontinued effective from 1 July 2004. Equity return was a periodic payment to Queensland Treasury reflecting the opportunity cost to government of the assets held by the department and was fully funded by government—that is, budget neutral to the department. The discontinuation of the equity return regime has no effect on the capital funding available to DPIF. In order to provide comparability with the 2005-06 budget, equity return expenses and revenue of \$14.5 million included in the 2002-03 estimated actuals needed to be removed—a further \$14.5 million decrease.

In the 2005-06 budget round, the method and manner for funding the Drought Relief Assistance Scheme from the consolidated fund was adjusted from a funding advance to funding based on an as-needs basis. This funding model has been introduced to ensure that funds are available on a whole-of-government basis for the highest priority areas. The 2002-03 estimated actuals included \$8.8 million for DRAS. The 2005-06 budget included \$3 million for DRAS payments, with an additional draw down of \$3 million expected from the consolidated fund based on the anticipated actual 2005-06 expenses prior to the end of the financial year. A further reduction of \$5.8 million comparing the 2005-06 budget—

CHAIR: Minister, your time has expired.

Mr HORAN: Minister, I refer to the DPIF workforce strategy that is mentioned on page 15 of the Ministerial Portfolio Statement. On 18 May you issued a media release claiming that DPIF was on a major recruitment drive to employ about 100 new staff. In response to my prehearing question on notice No. 4, you revealed that 121 staff will be offered voluntary early retirements as part of this recruitment scheme. Why did you release a statement that was designed to create an impression you would be employing 100 new staff when the net result of this initiative is a cut of 21 positions?

Mr MULHERIN: The whole-of-government Workforce Skills Alignment Scheme is designed to ensure a strong match between the current skills available and the skills required to meet current and future business service delivery needs. The department is participating in a whole-of-government scheme and is embarking on a special recruitment program to strengthen our focus on important areas, including sustainable production, science and research, industry extension and development, trade, biosecurity, and economic and business analysis. The areas highlighted above are those where DPIF is partnering with industry to accelerate important programs and systems, particularly in the regions.

As an example, the department will employ new staff working with industry development and trade in regional areas to help shift our emphasis towards industry growth and export development. In line with the scheme, the department has the opportunity to offer voluntary early retirement in the corporate capability, delivery, industry development and fisheries business units. No particular positions have been identified or targeted for a voluntary early retirement as part of this scheme. Biosecurity positions have been declared a no-go area.

The voluntary early retirements are being implemented in accordance with approvals from the Office of Public Service Merit and Equity and the Australian tax office. The department is currently assessing expressions of interest received from staff and will implement a planned integration approach to offering VERs to ensure we maintain our service delivery and skills. This will enable a smooth transition between staff accepting VERs and the employment of new staff. The department will be maintaining staffing levels in regional areas in line with our commitment to the Blueprint for the Bush. There will be no forced redundancies.

The department has advertised expressions of interest in working with the department. I am delighted that we have received some 130. A more comprehensive recruitment and selection process will be undertaken once the number of VERs has been finalised. There are up to 121 VER positions, as you said, but it could be lower, depending on the assessment by the department.

Mr HORAN: Minister, I refer to page 1-4 and the top dot point stating there will be \$61.6 million for biosecurity activities. I want to ask you about the recent outbreak of the Hendra virus at Peachester and the communications failure, which is pretty important in these situations. The field vet in this particular case made phone calls over a period of two days. On the first day there were about 12 calls and on the second day there were over 50 calls to a number of numbers, including various DPIF officers—

CHAIR: Member for Toowoomba South, I remind you to ask a question rather than make a statement.

Mr HORAN: I have got the question.

CHAIR: Could you get to the question please?

Mr HORAN: The statement is a part of my question. Also rung was the DPIF hotline, and there were two of those. I ask you: why did the communications system fail this field vet who was reporting this notifiable and dangerous disease?

Mr MULHERIN: The department takes emergency animal diseases like Hendra virus very seriously and has established a process allowing for rapid and appropriate responses. The department's professional response and groundbreaking research work have established much of the current knowledge about Hendra virus, including its natural history in flying foxes and its spillover behaviour in horses and from there to humans. The disease is unique, as it has only been recorded in horses or humans in Queensland.

For some years the department has published protocols for possible Hendra virus cases identifying high likelihood and low likelihood cases based on the signs seen in the horse. The protocol has been continuously available on the internet. A copy was mailed to all Queensland registered vets in May 2005. It would be unreasonable and unnecessarily disruptive to consider every sick or dead horse for Hendra virus. The response must depend on how the horse matches the case definition in the protocol. The recent case diagnosed from Peachester did not, on the basis of signs described by the veterinary practitioner, satisfy the case definition. Despite this, limited samples provided by the veterinary practitioner were sent by the department to the Australian Animal Health Laboratory at Geelong.

The department can only base its actions on the information provided by the practitioner. In this case, either the horse was not showing the signs that are typical of Hendra virus or the practitioner did not notice or communicate those signs. The specimen advice sheet that accompanies the samples is meant to detail the relevant signs. The sheet did not include information that caused a significant

concern of Hendra virus. The veterinary practitioner has complained that the department's actions caused her to be exposed to the virus herself. Workplace health and safety obligations rest clearly with the veterinarian in charge.

The practitioner has observed that the department referred her to a web site and this was too difficult to do at the time. It was true that she was referred to the web site to read the full guidelines on Hendra virus. The same material was mailed to her and all registered vets. I have appointed a respected private sector firm that provides veterinary services both in Australia and overseas to review all aspects of this investigation. The consultant veterinarian began carrying out investigations and interviews last week and a report will be received by 31 July. The results of the review will be made public.

Mr HORAN: Minister, this particular vet found nine of the 10 symptoms for this virus and found the 10th symptom the next day. Why did DPIF not give the sample that was taken urgent status, which would have meant that AAHL at Geelong would have then undertaken a preliminary test on that weekend instead of the 10 days it took? Why did DPIF not advise the vet to take lung tissue samples, which would have also provided an earlier answer in this particular diagnosis?

Mr MULHERIN: With these issues, that is why I have appointed an independent inquiry to look at this particular case, to assure myself and industry that the department carried out the correct procedures in dealing with this issue. I will ask Dr Ron Glanville to elaborate more on this case.

Dr Glanville: The information supplied by the veterinarian to our departmental veterinarian certainly did not satisfy the case definition. I have seen copies of both specimen advice sheets that were submitted by the veterinarian in this case and they did not meet the case definition. You also referred to why a lung sample was not taken. We did attempt to do that, but the owner had already buried the horse and refused to have the horse exhumed.

Mr MULHERIN: I appreciate your raising the topic, because the matters related to this case are being looked at by the independent review that I have announced. I am on Dr Day's side in wanting to know exactly what went wrong and what could have been handled better in this case. That is why I am asking her and you to cooperate with the review.

Mr HORAN: Minister, I note that you announced some new protective biosecurity gear had recently been purchased. When DPIF went to the scene some 10 days after the horse had died, they donned elaborate protective gear. The vet was required to hold the horse and assist in the sampling and was not provided with the same equipment. Is that the normal practice: not to give anybody else who is associated with taking a sample protective equipment? Also, why was Queensland Health not notified? Why was the Australian Veterinary Association not notified? Why was the Australian Equine Veterinary Association not notified? The only notifications that came out were to the vet herself and to the thoroughbred racing industry.

Mr MULHERIN: I understand that under the protocols there are workplace health and safety issues to do with this issue. I will ask Dr Glanville to elaborate on the technical aspects of your question.

Dr Glanville: To take the last part of your question first, all of those organisations were notified in person.

Mr HORAN: Will you be able to tell us when on notice?

Mr MULHERIN: We will take that on notice.

Dr Glanville: Regarding the workplace health and safety equipment, it is standard procedure for our officers in any disease investigation to wear personal protective equipment. Whether other people need to have personal protective equipment is decided on a risk assessment basis. In terms of holding another horse that was clearly not showing any signs of Hendra virus—and I need to make it quite clear here that Hendra virus is a disease that is not very contagious between horses. In most cases the disease has not been transmitted to other horses. There was no suggestion that the other horse in this case would have had Hendra virus. It was just a precaution to take a blood sample from that horse. So on a risk assessment basis there was no real need for the handler to have any other PPE.

Mr MULHERIN: Back in May I organised a dialogue for action with the thoroughbred industry, and it has supported the way that the department has handled this matter. With regard to all of these issues that you have raised, that is why it is important to have this review, so we can make sure that everything is done in accordance with set procedures and that we learn from this experience.

Mr HORAN: Minister, I note that the thoroughbred industry has supported what happened from day 10 on. My questions have been about the period of time before that. There are certain protocols for the burial of animals, where DPIF has to receive agreement from the Environmental Protection Authority. In this case that did not happen because the department was adamant that it was not Hendra virus until the tests finally came through on day 10. In the meantime it was too late and the animal had been buried. I would like to ask you: why did that happen? You failed to let EPA know of this suspected case. What sort of support are vets in the field going to get? If a male vet had rung in from Eagle Farm or Doomben with a similar thing, would they have received the same type of treatment that this vet received from Peachester?

CHAIR: Member for Toowoomba South, could I ask you to refer to the page in the MPS that that question refers to or the budget statement document?

Mr HORAN: MPS 1-5.

Mr MULHERIN: I would assume that all vets would be treated in the same manner, regardless of whether they were vets looking after a periurban situation or the thoroughbred industry or the greyhound industry. In relation to the burial of the deceased horse, I will call on Ron to elaborate on that procedure.

Dr Glanville: I will make a couple of points here. I need to make it very clear that, early on, this was not a suspected case of Hendra virus, according to the case definition, and we had advice from the Australian Animal Health Laboratory in Geelong as early as the following Saturday that the initial tests were negative, so it was not regarded as a suspected Hendra virus case. Horses die all the time. It would be unrealistic for the EPA to be consulted in terms of the burial of any horse that dies on any farm in Queensland. That would just not be realistic. I personally spoke to the EPA after we had the positive diagnosis and it was certainly very happy with the procedures followed and the fact that the horse had been buried on that property.

Mr HORAN: Minister, the positive diagnosis came through on the Friday, some 10 days after the initial diagnosis by the field vet. Why did DPIF change the web site on Hendra virus that day, take it down and not put it up in a new fashion until the following Sunday? On notice, can I ask that the original web site and the new web site be provided to this committee?

Mr MULHERIN: In relation to your second question, that will be provided to you. I will take that on notice. In relation to your first question, as soon as the department got the results it advised the vet what the Australian Animal Health Laboratory in Geelong had determined—that it was Hendra virus. We also quarantined the property once we found out that it was positive for Hendra virus. Ron, you may want to elaborate further.

Dr Glanville: In terms of the web site, I am not aware that our web site was changed or taken down. We have not changed the advice. We circulated information to all private veterinarians in Queensland on Hendra virus in May 2005, and that is the information that is on the web site and it is still the same information on the web site.

Mr MULHERIN: Once again, this matter you raised can be looked at by the independent reviewer of how the department handled this case, so if you would like to make a submission I would more than welcome it.

CHAIR: The time for non-government members' questions has expired. I call the member for Pumicestone.

Mrs CARRYN SULLIVAN: Good afternoon, Minister.

Mr MULHERIN: Good afternoon.

Mrs CARRYN SULLIVAN: I refer you to page 1-24 of the MPS. What has been the outcome in implementing the new service provider system for cattle tick control?

Mr MULHERIN: I thank the honourable member for the question. The implementation of full-time third-party providers for cattle tick inspection services has been an important DPIF initiative to free up time for our inspectors to work on higher priority biosecurity initiatives. Following successful trials, full implementation commenced in May 2005. The third-party providers are now operating cattle tick inspection services at Cloncurry, Julia Creek, Richmond, Maxwellton, Hughenden, Prairie, Charters Towers, Gracemere, Moura, Taroom, Elders Toowoomba, Landmark Toowoomba, Helidon and Aratula. These centres have available 32 trained and duly authorised people to provide cattle tick inspection services.

The third-party providers' operations at these centres provide for a seven-day-a-week service by appointment during daylight hours. Each service provider is required to have sufficient trained and authorised staff to ensure continuity of this service. In an emergency situation the department's inspectors have provided a degree of backup support.

Prior to the commencement of the third-party provider trial, 19 inspectors were located at these centres to provide the inspection services. Since the service has commenced, the commitment of inspectors to cattle tick activities has been reduced to approximately five full-time equivalents across these centres. Inspectors and administrative support staff at the centres have been able to realign to higher priority areas such as animal welfare, disease surveillance and emergency response preparedness.

Resource savings from the introduction of this service have, in effect, been the redirection of the resources from cattle tick activities into those high-priority activity programs. This has resulted in a significant improvement in the department's biosecurity capacity and flexibility. The providers are fully trained by the department staff, and there has been no decline in tick control standards as a result of the initiative. The providers are subject to random audits and an annual structured audit. The department inspectors also closely liaise with the providers to assist and monitor the effectiveness of the service. In

addition, any complaints from clients in relation to the providers are investigated to ensure full compliance with agreements, procedures and directives. Departmental staff continue to provide the cattle tick inspection services at centres where third-party providers have not yet commenced or no suitable person has been identified to provide the service.

Mr HAYWARD: I refer to page 1-21 paragraph 2 dot point 4 of the Ministerial Portfolio Statement. Minister, will using third party providers at tick line clearing centres adversely affect animal disease surveillance?

Mr MULHERIN: The department is committed to implementing efficient and effective disease surveillance activities. This is essential for the early warning of new disease issues as well as to demonstrate ongoing disease freedoms for market access. Queensland and Australia's current surveillance arrangements have served the nation well in meeting the needs for which they were developed. The department's Animal Biosecurity program conducts surveillance to detect new pest or disease occurrences, demonstrates ongoing freedom from disease and monitors the prevalence of significant diseases.

Animal Biosecurity implements risk management strategies to prevent the establishment of targeted pests and diseases and works towards improving systems, part of which is the complete implementation of the third party providers for cattle tick control. Generally, animals moving through the tick line therefore provide limited value to Queensland's disease surveillance system. It is producers, veterinarians and animal health professionals who have key roles in surveillance and disease reporting as they are more likely to see sick animals unsuitable for transport and dipping.

The department contributes to animal disease surveillance by participation in national programs and statewide programs and projects. National programs for animal health surveillance are largely related to disease detection and eradication or prevention of incursion for trade or public health reasons. The national surveillance programs that the department participates in which support the cattle industry include: the national transmissible spongiform encephalopathy (TSE), surveillance program; the national arbovirus monitoring program; the tuberculosis freedom assurance program, the national bovine Johne's disease program; and the enzootic bovine leucosis program.

State projects that support the industry include: remote area surveillance, periurban surveillance, general surveillance and Australian Biosecurity Cooperative Research Centre research projects. General surveillance includes reporting and collation of significant animal health issues for the purpose of trade in animal products, disease investigation of mortalities or morbidity that could be an emergency disease, investigation of animal health issues that remain unresolved through normal laboratory submissions, investigation and resolution of difficult disease syndromes, laboratory diagnostic activities and interrogation of laboratory diagnostic information for trends including the indication of emerging disease. I seek leave to table the prospects report which I mentioned in my opening statement.

Leave granted.

Mr LAWLOR: I refer to page 1-23 dot point 9 of the Ministerial Portfolio Statement and I ask: is the government adequately prepared to deal with an outbreak of avian influenza?

Mr MULHERIN: Emergency disease response capability is a priority for the department. Queensland has made a major contribution to the comprehensive Australian Veterinary Emergency Plan, otherwise known as the AUSVETPLAN, and follows the general all hazards approach to emergency disease management. With H5N1 influenza spreading in other parts of the world the department has been active in reviewing and updating preparedness activities. Late in 2005 a departmental task force was appointed to undertake this program.

An external reviewer also reported favourably on the level of readiness. Recommendations made as part of this review are being progressively implemented. The department also participated in the national Exercise Eleusis in November 2005. More recently a veterinary officer has been taken off line to specifically complete the implementation of a number of initiatives. Queensland is leading the nation in respect to these arrangements.

Five outbreaks of non-H5N1 avian influenza have occurred in Australia since 1976. One was at Lowood in 1994. These were all quickly eradicated using tried and proven techniques. While the risk of introduction is officially regarded as low, Queensland has taken the threat very seriously and acted positively. Avian influenza is one of some 63 different emergency animal diseases subject to national preparedness and response agreements. The particular strategies for avian influenza are nationally agreed and facilitated through the AUSVETPLAN. Any response is a national response with Queensland being the lead agency if an outbreak occurs.

Preparedness is focused on five key areas. The first is communication, media and awareness. This is to ensure that stakeholders are aware of the issues and their responsibilities. A key issue has been promotion of on-farm biosecurity practices to prevent outbreaks occurring. The second point was workplace health and safety. Close liaison has occurred with Queensland Health and protective equipment has been purchased to ensure the safety of people involved in an outbreak. The third is initial diagnosis. Surveillance procedures have been enhanced to ensure rapid diagnosis should an outbreak

occur. The fourth is control. A range of response plans have been updated. The fifth is liaison. Contacts have been maintained with a range of agencies and industry bodies to ensure responses are appropriate and timely.

CHAIR: I refer to page 1-4 dot point 6 of the MPS. I have taken a continued interest in the Fire Ant Control Centre located at the old Oxley secondary college site in my electorate of Mount Ommaney. Have the public been supportive of the program and actively looking for fire ants? What level of support has been provided by the community in detection of these fire ants?

Mr MULHERIN: Thank you, Madam Chair. I note your keen interest in this particular program that the department is currently running. To date public support of the program has been very high, with approximately half of the infestations discovered beyond the restricted area reported to the Fire Ant Control Centre by the public. There has also been continual input of samples, calls to the call centre and web visits. Results from the Queensland Householder Survey of December 2005 indicate a continued high level of fire ant awareness in Brisbane but a drop in the level of activity of Brisbane residents checking their yards for fire ants.

There has been a consistent level of public participation in the fire ant eradication program over the years. The department's business information centre has received a total of 129,038 calls since the start of the program, which is an average of 1,762 calls per month. The web site has received a total of 509,840 hits, over a half a million hits, which is an average of 286 hits per month. The public has sent in 3,359 ant samples for identification in this financial year compared with 1,872 the previous year, showing a positive response to the centre's 'Find the last ant' campaign.

The 2005 Queensland Householder Survey indicated that there was a high level of awareness of fire ants, what they look like and their impacts on the environment. Other key points from the survey were that while we continue to have virtual saturation for fire ant awareness—99 per cent of people have heard of fire ants—there has been a drop in the conversion of this awareness into action with only 61 per cent of residents having checked their yard in 2005 compared to 71 and 74 per cent in 2003 and 2002 respectively. Despite the drop in reported checking of yards by residents, the number of fire ant related calls, web site hits and ant samples submitted for identification has risen through 2005-06. However, a range of strategies to combat this drop have also been proposed.

A number of 'Find the fire ant day' events have been conducted in target areas where infestation has been detected. These events are preceded by a mail-out of fire ant information and sample kits to the surrounding suburbs. There is good knowledge of the impact of fire ants across all areas—their impact on people, animals, the environment and lifestyle. In particular, there has been a marked increase in awareness of the impacts on the environment to 20.8 per cent and on lifestyle to 11.4 per cent. It was 4.8 per cent awareness in 2003. Some 89 per cent of people in Brisbane said they knew what fire ants looked like.

Mrs CARRYN SULLIVAN: I refer to the output performance tables on pages 1-16 to 1-19, 1-25 to 1-29 and 1-35 to 1-36 of the Ministerial Portfolio Statement. The 2006-07 MPS indicates that there are a number of performance measures to be discontinued. What is the reason for this?

Mr MULHERIN: I thank the member for the question. In 2004 my department initiated a significant transformation under the leadership of the then new Director-General, Mr Jim Varghese. Improved performance management has been very high on his agenda and throughout this transformation. During 2005-06 the department revised its suite of performance measures to accord with its transformed direction. This initiative provides a clear line of sight between the outputs delivered through projects and activities to industry and community outcomes expected by government. It strengthens the department's ability to demonstrate value to stakeholders.

The department's revised measures are depicted in the 2006-07 MPS. The changes to the MPS performance measures offer significantly improved accountability. Internal departmental performance measurements, reporting and accountability arrangements are now strongly linked with key government budget and accountability processes through the revised MPS performance measures.

The 2006-07 MPS performance measures significantly improve transparency by increasing the coverage of its measurement processes across the full extent and depth of the department's products and services delivered to Queensland primary industries and regions. The revision of the MPS performance measures reflects the experience gained from the series of performance management system audits conducted by the Queensland Audit Office in 2005 and reported by the Auditor-General in his report to parliament, Audit Report No. 5 2005.

Mr HAYWARD: I refer to the first paragraph on page 1-21 of the Ministerial Portfolio Statement. Can you please advise on the service delivery capability of the Biosecurity Business Group, particularly in a regional sense?

Mr MULHERIN: I thank the honourable member for the question. As you know, the department is equipped with biosecurity inspectors who facilitate delivery in biosecurity programs such as animal welfare, chemical use and food safety, animal biosecurity, plant biosecurity and fire ant eradication. The distribution of field positions, excluding those working in the fire ant eradication program, is in 57

locations throughout the state. They currently represent a split across programs in areas in the following proportions: 57 per cent to animal biosecurity, which equates to 70 full-time equivalent positions; 19 per cent to plant biosecurity, which equates to 24 full-time equivalents; 14 per cent to animal welfare, which equates to 17 full-time equivalents; and 10 per cent to chemical use and food safety, which equates to 12 full-time equivalents.

In 2005-06 the department recruited new biosecurity inspectors for placement at Toowoomba, Yeerongpilly, Bundaberg, Biloela and Mareeba. These were funded under the enhanced \$2.2 million biosecurity funding for 2005-06. I am pleased to confirm that our regional biosecurity presence and capability is strong and vibrant. 2005-06 has seen an increasing number of instances where the Biosecurity Business Group role traditionally attached to the head office in Brisbane is being attended to by staff placements in the regions.

The creation of the regionally located position of general manager of operations within Biosecurity Business Group was made possible through the abolition of a Brisbane office based senior operational coordination position within Biosecurity. This change did not create any additional management positions. A new temporary position of avian influenza preparedness coordinator has been created, and the appointee, a veterinary officer, is performing this role from Roma. This is a new additional position. A long-term temporary relieving appointment for a Brisbane based senior policy officer in Animal Biosecurity is being performed part-time from a south-east regional location, temporarily placing another position in a region. The National Livestock Identification System support team, initially established in Brisbane, has now moved some operational staff to Toowoomba. Another demonstration of our focus on service delivery capability for biosecurity in the regions is the reallocation of resources to Chinchilla. This arrangement was initiated to improve service delivery and create a supportive environment to staff. The biosecurity inspector position formerly located at Cadarga, approximately one hour north of Chinchilla town—

CHAIR: The minister's time—

Mr MULHERIN:—was transferred to the Dalby office—

CHAIR:—has expired.

Mr MULHERIN:—in order to create a critical mass of three biosecurity officers in the Dalby office.

CHAIR: Minister, could you try to stick within the three-minute time frame or ask the questioner for an extension.

Mr MULHERIN: Certainly, Madam Chair.

CHAIR: The time for government members' questions has expired. I turn now to the member for Toowoomba South.

Mr HORAN: Minister, I refer to page 1-2 of the MPS about DPIF's role in assisting the primary producer sector respond to challenges. The Queensland Farmers Federation newsletter of 2 June states that your department has commenced work on a primary industries impact statement to assess the impact of the Traveston Dam on primary producers of the area. Can you tell this committee the preliminary estimates or the details of that impact?

Mr MULHERIN: The department has assisted whole of government in relation to this. I am sure that the new dams at Traveston and Wyaralong are essential for securing the water supplies for south-east Queensland. The Traveston Dam will deliver up to 70,000 megalitres per annum and the Wyaralong Dam, in conjunction with Cedar Grove Weir, will deliver 21,000 megalitres. A formal consultation process will now begin with local landholders to purchase property. This government is committed to doing all we can for all of those families and businesses, including farm businesses, affected by the proposed dams to ensure they can get on with their lives as quickly as possible.

My department is continuing to work on these issues under the auspices of the Community Futures Task Force, chaired by Major General Peter Arnison. One task is to gather information on the intentions of affected producers. It is likely that the larger commercial operators will seek to relocate to another area. Some others may decide to retire, while yet others will be looking to alternative sources of income in the broader labour market. A second task in conjunction with the Department of State Development, Trade and Innovation is to identify impacts on non-farm businesses, including downstream processors, particularly in dairy and ginger. Of course, any impacts on the processors will depend on whether loss of production is made up by increased production in other areas. My director-general sits on the intergovernmental community task force. You may want to comment, Director-General.

Mr Varghese: As the minister has indicated, I am sitting on that communities task force and we are currently working on the economic profile of the Traveston Crossing Dam and Wyaralong. We are working through the figures for agricultural production and profiling that together with the department of state development and innovation. That process is currently underway and we are working through those issues in the Community Futures Task Force.

Mr HORAN: Minister, I refer to pages 1-18 and 1-19 of the MPS which shows the value of international and domestic trade that occurred as a result of assistance from the government. It was less than half of what was targeted. In fact, you only achieved 43 per cent of the target—only \$12 million compared to \$28 million. The notes also show that only 10 of an expected 15 new market opportunities were created. Minister, why has your department failed to meet its own expectations on trade development? Why are you no longer going to report on these measures in the future?

Mr MULHERIN: In 2005-06 the department set a very ambitious target of \$A28 million for the value of international contracts resulting directly from market and trade development assistance. This measure has been discontinued in 2006-07 due to the long lead times required in building commercial relationships and the number of external influences that adversely impact on potential exporters such as the fact that the sustained high Australian dollar has eroded the competitiveness of Queensland exports against countries such as Argentina, Chile and South Africa. The erratic weather conditions and the prolonged drought have seen a decline in productivity in many animal and plant industries, as has the uncertainty in the introduction of the market access protocols.

The original \$28 million target was based on several factors such as company estimates for potential trade, growth in international demand and new market access through quarantine protocol agreements. Due to the external influences, some company trade estimates have been revised due to a slowdown in the anticipated sales. This alone amounted to a decrease of \$11 million. Also as a consequence of amendments to the mango protocols, anticipated exports did not eventuate due to the stringent requirements relating to mango seed weevil and citrus exports to Indonesia which are currently facing high import tariffs. These have further hindered any unnegotiated change to the disinfection arrangements it has had with Australia.

However, the department has substantially exceeded all other trade assistance targets. The significant groundwork in developing priority markets has also been achieved and several market missions have been undertaken. However, as you are aware, the business of international trade requires time, patience and commitment. You could ask your federal colleague the trade minister, Mr Mark Vaile, in relation to commitment and patience in this area. The trade areas provided assistance to over 500 enterprises with over 1,000 individuals participating in a broad range of business and trade development activities, including seven overseas trade missions and over 50 inbound delegations. The recent Handshakes program matched more than 80 local Queensland companies to the needs and interests of international business from over 20 countries and facilitated more than 120 meetings during Beef Australia 2006, which was held in Rockhampton where I bumped into you. You are probably aware of that program.

CHAIR: Minister, your time has expired.

Mr HORAN: Minister, I refer to page 1-54 of the MPS about DPI Forestry's operating surplus where it is shown that it was \$24 million compared with a target of \$46 million. I refer to the Premier's statement in *From Strength to Strength* that Queensland is experiencing a sustained period of growth and prosperity that has never been recorded before in our state's history and also to the *Queensland economic review* published by Queensland Treasury showing a 3.4 per cent increase in building approvals. I ask you, Minister: how do you explain the serious financial underperformance of the department's commercial forestry area where the operating surplus has come in at 47 per cent under target or, if you like to take into account the time in which Forestry Plantations Queensland was established, a 37 per cent underperformance on a pro rata basis?

Mr MULHERIN: Thank you for the question. The department's forestry area forecast an operating surplus of \$24.7 million to the end of April 2006, representing a strong performance relative to the same period in the previous year. On 2 May 2006 DPI Forestry ceased operation as the state's commercial plantation manager following the transfer of exotic pines, hoop pines, hardwood plantation assets and the Wollemi pine venture to the newly formed statutory body of Forestry Plantations Queensland. Forestry Plantations Queensland has built on DPI Forestry's strong performance during the balance of the financial year. Current estimates are for a full-year operating surplus of \$41.7 million for the combined DPI Forestry and Forestry Plantations Queensland businesses, a result assisted by the recent successful out-of-court settlement of a longstanding litigation action.

The creation of Forestry Plantations Queensland will provide further opportunities to enhance financial performance of this state's commercial plantation activities and in turn facilitate growth and greater prosperity for Queensland's forest industry in an increasingly competitive market environment. Forestry Plantations Queensland has foreshadowed an operating surplus target of \$31.2 million for 2006-07 through the planned sale of two million cubic metres of plantation log timber and other commercial activities. The government is working to expand the state owned plantation estate to more than 200,000 hectares to underpin the continued growth and market competitiveness of Queensland's forest and timber industry.

To this end, Forestry Plantations Queensland is vigorously pursuing a land purchase program in strategic plantation areas. For 2005-06 FPQ acquired 2,743 hectares of cleared agricultural land, and the acquisition of other significant land parcels suitable for both softwood and hardwood production is

progressing. Forestry Plantations Queensland also continues to implement the government's six-year—that is, 2003 to 2009—future directions strategy for hardwood plantation aimed at expanding the state owned hardwood plantation estate by 5,000 hectares to more than 10,000 hectares by 30 June 2006. More than 1,500 hectares have been acquired and established under this program.

Mr HORAN: Minister, I refer to page 3-3 of the MPS and the role of Forestry Plantations Queensland and the government's role to commercially manage a plantation forestry business. I also refer to the most recent figures of the Bureau of Rural Sciences that show that about 50 per cent of the plantation estate throughout Australia is privately owned whereas in Queensland it is only 13 per cent. Can you explain why Queensland has failed to achieve similar levels to other states of private plantations?

Mr MULHERIN: The Department of Primary Industries and Fisheries received significant interest from local and overseas investors looking to invest in a range of forestry projects. The department is taking a lead role in facilitating private investment in the forestry sector. The main interest is currently from the managed investment scheme companies, whose 2006-07 plantation investment funds include \$52 million from Integrated Tree Crops, \$315 million from Great Southern Plantations and \$61 million from Forest Enterprises Australia. The department works with these companies and other investors to reduce risk by facilitating access to genetically improved planting stock, information on management regimes, wood properties, and pest and diseases; provides a regulatory environment that encourages plantation industry development; and demonstrates the importance of government places in the forestry industry for regional economic development.

The large private sector forest companies are now planning for infrastructure required to process the timber to be harvested from the plantations. Forest Enterprises Australia recently released a press statement on its plans to build a \$25 million sawmill north of Ipswich while Integrated Tree Crops is evaluating similar scenarios for north Queensland. Significant groundwork in developing priority markets has also been achieved and several market missions have been undertaken. However, you are aware that with Forestry Plantations Queensland the reason we commercialised that and set it up as a corporation sole was to bring about further investment by the private sector in forestry.

Research and development will also help underpin the development and effective management of private investment in hardwood plantations by addressing the unique challenges facing the development of the hardwood plantation industry in Queensland's tropical and subtropical environments. The additional funds will assist in delivering productivity improvements through the development and release of new elite varieties of hardwood that are high yielding and suited to a wider range of environments, reduced losses through the development and application of new plantation management strategies that minimise the impacts of pest disease and fire, and increased value of products through the development of new hardwood products.

Mr HORAN: I refer to the department's role in managing fisheries, which appears on page 1-31 of the MPS. You would be aware of conservation groups calling for up to half of Moreton Bay to be closed to commercial and recreational fishing. Can you guarantee that you will not close down a significant portion of Moreton Bay to commercial and recreational fishing if the Beattie government is returned to power at the next state election?

Mr MULHERIN: Fisheries are an important part of the portfolio. Decisions relating to that are within the responsibility of the minister for environment. I will continue to work to ensure that we have sustainable fisheries.

Mr HORAN: Also on that same page relating to fisheries, you would be aware of the federal government paying compensation in the representative area program zones. When the Beattie government brought in the complementary zones, it did not pay compensation. If there is any rezoning—

CHAIR: Could member refer to the page of the MPS.

Mr HORAN: Yes, I said it was the same as the one before, 1-31. If the Beattie government makes any changes to the Hervey Bay fishing areas and the Moreton Bay fishing areas, particularly if you put them into reserves instead of zones, are you prepared to pay compensation to the recreational and commercial fishing industries for their losses?

Mr MULHERIN: Those matters are important matters. On 24 May I introduced to parliament amendments to the Fisheries Act which significantly strengthen the property rights of commercial fishing licence holders while making provision for compensation should these rights be reduced or removed for the benefit of other user groups. Any compensation payable will be made up of two components. The first component provides compensation for the loss in market value of the fishing licence. The second component provides for a loss of up to three years of taxable income where access to the fishery is lost or reduced.

In relation to the first component, it is proposed that compensation payable will be calculated by determining the average value of similar licences and adding a further 20 per cent to this amount. This approach recognises that, while many commercial fishing licences are similar, there is a wide variation

in market values due to factors such as the location of fishing activity and the fishing history attached to the licence. By adding 20 per cent to the average market price, I believe that the affected commercial fishers will receive fair compensation for any loss in the value of their licence. There are many other factors that need to be considered when determining appropriate compensation for the loss of fishery access rights. These include the extent to which licence values have been diminished, the extent to which annual income has been diminished and other circumstances specific to the issues at the time and the individuals involved.

To ensure that all these issues are factored into the determination of compensation under the Fisheries Act, my department has commenced drafting a compensation policy to give full effect to these amendments. The development of this policy will be undertaken in full consultation with the fishing industry. To date, the work undertaken in developing the compensation policy has been focused on collating background material from other Australian jurisdictions on the compensation principles applied to other areas of national resource management, such as water and forestry.

In addition, international approaches to this concept will also be explored, particularly the experiences of Canada and other Commonwealth countries as well as the excellent work undertaken in this area by the Food and Agricultural Organisation of the United Nations. It is intended that this information will form the basis of discussion material that will be used in future consultation with key stakeholder groups, with particular emphasis on consultation with the commercial fishing sector. In relation to the commercial fishing sector, discussions with the QSIA will commence once they have finalised their consultation with members on the future direction and structure of their organisation.

Mr HORAN: I refer to the statement on page 1-13 of the Ministerial Portfolio Statement that \$400,000 of the DPIF's \$3.8 million investment in BSES Ltd will be provided for the FutureCane project. Does this mean that you are providing only \$3.4 million to the BSES this financial year instead of the usual annual contribution of \$3.8 million?

Mr MULHERIN: We are contributing \$3.8 million to BSES. As you know, the sugar industry is one of those great industries that impacts on most regional centres on the east coast of Queensland. I think there are only two places—Rockhampton and Gladstone—that do not receive any benefit from this industry. The industry has undergone major reform in recent times. We will continue our investment with the BSES. There has been a review done of the BSES. The department and the BSES will continue to work together in the interests of this great industry.

CHAIR: The time for non-government question has expired.

Mr LAWLOR: Minister, I refer to page 1-39 of the Ministerial Portfolio Statement. There seems to have been much criticism of the rescheduling of capital works at the Applethorpe Research Station. Can you give us some details about this project?

Mr MULHERIN: The comments by the opposition leader on 19 April 2006 that there has been a cut in the department's capital budget and that services at Applethorpe Research Station will be impacted are very misleading. He has been advised in answer to a question on notice on 10 April 2006 that the projects have not been cut. They have been rescheduled in order to enable the early construction of other projects in 2006-07.

The information supplied in response to question on notice No. 364 tabled on 10 April 2006 shows clearly that two of the projects have been rescheduled to enable funding to the glasshouse at the Redlands Research Station as part of the Queensland Crop Development Facility and the Bribie Island Aquaculture Research Centre extension, which the member for Pumicestone—

Mrs CARRYN SULLIVAN: Great to see.

Mr MULHERIN: The member knows it well. The Queensland Crop Development Facility is a strategic collaboration between the department, the Queensland University of Technology and the University of Queensland. It will provide world-class, high-security glasshouse in vitro growth facilities for plant science research that will benefit the whole of the state. The relocation of Sustainable Fisheries research staff to the Bribie Island Aquaculture Research Centre will provide a world-class facility for combined fisheries and aquaculture research with a more efficient and integrated structure.

The Applethorpe Research Station is now scheduled to commence in 2008-09, with completion planned for 2009-2010. The Applethorpe research facility services the temperate fruit industry of Queensland, which grows fruit from Stanthorpe to Charters Towers. The rescheduling of the upgrade of Applethorpe Research Station will not impact on research into the apple industry. The department has a full complement of research staff at Applethorpe and they are able to deliver on projects as required. The new facility will not bring a change in staff numbers. It is a new-for-old upgrade. The upgrade will remove old office laboratory infrastructure for a modern facility. The original published budget estimate of \$1.8 million was not realistic for the scope of the project. The preliminary project estimate by the Department of Public Works in early 2006 was \$6.5 million. The rescheduling will allow for increased funding to be available to address the project's brief in a more holistic manner.

I think all members would be aware of the significant costs that have arisen in Queensland in the building industry because of the mining industry and the demand for labour. That impacts not only on government but also on the cost of projects in the private sector.

Mrs CARRYN SULLIVAN: I refer to page 1-39, note 4 of the MPS. I have heard concerns expressed about the rescheduling of renovations to the Mareeba DPIF site. Would the minister explain what the plans are for this centre?

Mr MULHERIN: The department's site at Mareeba provides accommodation for a number of government agencies, including the Department of Natural Resources, Mines and Water; the Environmental Protection Agency, and the federal government's Australian Quarantine and Inspection Service. The emerging needs of the other agencies, particularly those of the Department of Natural Resources, Mines and Water, have grown over time. The management of the new accommodation needs will now be addressed at a whole-of-government level, freeing up DPIF capital resources for other priorities, such as the glasshouse at the Redlands Research Station and the Bribie Island Aquaculture Research Centre extensions. The outcomes of the strategy will not impact on the department's services at Mareeba.

As I said earlier, the Queensland Crop Development Facility at Redlands is a strategic collaboration between the department, the Queensland University of Technology and the University of Queensland. I want to make sure that we have a world-class facility that has high-security glasshouses that have the ability for in vitro growth facilities for plant science research that will benefit the whole of the state. The relocation of Sustainable Fisheries staff to the Bribie Island Aquaculture Research Centre will also provide a world-class facility for combined fisheries and aquaculture research.

All of our research stations work in collaboration and cooperation across the state. If they are in horticulture, you will have the research station at Gatton collaborating with Mareeba and Redlands. So it is a collaborative effort with research scientists.

Mr HAYWARD: I refer to page 1-27 of the Ministerial Portfolio Statement and to the recent detection of sugar cane smut. I ask the minister to outline the nature of the response by the Department of Primary Industries and Fisheries.

Mr MULHERIN: State pest control headquarters have been established in Brisbane to lead the statewide response. That includes the department, BSES and Canegrowers. A local pest control centre has been established in Bundaberg and forward command posts have been established in both Isis and Kepnock.

To date—and I will need to clarify this—100 properties have been surveyed, with 65 showing no evidence of smut and, therefore, being cleared to proceed with harvest without further restrictions. The total number of properties to be surveyed is somewhere in the vicinity of 265, but I will need to clarify that. The total number of properties now subject to quarantine directions under the Plant Protection Act 1989 is 47. Harvest commenced in Isis last week. Hence the current focus of surveillance is on the preharvest clearance of properties within the restricted area. That is within two kilometres of the infested premises.

Additional staff have been recruited and trained, bringing the total number of trained surveillance staff to around 200. Harvest protocols for non-infested premises within the restricted areas have been widely communicated and are currently being implemented. Harvest protocols for infested properties have been revised and require canegrowers to burn all smut-infested blocks of cane prior to the harvest, that is, after the removal of the whip of smut.

To address safety concerns the department has arranged for all burns to be assisted by the rural fire authorities at no cost to growers. Industry liaison officers are available to help growers with organising their cane burning. Movement protocols for equipment from farms within pest quarantine area 5 are being implemented. Protocols to allow the harvest and transport of horticulture and other non-cane crops grown on quarantined properties have also been developed, which minimises any disruption to these operations. The emergency response plan has been drafted and forwarded to the Office of the Chief Plant Protection Officer for distribution prior to the meeting of the national Consultative Committee on Emergency Plant Pests this Friday.

Mr LAWLOR: Minister, I refer to page 1-5, dot point 9 of the Ministerial Portfolio Statement. Can you please outline how the department responds to pest incursions in Queensland?

Mr MULHERIN: Biosecurity is a shared responsibility. Australian border control is aimed at preventing the introduction of exotic pests and diseases and is managed by the Australian Quarantine and Inspection Service. The department works closely with AQIS and industry to ensure that the risks posed by exotic pests and diseases are effectively managed and Queensland is prepared and able to rapidly and effectively respond should an outbreak occur.

Responses to emergency plant and animal pest and disease incursions are handled in accordance with the national response frameworks established under the Emergency Animal Disease Response Agreement and the Emergency Plant Pest Response Deed. These arrangements form the

basis for the management and funding of state and national responses to emergency pest and disease incursions, including what proportion of the cost of mounting a response will be paid by government and industry. These agreements also detail the key response management structures that are to be implemented at both state and national level during an emergency pest or disease response and outline the plan and decision-making process that applies at each of these levels.

The department's response to emergency pest and disease incursions in Queensland is to implement a range of measures including: confirming the identity of the pest or disease through diagnostic testing; establishing the relevant state based response management structures; determining the nature and extent of the outbreak through surveillance; implementing quarantine measures to control and contain the outbreak and to prevent the spread; providing data, technical advice, risk analysis and other inputs that assist national decisions on whether an incursion is eradicable in a cost-effective way; developing response plans that detail the proposed longer term response strategy and budget for consideration by relevant national bodies; and implementing approved emergency pest or disease response plans.

The emergency response measures I have outlined have been successfully implemented to deal with a number of pest and disease incursions in Queensland over recent years. Examples include citrus canker, red imported fire ant, electric ant, crazy ant, wheat streak mosaic virus, tomato yellow leaf curl virus and, more recently, sugarcane smut. Queensland may also be required to implement response measures when pest and disease outbreaks occur in other states. These measures can include surveillance to provide evidence of absence in the state and movement restrictions to prevent introduction of pests or disease from other jurisdictions.

CHAIR: Minister, I refer to page 1-15, paragraph 4 of the MPS. What is the Department of Primary Industries and Fisheries doing to promote the role of women in primary industries?

Mr MULHERIN: There are over 23,000 women working in agriculture, fisheries and forestry in Queensland, or 31 per cent of the workforce. The Department of Primary Industries and Fisheries has a unit dedicated to supporting and promoting the work of these women. The unit's program aims to improve women's capacity for learning and earning in rural and regional Queensland in accordance with the *Women in the Smart State Directions Statement 2003-2008*. For the past seven years, the unit has provided a diverse range of information and professional development services including electronic newsletters distributed to over 1,700 women and men across the state, 85 per cent of whom are primary producers, and scholarships for women to attend the Australian Institute of Company Directors course. I was at a dinner with the Canegrowers Women's Network in Brisbane recently. Interestingly, one of the interstate people at this meeting indicated that we were the only state to have a program like the ABC *Country Hour* to assist women to attend this Australian Institute of Company Directors course. So we are leading other states with this program.

There is also the management of the prestigious Rural Industries Research and Development Corporation Rural Women's Award. A growing band of women working in primary industries are establishing niche food and fibre businesses on-farm, making an important contribution to farm incomes and regional economic development in Queensland. In October this year the department will profile 40 of those gourmet growers and their families to the media, chefs, distributors, government trade and business advisers and the general public at the third Enterprising Women in Rural Industries Trade Show in Brisbane. This trade show not only supports and profiles these producers but also highlights the tremendous diversity and the quality of Queensland food and the important contribution that women make to agriculture in this state.

Mrs CARRYN SULLIVAN: Minister, I refer to page 1-3, dot point 7 of the Ministerial Portfolio Statement. It refers to the Bribie Island Aquaculture Research Centre. Before I ask my question, I congratulate the staff of that facility. They do everything they can to promote it and educate people on exactly what happens there and the research that is carried out. Minister, can you outline some of the good work that is done at that facility?

Mr MULHERIN: I know that the member for Pumicestone takes a keen interest in this research centre and is a frequent visitor to the centre. The R&D at the Bribie Island Aquaculture Research Centre is focused on finding new technologies to support the economic development of prawn, crab and sea scallop aquaculture in a sustainable way. Prawns are Queensland's largest and most valuable aquaculture sector, with a gross value of production of approximately \$50 million per annum. High-value differentiated product, such as the black tiger prawn, is needed to grow this sector in the face of cheap imports.

The main R&D on the black tiger prawn is the domestication project in collaboration with CSIRO, the Australian Institute of Marine Science and several industry partners, aimed at finding technologies for commercial scale breeding of prawns without the need for wild caught brood stock. Superimposed on that is a novel genetic improvement program to maximise reproductive growth rates of the prawns. Both molecular—that is identifying the gene markers of this particular trait—and selective breeding genetic approaches are being used. This project is in its third phase. The department recently

developed an innovative pond heating system to boost prawn growth rates and accelerate the availability of stock for commercialisation.

Crab R&D at the Bribie facility aims to intentionally produce large numbers of crablets without having to resort to capture of the animals from the wild and to grow these out while avoiding large losses due to their strong propensity to eat each other. Recent crab project achievements include development of efficient hatchery and nursery systems, pelleted diet that replaces fish content for plant protein and greater knowledge of the various crab species, particularly in the soft-shelled production.

Sea scallop R&D at the Bribie Island facility aims to provide technologies to an industry partner seeking to produce juvenile sea scallop spat for release into a seabed lease for sea ranching in Hervey Bay. The sea scallop project currently achieves success through marking hatchery produced animals with visible growth rings on the shell to distinguish them from wild animals and thereby enable the growth performance and economic viability of scallop sea ranching to be determined. Integrated aquaculture systems are also being supported by R&D at Bribie Island.

Proceedings suspended from 2.24 pm to 2.45 pm.

CHAIR: Before I call the member for Tablelands, who will be asking the first question, I believe the minister would like to clarify figures in an answer given regarding sugarcane smut.

Mr MULHERIN: And also about the web site. Thank you, Madam Chair. I have advice from my department that in relation to sugarcane smut approximately 298 properties have been surveyed to date, with 251 showing no evidence of smut and therefore being cleared to proceed to harvest without further restrictions. The total number of properties now subject to quarantine directions under the Plant Protection Act 1989 is 47.

In relation to the DPI web site regarding the Hendra virus, I am advised by my department that the information for veterinarians on the department's web site was updated on 30 June 2006 to add an alert that Hendra virus had been diagnosed at Peachester and a link was installed to a media release providing details of the case. Nothing related to the Hendra virus or veterinarians has been removed from the web site this year. The two most recent changes to the web site relevant to the Hendra virus were made on 4 May and 22 June 2005. I would seek leave to table the information from the web site.

I also have another point of clarification in relation to another question we took on notice in relation to the Hendra virus. Queensland Health were notified of the positive diagnosis on Friday, 23 June shortly after the department was notified by the national Animal Health Laboratory at Geelong. There is no obligation to notify AVA or EVA. However, this was done. There were various discussions with AVA and EVA commencing on Monday, 26 June.

I inform the honourable member for Toowoomba South that if he would like to make a representation to the independent reviewer we would more than welcome his contributions.

CHAIR: Leave is granted to table that document.

Ms LEE LONG: Minister, I refer to MPS page 31 and also page 34 regarding the management of fisheries resources. You indicate that your department has made significant progress towards new management arrangements for fisheries in the Torres Strait for Indigenous people. I understand that there are plans to reduce the current fishing licences held in the Torres Strait and gulf region by about 50 per cent and to transfer them free of charge to local Indigenous people with the view that this group will eventually hold approximately 75 to 80 per cent of licences in that region, and I ask: is this indeed the plan and can you clarify the future arrangements for the fishing industry in this gulf and Torres Strait region?

Mr MULHERIN: The Torres Strait fishery is a jointly managed fishery between the Australian government and the Queensland government. The Queensland and Australian governments have together made important decisions that will enable Torres Strait Islanders to access a greater share of the fishery resources. These decisions have been made through the Torres Strait Protected Zone Joint Authority, known as the PZJA. Both myself and Senator Eric Abetz co-chair that authority. The aim is to improve the economic opportunities for the islands and their people.

The PZJA has agreed to move quickly to a fifty-fifty resource allocation share between Torres Strait Islanders and non-Islander commercial fishers in the tropical rock lobster and finfish fisheries. These are the fisheries that provide the greatest economic opportunities for Torres Strait Islanders. Currently Torres Strait Islanders are catching less than 50 per cent of the harvest in these fisheries. The resource allocation share between the sectors will be supported through new quota management systems to be implemented in 2007. The initial shift to a fifty-fifty resource allocation will be achieved through a voluntary open tender process so that non-Islander commercial fishers choosing to leave these fisheries will be fairly remunerated through a negotiated funding package with the Commonwealth and Queensland government funding resource allocation in the tropical rock lobster fishery.

In addition, the Queensland government will be providing assistance to the affected fishers through the Worker Assistance Program. Over the longer term, the PZJA has agreed on a resource allocation target of 70-30 in favour of Torres Strait Islanders. Moving from 50-50 to the 70-30 target is to

be achieved by the Torres Strait Islanders themselves using market mechanisms such as purchasing fishing quotas. Officers from the Department of Primary Industries and Fisheries and the Australian Fisheries Management Authority are assisting the Torres Strait Islanders to develop a structure to obtain the most benefit from these landmark resource allocation decisions.

The resource allocation process will also formalise the catch sharing arrangements between Australia and Papua New Guinea. Under the Torres Strait Treaty Papua New Guinea is entitled to 25 per cent of the tropical rock lobster and Spanish mackerel resource in the Australian section of the Torres Strait protected zone. Conversely, Australia is entitled to 25 per cent of the tropical rock lobster and Spanish mackerel resources from the Papua New Guinea section of the protected zone. The Torres Strait community fishers representatives have expressed concern regarding the resource allocation process. Would you like me to continue?

Ms LEE LONG: My next question was going to be about this as well. I will ask you my next question and you can expand on it. There is also concern about the boundary lines between Australian and New Guinea waters being changed in favour of New Guinea. Fishers in that region are concerned and even our local fish and chip restaurant and other consumers in our area are worried that they will have to import the same fish species such as Spanish mackerel which are at present caught in our own domestic waters by our own current fishers and they may have to be imported from New Guinea or from foreign soils.

CHAIR: Member for Tablelands, I remind you to ask a question rather than make a statement.

Ms LEE LONG: Will that mean that our fish and chip shop owners, restaurant owners and others will be forced to import Spanish mackerel and other fish species from New Guinea in the future?

Mr MULHERIN: In relation to Papua New Guinea, these are constitutional issues that are dealt with by the Australian government through the Department of Foreign Affairs and Trade and the Papua New Guinea government. I am not in a position to comment on the negotiations. I am not part of those negotiations at a national government to national government level.

As I said earlier, the resource allocation process will also formalise the catch sharing arrangements between Australia and Papua New Guinea. Under the Torres Strait Treaty Papua New Guinea is entitled to 25 per cent of the tropical rock lobster and Spanish mackerel resource in the Australian section of the Torres Strait protected zone. Conversely, Australia is entitled to 25 per cent of the tropical rock lobster and Spanish mackerel resource from the Papua New Guinea section. We are entitled to go in there. It is pretty hard to work out where the boundary is because of movements in tide. We will have access to 25 per cent of the tropical rock lobster and Spanish mackerel resource from the Papua New Guinea section of the protected zone.

The Torres Strait community fishers representatives have expressed concerns regarding the resource allocation process. In particular, they have expressed dissatisfaction with only being allocated 50 per cent of the Australian share of the resource. They have further advised that they will have little ability to move from a 50-50 share to a 70-30 share if it is based purely on self-funded market based mechanisms. Recent negotiations with community fisher group representatives stalled when members refused to participate in the creation of a management plan for the tropical rock lobster fishery. Community fisher representatives at the recent tropical rock lobster working group advised that they were unwilling to formulate new management arrangements in the fisheries until they were guaranteed an initial 70-30 resource share in their favour rather than the 50-50 share previously agreed by the PZJA.

I will discuss this proposal in my capacity as a PZJA member with the Commonwealth Minister for Fisheries, Forestry and Conservation, the Hon. Eric Abetz, and the Torres Strait Regional Authority chairperson, Mr John Toshie Kris. It is currently unknown whether this stance will also be taken in negotiations concerning the management arrangements in the finfish fishery which has traditionally had a much lower harvest by the community fishers—community fishers meaning the Indigenous people. These actions will slow progress in the development of the management plan and will form the basis of discussions when I attend the next PZJA meeting scheduled for October later this year.

Ms LEE LONG: I now refer to MPS page 1-15 relating to workforce strategy and I refer to VERs, or voluntary early retirements, which have been offered to scientists in the department. Given the significance of the department's science portfolio and the release of various publications on the future science direction of the department, I ask: what strategies have you put in place to attract and employ capable and qualified scientists to replace those experienced staff lost through VERs and can you indicate how many new scientists will be employed?

Mr MULHERIN: As I said earlier, there are up to 121 voluntary early retirements that could be offered. The exact number will be determined by my department. What we are trying to achieve is a balance between experience that we have within the department now and also what our needs will be in the future. We will be seeking to recruit postgraduate scientists to work. We have also set up an alumni which is the recognition of the contributions that our departmental scientists and professionals within the department have made to the department over many years of service. We can also rely on them to

mentor some of these young graduate scientists and other professionals. It also gives us an opportunity, if the need ever arises, to bring these people in at short notice if we have an incursion with an exotic disease or pest.

World-class science based on critical competencies of staff is seen as a key component needed for the success of the department's R&D activity. If the department is to continually refine the focus of its research programs it is critical it is able to respond to the changing skills and capabilities necessary to deliver on leading-edge R&D.

The department is currently undertaking, as you raised, a science skilled planning and renewal program with a number of components to position the department to meet the current and emerging R&D priorities. An audit of current science skills is in progress across the department. The next stage is a more explicit identification of key science capabilities required to meet the future needs. The third stage is to develop a strategy to move the workforce profile to match the new skills and capability requirements.

Ms LEE LONG: I refer once again to page 1-15 relating to workforce strategy. This time I refer to the appointment of extension officers to far-north Queensland and the tablelands region to assist our many fruit and vegie growers and other primary producers who are indicating that they are a vital resource. They have been waiting for these extension officers for years now. When and how many of these officers will be appointed to the far north and tablelands?

Mr MULHERIN: The department works closely with industry, particularly the horticultural industry through their various bodies like the Banana Growers, Growcom and the Queensland Farmers Federation. This is one of the great myths and legends associated with the changing nature of the delivery of services within the department. The department continues to be committed to the extraordinary work achieved by our extension officers. We remain the largest provider of extension services in Queensland, with more than 250 extension staff located in 49 regional centres. The role of the extension has changed rapidly over the last 10 years because of changed demand, the development of sophisticated technology and the emergence of significant private extension services in some industries.

The department's extension service has changed to meet the new challenges of working in this environment. It has expanded its focus from being significantly behind the farm gate to now focusing on the whole of the value chain. This change in focus brings the extension skills of the department to bear on key issues that impact on the profitability, and it ultimately serves to improve the profits derived by all.

Rather than a reduction in extension numbers, there has been a significant shift in the focus of their work. This includes extension staff increasingly working in multidisciplinary teams put together from skills across the department in collaboration with other providers. An example of this would be researchers working with our trade and investment people to identify markets and the type of palette that some of our overseas countries like with a particular product. So we are focusing on that multidisciplinary approach to the whole value chain.

Extension is increasingly being targeted, as I said, into research development extension schemes that address the priority needs and enable the clients to access skills and knowledge to update them so they are highly specific and relevant; that increase the profitability and sustainability of our primary industries enterprise. Recently, I was at a meeting with Carter and Spencer, a fruit and vegetable provider at the Brisbane Markets, and I met with some of their long-term partners. One of the growers said that he went to Japan and came back knowing what the Japanese wanted and developed a breed of I think oranges or mandarines that was really for the Japanese palette. So a focus of our department is working together with trade and investment to look at all those opportunities that will come.

Ms LEE LONG: I now refer to MPS page 1-34 under the heading 'Community Programs', where you say—

A total of 25,000 boating safety inspections will be undertaken on behalf of Queensland Transport.

How many of these people will be employed to do these inspections? What will the cost be? What are the arrangements between DPI and Queensland Transport with regard to the payment of these costs?

Mr MULHERIN: We have a number of Boating and Fisheries Patrol officers who are located strategically along the Queensland coast and we work in collaboration with agencies like the Queensland Police Service, the Environmental Protection Agency as well as Queensland Transport. As this is a question that is an operational matter, I will ask Dan Currey from the department to elaborate further on this question.

Mr Currey: Boating and Fisheries Patrol have a number of responsibilities, including fisheries compliance, and they also do a range of boating safety compliance for Queensland Transport. As a rough guide, about 30 to 35 per cent of their time is spent on boating safety. There are about 130 staff in the state who do that sort of work. Boating safety work is also done by Queensland Water Police, but in the context of the question you asked, Boating and Fisheries Patrol.

Ms LEE LONG: Sorry, what was that? Were you asking me a question?

Mr Currey: No, that was it.

CHAIR: Mr Currey, would you mind addressing the chair, rather than the member? Was there something you wanted clarified?

Ms LEE LONG: I just wondered if that was the end of the answer.

Mr MULHERIN: Yes.

Ms LEE LONG: I will pass over to the member for Toowoomba South.

Mr HORAN: Minister, in relation to the Citrus Canker Eradication Program on page 1-4 of the MPS, in your answer to non-government question on notice No. 1 you revealed that about \$30,000 was spent to have a consultant conduct an efficiency audit of the Citrus Canker Eradication Program. Can you tell this committee of any problems the audit uncovered?

Mr MULHERIN: I thank the honourable member for the question. As part of the national response, we are required to carry out these audits. I will call on Chris Adriaansen, who up until now has been leading the eradication program on citrus canker. He is now working on sugarcane smut.

Mr Adriaansen: The Citrus Canker Eradication Program has progressed extremely well and is currently meeting all of its milestones as per the nationally agreed strategy and in accordance with the funding that has been provided through all of the national funding partners. The efficiency audit that was completed on the National Citrus Canker Eradication Program has been reported to the national consultative committee and the national management group which oversees that program.

The overarching statement that was made by the efficiency auditors was that the Citrus Canker Eradication Program was a well run and efficient program that was actually meeting all of the targets within a very defined budget. This reflects the fact that we have in fact got good cooperation from all the parties involved in the eradication program. We have quality staff who are delivering that eradication program and we continue to meet those milestones. At this stage, we remain on target to see replanting of the pest quarantine area in Emerald as from July 2007, which will be followed by an 18-month period of surveillance of all the replanted material so that we can eventually achieve a declaration of eradication in January 2009.

Mr MULHERIN: There has been no detection of citrus canker in the pest quarantine area since May 2005. During 1 July 2007 to 31 December 2008, it is planned for all replanted commercial citrus in the pest quarantine area to be surveyed at 90-day intervals in accordance with the national response plan. If no citrus canker is detected during this period, eradication will be declared in January 2009.

CHAIR: Minister, the time for non-government questions has expired. I call the member for Southport.

Mr LAWLOR: I refer to page 1-14 dot point 1 of the Ministerial Portfolio Statement. How has your department responded to Cyclone Larry?

Mr MULHERIN: I visited the affected area with other Queensland and Australian government ministers to gain a firsthand understanding of the magnitude of the devastation caused by Cyclone Larry. Outstanding intergovernmental cooperation has resulted in the most generous assistance package ever for a natural disaster being developed to assist producers to get back into business. The Department of Primary Industries and Fisheries staff responded immediately to engage producers, industry stakeholders and other businesses in the value chain to gather intelligence relating to the damage and the impact on producers. This data formed the basis of the initial impact analysis developed by my department.

Six primary industries cyclone advice service centres were established across the region to provide specialist technical advice; science advice for tree crops, sugarcane and bananas; biosecurity services; and advice on assistance provided by the Queensland Rural Adjustment Authority. The department's central business information centre increased its operating hours to provide assistance to primary producers seven days per week—that is the call centre. The department and the RSPCA worked together to provide shelter for companion animals that had lost homes or had to be surrendered as a result of Cyclone Larry.

Further, the department facilitated the development of industry recovery action plans under General Cosgrove's Operation Recovery Industry Action Group, and Mr Bruce Turner was the deputy chair of that group. Nine industry led working groups were established to develop the plans. This was successfully achieved through a high level of cooperation between all industry members on the working group.

Operation Farm Clear, a \$5 million initiative of this government and led by the department, is a joint working arrangement between government and industry that addresses problems preventing local primary producers from getting back on track. As at 16 July, there were 16 work crews in operation with a labour force of more than 80 on the tablelands and the coast; 129 farms have been assisted, with 107 jobs completed through this initiative.

More specifically, the dairy industry was provided with generators and portable dairies to enable cows to be milked as a matter of high priority. Some dairy cows required treatment for mastitis. The department arranged for veterinarians and antibiotics to be supplied.

Aquaculture needs were also urgent and the department worked to provide generators for the maintenance of critical life support systems for aquaculture stock. Generators were also supplied to power freezers to prevent loss of frozen produce. In the recovery phase, the department has developed the *Assessment of the Economic and Related Impacts of Cyclone Larry on Far North Queensland* report.

Mrs CARRYN SULLIVAN: Minister, I refer you to page 1-22, dot point 4 of the Ministerial Portfolio Statement. How was the DPIF emergency response capacity used to help the fishing industry recover from the Gladstone oil spill?

Mr MULHERIN: I thank the member for the question. In late January 2006, a tug boat collided with a bulk carrier during berthing operations in Gladstone Harbour spilling approximately 25 tonnes of heavy fuel oil. Maritime Safety Queensland initiated its marine oil spill response arrangements immediately and successfully recovered about 15 tonnes of oil and other contaminated material. The Department of Primary Industries and Fisheries led a joint response to assess the impact on fisheries resources in Gladstone Harbour and the resultant flow-on effects that could have caused the seafood to be declared unsuitable for sale for human consumption.

The interagency Food Incident Response Group was initiated by the department and included the following agencies: DPIF, which was responsible for responding to the emergency impact on the fishing industry and fishing resources; Maritime Safety Queensland, which was responsible for leading the immediate response to contain, clean up and remove the oil spill; the Environmental Protection Agency, which was responsible for oil impacts on wildlife and ascertaining the degree of environmental impact resulting from the oil spill; Queensland Health, which was responsible for human food safety issues that might arise from contamination of seafood products; and Safe Food Queensland, which was responsible for the safe production of seafood suitable for human consumption.

The response demonstrated the emphasis that the Queensland government places on food safety for the community and the value it places on supporting primary industries, especially during times of adverse economic impact. It also demonstrated that a whole-of-government response to food chain emergencies is a successful approach. The biosecurity and fisheries staff from my department worked very well together, as it combined the emergency response system learned from citrus canker and other emergencies with the skills and knowledge of the fishing industry. Additionally, sharing of staff resources across agencies ensured that the fishing industry was quickly returned to the pre spill situation.

Some of the positives from the response were: biosecurity emergency response systems were used very effectively; the early involvement from me and the director-general gave the department the needed clear direction and prioritisation of resourcing; public perceptions were well managed; there was good interagency cooperation—we even had department staff helping in the Queensland Health Scientific Services laboratory; we were also sensitive to a potential loss of confidence of the market; and we were proactive in promoting the whole value chain. I think some of the members present here today remember the barbecue that we had at Parliament House to announce the recovery of the Gladstone fisheries.

Mr HAYWARD: Minister, I refer to paragraph 2, dot point 3 on page 1-21 of the Ministerial Portfolio Statement. What does the establishment of the Emergency Plant Pest Response Deed mean to Queensland plant industries?

Mr MULHERIN: The government and the plant industry cost-sharing deed in respect of emergency plant pest responses, known as the Emergency Plant Pest Response Deed, came into effect on 26 October 2005 and has been ratified by the Australian governments—all state and territory governments—and 14 plant industry members. The deed provides a landmark funding arrangement that is designed to provide timely and effective responses to emergency plant pest incursions. The deed not only deals with the cost-sharing and emergency plant pest response but also details a range of rights and obligations for both government and industry parties including commitment, preparedness, prevention, risk management, detection and response arrangements.

In summary, the deed sets out roles and responsibilities and procedures to categorise the emergency plant pest, report emergency plant pest incursions, develop and conduct a response to an incursion, and share the cost of responding to an incursion and fund cost-sharing obligations. The deed also established the decision-making framework under which emergency plant pest responses are managed and formalises the key decision-making bodies who oversight and direct the national response. These bodies have responsibility for such things as reviewing and approving the emergency plant pest response plan, making decisions about expenditure, making decisions about whether eradication is possible and when eradication has been achieved, and reporting on progress to the cost-sharing partners and other key stakeholders.

A number of key changes have occurred as a result of the ratification deed. These changes include that affected industry parties now contribute to funding emergency plant pest response. Affected industry parties are also involved in all levels of the decision-making process, including representation on key decision-making bodies established under the deed. The percentage of government versus industry contributions varies depending on the public versus private benefit of the eradication.

Another key change will be the provision of owner reimbursement for the owner of crops or properties that are adversely affected by the implementation of the approved emergency plant pest response plan. The deed sets out the basis on which owner reimbursement costs are calculated and how reimbursement claims are made and paid. The deed commits all Australian governments and industry parties to a range of biosecurity measures. With sugarcane smut, it is the first time that this has been used, so it was a timely piece of legislation that was passed in October 2005, much to the benefit of government and industries.

CHAIR: Very timely.

Mr LAWLOR: Minister, I refer to page 1-4, dot point 7 of the Ministerial Portfolio Statement, and I ask: how does the Department of Primary Industries and Fisheries strategically engage with its stakeholders?

Mr MULHERIN: The Department of Primary Industries and Fisheries engages both internal and external stakeholders to strengthen relationships, discuss issues and identify opportunities for improving business practices. The external engagement process comprises dialogue for action forums held with industry groups to address key issues or joint issues of interest. In 2005-06 processes were held with a range of industries including fisheries, horticulture, Growcom and the thoroughbred horse and racing industry.

The strategic engagement processes have produced considerable success with gathering of information and perspectives from stakeholder feedback on departmental activity, directions strategies and emerging issues. Importantly, it strengthens the relationship with us and our stakeholders. It engages our stakeholders in an informed policy debate on the issues affecting primary industries. It facilitates working collaboratively with other agencies to deliver a coordinated strategic response that achieves the Queensland government's priorities, and it builds on a collaborative partnership to deliver innovative, practical solutions and optimises the achievement based outcomes.

Dialogue based processes have been applied on high-impact policy and emergent issues. The forums create a situation where all groups, with often conflicting agendas, can come together to address issues in an open and frank environment to create solutions utilising the collective wisdom or intelligence of the group. Successes include multidiscipline collaboration with business, industry, state and local government such as the action in response to the Gladstone oil spill, Tropical Cyclone Larry and the development of policy and regulations to key issues such as fisheries and critical events related to the Shark Control Program.

In the case of the Shark Control Program, following the fatality at Amity Point on Stradbroke Island, representatives from six government agencies, environmental groups, local councils including your council, the Gold Coast council, and Redlands, CSIRO, tourism bodies and surf-lifesaving associations were involved in a highly favourable process and have agreed to address the 14 key issues in shark safety including bather safety, conservation and marine animal welfare, community education and perception and awareness, signage and instant response. It is another example of the success of the stakeholder engagement process.

Mrs CARRYN SULLIVAN: Minister, I refer to page 1-32, dot point 8 of the Ministerial Portfolio Statement. What are you doing to ensure aquaculture development in Queensland is profitable and sustainable?

Mr MULHERIN: As noted in the 2005-06 Ministerial Portfolio Statement, \$4 million has been allocated over four years to support regional planning and research and development in Queensland's aquaculture. The aquaculture planning initiative has commenced. The Department of State Development, Trade and Innovation, in close consultation with the Department of Primary Industries and Fisheries, has developed a paper to discuss options for statewide marine aquaculture policy and the framework that it operates in.

The intent of the policy is to provide a clear position on the development of a sustainable marine aquaculture industry in Queensland. The Great Sandy Region has been identified as the first of the regional aquaculture plans. Stakeholder engagement in this region has recently commenced. Land based culture systems are the major type in Queensland. The department has facilitated a whole-of-government working group to develop guidelines for pond construction and operations. These guidelines are important to councils, government regulatory agencies and prospective aquaculturalists to ensure that aquaculture ponds are located and constructed using best practice principles.

The use of these principles of construction and ongoing maintenance are designed to ensure minimal impacts on adjacent land users. Through extensive industry engagement, industry has introduced sector-specific development plans for the oyster and prawn industries. The drafting of the

barramundi industry plan is well underway and consultation with the barramundi association is continuing. These development plans have identified the key issues that industry consider are vital for their long-term success. Some of these issues are specific to each sector. However, many have a common thread. One such common theme is the marketing of aquaculture products. The plan identifies specific actions that need to be addressed, who will lead them and a projected time frame for completion.

The plan for the prawn and oyster sectors is well advanced, and some of the identified actions have already been completed. The department has also developed a number of policies for aquaculture. These policies have been developed to ensure that Queensland fishery resources are used or cultivated for the purpose of aquaculture in line with the principles of ecologically sustainable development.

Mr HAYWARD: I refer to page 1-10, dot point 10 and page 1-13, dot point 8 of the Ministerial Portfolio Statement. Would you please outline what the Department of Primary Industries and Fisheries is doing to increase Queensland's food and agribusiness exports?

Mr MULHERIN: Thanks for the question. It is a pleasure to have the opportunity to talk about the extremely valuable trade work that is undertaken by the department. The trade market investment unit within the department has a charter to work with food and agribusiness enterprises to enhance their trade competitiveness and increase their access to international markets. The unit undertakes a diverse range of activities such as market and supply chain development, business matching and working with federal and international agencies to address quarantine and tariff impediments.

To give you a flavour of the trade initiatives the department undertakes, I would like to give you a nutshell summary of some of the projects that are being undertaken. Countries such as Korea, Brazil, Argentina, United Arab Emirates and Singapore present a plethora of export opportunities for Queensland's food and agribusiness and amenity horticulture sectors. The department has moved swiftly to capitalise on the growing opportunities in Korea by placing a trade and investment officer in the Queensland Government Trade and Investment Office in Seoul. The officer will be in market for 12 months and has already facilitated export outcomes for Queensland companies.

Brazil and Argentina offer exciting prospects for Queensland's cutting-edge technology and services related to livestock industries. The department has facilitated several trade and development activities including trade missions and biovisits which have resulted in good business relationships being forged and trade outcomes being achieved.

As many of you will be aware, Queensland hosted two major events earlier this year—the World Meat Congress in late April and Beef 2006 in May. The department put considerable effort into organising these events, a key component of which was the Handshakes business matching program. The program comprises a comprehensive range of activities including targeted business matching between the visiting delegates and Queensland companies, a suite of export seminars tailored for a specific market, and a number of promotional displays. Handshakes assisted approximately 200 international visitors with a program of business matching activities.

Trade missions are a key factor in trade development. In the past 12 months the department of primary industries has organised and led very successful missions for lifestyle horticulture—

CHAIR: The time for government members has expired. I call the member for Toowoomba South.

Mr HORAN: Minister, I refer to DPIF's role in promoting primary industries, as referred to on page 1-1 of the MPS. I understand that at DPIF's headquarters in Brisbane there are foyer displays of the minister and similar displays on other floors. Given that in 2005-06 the member for Inala, the member for Sandgate, the member for Kawana and now you as the member for Mackay have all been primary industries and fisheries ministers, can you explain how much it has cost DPIF to rebadge these displays?

Mr MULHERIN: The department promotes to its stakeholders its activities, and I will ask the director-general to respond to that operational issue.

Mr Varghese: The displays the honourable member is referring to were undertaken as part of the new directions of DPIF. They were particularly put with an eye to making sure that they were readily replaceable at very low cost. In every display throughout the building it reminds you of the purpose and mission of Primary Industries and Fisheries. The quotations referred to by ministers are minimal. I think you will find them only referred to on the ground floor. One is a quotation by the Premier on the Smart State and where primary industries is heading. Where there is a change of minister and we need to put another panel, the cost of that has been designed so you do not have to remove everything in the building; you just make an appropriate adjustment.

Mr MULHERIN: Each panel reflects the activities on that floor.

Mr Varghese: That is correct. I was working in DPI from 1991 to 1996. It is a pretty drab building. It does not really reflect what we are doing as a department. Just over two years ago we did two things. We made the building actually reflect the strategic directions of primary industries such as sustainable

profitability. When persons enter the building it really hits you what we are on about. As the minister points out, on the ground floor you are reminded, for example, of bananas and of horticultural production. As you move to different floors you are reminded of aquaculture, of our beef industry. You are reminded of all those key elements of primary industries that make the state great and are also reminded of our growth target of an increase in primary industries of some two per cent by 2011. It is really a building that is conducive to both industry and visitors absorbing the strategic direction of the department which my minister has outlined.

CHAIR: That is what it is all about.

Mr HORAN: I refer to DPIs capital budget on page 1-39 and in particular to minor works and the refurbishment of DPI offices. Can you advise this committee whether any changes have been made to provide special smoking areas for DPI employees or yourself at the DPI headquarter.

Mr MULHERIN: I can assure you there have not been.

Mr HORAN: I refer to the outputs on page 1-5 relating to industry development, biosecurity and fisheries. This is a more general and very important summary. Through the questioning that this side of the committee has done we have seen that the government's contribution to the budget is down on what it was two, three or four years back, that the staff cuts will be 21, that biosecurity has failed in the case of the Hendra virus in the first 10 days, that we have had a failed industry development target of 57 per cent below, a failed forestry target of 47 per cent below and we have not been able to get a guarantee regarding the rights of recreational and commercial fishers for Moreton Bay. How are you going to turn around these quite serious failures in the next 12 months?

Mr MULHERIN: I disagree with your assertions that there has been a budget cut. The budget has increased by five per cent over the previous year. The core government investment is \$227.8 million and the overall budget is \$308 million. We rely on leveraging funds from other sources and working with industry to ensure that we achieve the strategies that we have put in place.

The strategies impact on trade so we require long-term relationships. We are continually working with industry and leading trade missions with industry to identify new opportunities. Quarantine regulations have an impact on those ambitious targets. The Australian government and your friend Mark Vaile are doing a great job in trying to free up those opportunities for primary producers. These things will assist us in ensuring profitability for primary industries.

I disagree with you on the issue of biosecurity. I believe that the department has responded well to all incursions. You only have to look at the activities that we are currently involved with such as citrus canker, the ongoing issues with Cyclone Larry and Cyclone Monica, sugarcane smut and the Gladstone oil spill, to name a few. With respect to the Hendra virus I have indicated to you that I would welcome you putting a submission in to the independent reviewer. I believe that the department has handled that in accordance with the protocols that have been put in place. That is why I have asked for the review. You fail to understand all the explanations in relation to the budget and the Hendra virus.

Mr HORAN: I turn to page 2-4 of the MPS which relates to QRAA. It shows that QRAA approved 75 per cent of the grants within the standard response indicator and 85 per cent of the loans within the standard response indicator. Can you explain to this committee what the standard response indicator is and how long it takes QRAA in days to approve grants and loans?

Mr MULHERIN: QRAA plays a vital role in assisting primary producers. Based on past volumes of applications and the expected mix of applications across the various programs administered by QRAA it was projected that 85 per cent of all grant applications approved would be within a standard response indicator. Due to the complexity of applications that have been assessed during the 2005-06 financial year, including the Great Barrier Reef Marine Park structural adjustment package, the vegetation management financial assistance package and the exceptional circumstances drought programs, the final result was that 78 per cent of all grant applications—estimated at 75 per cent when the MPS statement was completed—were approved within the standard response indicator. The lower than anticipated activity under the AAA FarmBis program coupled with the complexities of the abovementioned programs has resulted in a lower than anticipated percentage. I will ask the CEO of QRAA to elaborate more.

Mr Holden: In terms of the standard response indicators, I point out that for the broad range of programs they vary considerably. If you look at the FarmBis program, for example, the average turnaround time for individual applications there is 1.9 days. For group applications it is 3.2 days. For natural disaster relief assistance there was a turnaround time of 8.6 days on average. Our Primary Industry Productivity Enhancement Scheme loans were turned around on average in 11.72 days.

The actual standard response indicators for each element of various programs differ due to the complexity of those particular applications. To give you an indication, across the entire number of applications that QRAA assessed in 2005-06, which totalled 6,027, the average turnaround time was 18.57 days for each application. Splitting that down further into loans and grants, for loans the average was 10.8 days while for grants it was 19.3 days.

What does impact significantly on the standard response indicators is the influx of applications. As the exceptional circumstances drought assistance and the Great Barrier Reef Marine Park package came up to the closure dates we would get an influx of applications from producers et cetera in those areas. That does have a significant impact.

Mr HORAN: Minister, I refer to your answer to non-government question on notice No. 5 in which you confirmed that your department will be selling off its facilities and land at Yeerongpilly, Hamilton and Deception Bay. Does the department have an estimated value of each of these facilities? What is it and what will happen to the millions of dollars that will be raised from the sale of these assets? What will be returned to DPI?

Mr MULHERIN: The department is committed to having world-class facilities. Staff at Yeerongpilly will be relocated to various facilities. I will call on Professor Beth Woods to elaborate in more detail on these projects.

Prof. Woods: The disposal of the facilities from which staff will move to be part of the knowledge based research business facilities at Boggo Road and Coopers Plains will be managed through a whole-of-government process. As is normal for the disposal of government facilities, there is a whole-of-government asset disposal committee. It is chaired by the Department of Natural Resources, Mines and Water. The funds which are raised from that process will be part of the whole-of-government funding of the new facilities.

The estimated cost of those facilities is of course high because we are looking to produce world-class facilities that will underpin the competitive capacity in both the ecoscience area and also the health and food sciences area. In the case of the DPI facilities, I point out that we have already reached an agreement about the sale of the Hamilton site. The contract allows flexible vacation of that site to ensure that we will not have any problems in terms of having staff needing to find a home between the vacation of the old site and occupation of the new facilities.

In the case of the ARI site at Yeerongpilly, that is currently the subject of a government expression of interest process. In the case of the Deception Bay site, that will be managed, as I have explained, by the whole-of-government process. In the case of the Indooroopilly site, the department of primary industries actually does not own much of that site. Most of that site is owned by other government agencies. Again, that will be handled through the whole-of-government process. In terms of the valuations for each of those properties, that is not the responsibility of this department but the department that is managing that process.

Mr HORAN: Minister, on page 15 of MPS the DPI&F workforce strategy is mentioned. In response to my prehearing question on notice No. 4 you revealed that in addition to 121 staff that you will now be shedding through voluntary early retirements the Beattie Labor government has in fact offered a further 173 VERs to DPI&F since it came to power. Can you explain to this committee why your government has got rid of in total—and this includes the 121 this year—some 300 of DPI&F's most experienced staff and is only proposing to employ a third of this number as new staff?

Mr MULHERIN: I disagree with you. The maximum number of VERs is 121. We are also recruiting more staff to ensure that we have the skills to match our future needs. The number of VERs that will be offered will be determined by the department. That is the maximum number. The previous VER program was whole-of-government. Our staff numbers, if you include the former forestry department, are roughly the same as they were when you were last sitting on the Treasury benches, discounting those employed in the biosecurity area for the citrus canker and red imported fire ant eradication programs.

The whole-of-government Workforce Skills Alignment Scheme is designed to ensure that we meet current and future business and service delivery opportunities. It is a whole-of-government scheme. We are embarking on a recruitment program. We put out an advertisement recently alerting graduates to our recruitment program. I think we had over 130 expressions of interest. The department plans to recruit 100 people. The department is partnering with industry to accelerate important programs and systems like property management systems. We will have 20 officers embedded in industry based organisations. You may want to elaborate, Mr Varghese.

Mr Varghese: As the minister has indicated, when you look at the overall staffing numbers and you discount the biosecurity measures that are winding down such as red imported fire ant and citrus canker, the VERs have always been provided as a basis for workforce renewal right through the history of DPI and they have been replaced with very capable officers. It is an important workforce renewal program if we are to attract new capability and new skills, particularly from some really smart science graduates that we would like to get as we market this with our universities around the state.

Mr HORAN: Minister, before asking my last question I would like to thank the staff and your senior staff who have helped you here for their courtesies today. Minister, my last question relates to page 1-14 of the MPS but it regards the status of women within the department. Are you prepared to recognise that this young woman veterinarian in Peachester did make a very important and brilliant diagnosis, albeit in the face of difficulty, and her diagnosis is probably going to be of great benefit to not

only DPI but also Queensland Health and the equine industry in the future and possibly the protocols of DPI? It has been quite a professional and significant diagnosis in the face of difficulty, and I think she should be recognised for that.

Mr MULHERIN: I acknowledge the work of women in agriculture, not only on farm but the services they provide. I respect the veterinarian, and that is why I have asked my department to have our response and her response independently reviewed so that we can learn from these experiences. With regard to any information that you may have which can assist the reviewer in dealing with this particular issue, I would appreciate it if you would meet with the reviewer or write to the reviewer, as will the veterinarian concerned. I think it is important that we can assure industry that we handle these biosecurity issues under the protocols that have been established.

CHAIR: The time block for non-government members' questions has expired. I call on the member for Southport.

Mr LAWLOR: Minister, I refer to page 1-10 dot point 10 at dash 1 and page 1-13 dot point 5 of the Ministerial Portfolio Statement. Could you please outline what the Department of Primary Industries and Fisheries is doing to increase Queensland's horticulture exports into Asia?

Mr MULHERIN: I am pleased to have the opportunity to highlight the proactive approach that this government, in particular my department, has taken to not only increasing horticultural exports but also ensuring a strong and viable future for Queensland's horticultural enterprises by building our international competitiveness. In 2005-06 the government took the lead and established the Asian markets for horticulture initiative, investing more than \$1.5 million in horticultural market development. This three-year program adopts a whole-of-department approach to focus the extensive expertise of the Department of Primary Industries and Fisheries in market access and supply chain research, combined with our trade and market development skills, on targeted new market opportunities in Asia and the surrounding regions.

With coinvestment and collaboration of industry, exporters and agribusinesses, the initiative is supporting projects which will lift export opportunities for fresh fruit and vegetables. Engagement across the entire value chain is recognised as an essential ingredient to achieve international competitiveness of Queensland's horticultural industry. Already this year the initiative has conducted an extensive consultation process of Queensland exporters which has resulted in projects to find solutions to things such as citrus black spot, a disease which is restricting Queensland's ability to export our quality mandarins into New Zealand and the US.

In addition, the department has commenced projects to find control methods for mango seed weevil, a pest which is highlighted in import protocols for mangoes into China—China is a huge market and has huge potential—Malaysia and the United Arab Emirates. This applied research is critical to the development of lucrative markets for Queensland mangoes, as the member for Tablelands would attest to. The Asian markets for horticulture initiative has worked closely with the mango industry to develop an export action plan and is taking that plan forward to the new financial year with projects that will combine research with market development and intelligence to expand mango sales in the near Asian markets. The initiative is also supporting the citrus industry to profitably access the newly opened China market for citrus, and we will be undertaking a trade mission to China in September to build relationships and raise the level of understanding of this important new market.

CHAIR: I refer to page 1-1 paragraph 6 dot point 4 of the MPS. What are you doing to retain and develop appropriate skills to meet the needs of Queensland primary industries?

Mr MULHERIN: In collaboration with industry, business and other government agencies, I have initiated a Rural Labour and Skilling Strategy. Together we are maximising our investment in attracting, retaining and developing continuous supply of skilled labour for our primary producers. Our immediate task is to analyse the specific skill and labour needs according to the location and type of industry. These will inform the development of an industry training plan and the consideration of a range of labour supply solutions for 2007-08. Vocational education and training and higher education systems are about guaranteeing the skills of people, including those working in the rural sector.

The Department of Primary Industries and Fisheries will work with leading industry representatives to influence these systems to meet industry and business needs. As well as on-farm skills, priority areas include business and risk and natural resource management. We are also looking at ways to create more flexible qualification pathways and recognition of prior learning for qualifications that are most in need. Industry and business understand only too well what kinds of skills and experience make for profitable primary industries. Through a range of programs, we will find ways for better access to relevant labour and skilling services and information.

For example, FarmBis provides an opportunity for producers to access subsidised training to improve management skills. The \$22 million FarmBis program, jointly funded by the Queensland government and the Commonwealth government over three years, is targeting the development of a range of management skills for producers. In partnership with industry, we have set in place initiatives to encourage young people to consider the benefits of a career in primary industries and to commence

their career pathways while still at school. An example of this is our partnership in the AgForce school liaison initiative, encouraging the interest and uptake of careers in primary industries. This is now an action in the Blueprint for the Bush. The department has also developed a deep understanding of how skills and capacity are best translated to business and industry sustainability with over 100 years of extension and business development service delivery. Together we are integrating this knowledge for trade outcomes and industry competitive advantage, particularly for field crops, horticultural lifestyle and so on.

Mrs CARRYN SULLIVAN: Minister, I refer to page 1-4 paragraph 2 of the Ministerial Portfolio Statement. How is the Department of Primary Industries and Fisheries contributing to the Blueprint for the Bush government initiative?

Mr MULHERIN: The Blueprint for the Bush is a major government initiative. It provides considerable resources of \$153.4 million over four years for a long-term commitment to promoting the sustainability, liveability and prosperity of rural Queensland. The blueprint is a 10-year plan developed in partnership with AgForce and the Local Government Association of Queensland. The department is responsible for implementing blueprint commitments in relation to the appointment of property management officers to promote the rollout of property management systems and related initiatives; more flexible and integrated service delivery to rural producers; the relocation and redevelopment of the Centre for Advanced Animal Science; improving biosecurity through an enhanced biosecurity strategy; the Food and Agribusiness Export Strategy; the Future Beef initiative to integrate beef RD&E efforts; the R&D strategy for agriculture; and increased R&D for hardwoods.

The property management initiative is a significant departure for the department. Twenty staff will be placed within industry and regional natural resource management bodies to promote the rollout of the property management systems and related initiatives. The service delivery initiative is a direct response to concerns expressed from industry stakeholders about the integration of government services across agencies, particularly the three resource departments of DPI&F, the Department of Natural Resources and Mines and the Environmental Protection Agency. It is important that producers receive consistent information that provides integrated support for their business regardless of who it is in government they are speaking to.

Finally, I would like to mention the Research and Development Strategy developed by the department and supported by the blueprint and its associated rural economic development and infrastructure plan. The department will spend \$112 million on research, development and science extension programs in 2006-07. Under our R&D strategy, this effort has three basic objectives. The first is to continue the incremental improvements that underpin growth in the primary industry sector each year. This is the so-called evolutionary platform for R&D. As a result of these improvements for example, crop varieties, productivity growth and primary industries exceed that of the rest of the economy. The next is to respond to the emerging needs and pressures on the primary industry sector—

CHAIR: Member for Kallangur.

Mr HAYWARD: Minister, I refer to page 1-21 dot point 4 of the Ministerial Portfolio Statement. Minister, what steps are you taking to ensure that other infested properties beyond the current operational areas are found?

Mr MULHERIN: Successful fire ant eradication is heavily dependant on public support and reporting of suspect ants. Detections of fire ants beyond the existing operational zone of the department's Fire Ant Control Centre are the result of public reports. The Fire Ant Control Centre delivers a comprehensive passive surveillance campaign through the Community Engagement Unit that seeks the involvement of the public to check their surroundings and report possible fire ants. A key activity of the passive surveillance campaign has been conducting a series of local Find the Fire Ant Days in areas such as Toowong, Carindale, Logan, Park Ridge, Beenleigh, Springwood and Capalaba. These events involve a direct mail-out to local residents asking them to check their yards and local areas for possible fire ants or nests and report back to the department what they have found. Residents can send back the replied paid report form to indicate that they have checked their yard and did not find any suspect ants. If they do find a suspect ant, they can bring them to the control centre on a specified day in their local area for free giveaways, information or call the department for an officer to visit and collect a sample for identification. These days are also supported by advertisements in local media and active promotion prior to the event through local shopping centres, community groups, local councils and local events, as the chair and member for Mount Ommaney would be aware.

Other activities supporting the passive surveillance program since the start of the program include 472 public displays, 544 community presentations, 175 school based activities and 407 industry training events. There have also been 1,730 media stories, including print, television and radio stories, since the beginning of the campaign. These activities are further supported by the dissemination of information through libraries, local councils, school and community newsletters, real estate agents and local state and federal politicians' offices. Static displays are also sent throughout Queensland to regional centres and to key environmental and community centres in south-east Queensland.

CHAIR: Thank you. There being no further questions, that concludes the examination of the expenditure estimates for the portfolio of the Minister for Primary Industries and Fisheries. I ask that any questions on notice taken during the hearing and any other information be provided by the minister's office by 10 o'clock on 24 July. I would like to thank you, as the minister, for your first estimates hearing. Congratulations. I want to also thank Hansard and the attendants. I give a special thanks to Rob Hansen, my research director, and his staff for all the time they have put into this hearing and also all of the staff of the departments for the time they have spent on estimates over the past few weeks. I would also like to say thank you to members of the committee from both sides of the House for your participation and involvement in this hearing. I declare this public hearing closed.

Mr MULHERIN: Madam Chair, I would like to thank you and the deputy chair and other members of the estimates committee, including the research officers, for the way you have conducted my hearing. I appreciate the assistance that has been given by my departmental people, my director-general and my staff. It is an onerous task for the department. I would also like to thank Hansard and the attendants for all the support that they have given throughout the whole estimates process over the past couple of weeks. I thank very much all involved.

CHAIR: Hear, hear! Thank you very much.

Committee adjourned at 4.01 pm.