

FRIDAY, 13 JULY 2007

ESTIMATES COMMITTEE D—MINES AND ENERGY

Estimates Committee D Members

Ms VE Darling (Chair)
Mr SJ Hinchliffe
Ms JH Jarratt
Mr S Knuth
Mr GE Malone
Mr AI McNamara
Mrs DR Pratt

In Attendance

Hon. GJ Wilson, Minister for Mines and Energy

Department of Mines and Energy

Mr D Hunt, Director-General

Mr A Millis, Deputy Director-General Energy

Mr K Beardmore, Executive Officer

Mr C Fellows, Director, Finance and Administration

Energy Ombudsman

Mr B Adams, Ombudsman

Tarong Energy Corporation Limited

Ms H Gluer, Chief Executive Officer

Ergon Energy

Mr J Fitzgerald, Executive General Manager, Customer and Stakeholder Engagement

Committee met at 8.30 am

CHAIR: Good morning. I declare this meeting of Estimates Committee D open. I am Vicky Darling, the member for Sandgate and also the chair of this committee. Joining me on the committee are Ted Malone, the member for Mirani and also the deputy chair; Shane Knuth, the member for Charters Towers; Mrs Dorothy Pratt, the member for Nanango; Ms Fiona Simpson, the member for Maroochydore, who is a visiting committee member; Andrew McNamara, the member for Hervey Bay; Stirling Hinchliffe, the member for Stafford; and Jan Jarratt, the member for Whitsunday.

The committee will examine the proposed expenditure for 2007-08 as contained in Appropriation Bill 2007 for the portfolios assigned to it by the order of appointment made on 23 May 2007. The proceedings for today will commence at 8.30 am until 12.15 pm examining the portfolio of the Minister for Mines and Energy. From 1.15 pm until 4.30 pm, the committee will then examine the portfolio of the Minister for Emergency Services. The committee will suspend proceedings for the following breaks: morning tea from 10.15 am to 10.45 am, lunch from 12.15 pm to 1.15 pm and afternoon tea from 2.45 pm to 3 pm.

The proceedings today are similar to parliament to the extent that members of the public cannot ask questions. In that regard, I remind visitors that in accordance with standing order 206 any person admitted to a public hearing of a committee may be excluded by order of the committee or at my discretion as chair. In relation to media coverage of the hearing, the committee has resolved that

television film coverage and photography will be allowed during the chair's introductory comments and the opening statement of each minister as well as for a short period during each changeover of ministerial advisers. The committee has also agreed to the live broadcast of the hearing via the Parliamentary Service web site and to receivers throughout the parliamentary precinct. I ask that all mobile phones and pagers be now switched off.

I remind members of the committee and the minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the end of each of these time limits. An extension of time may be given at the consent of the questioner. A double chime will sound two minutes after an extension of time has been given. The standing orders require that at least half the time available for questions and answers be allocated to non-government members. Any time expended when the committee deliberates in private is to be equally apportioned between government and non-government members. For the benefit of Hansard, I ask departmental officers to identify themselves if the minister refers a question to them to answer.

On behalf of the committee I welcome the minister, departmental officers and members of the public to the hearing. I declare the proposed expenditure for the Department of Mines and Energy open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, would you like to make an opening statement?

Mr WILSON: I would.

CHAIR: In accordance with the standing orders, your opening statement must not exceed five minutes.

Mr WILSON: Good morning, Chair, and members of Estimates Committee D. The coming year will see a number of significant changes to Queensland's mining and energy sectors. These changes involve major new policy initiatives that will help Queensland to meet the challenges of the 21st century. We have delivered full retail competition to the state's energy market in a move that will give householders and small businesses greater choice and protection when choosing their electricity and gas retailers. The electricity price ceiling has risen by 11.3 per cent following the ruling by the Queensland Competition Authority, the independent adviser in this matter. There were a number of factors behind the authority's ruling—the drought, the massive increase in expenditure on infrastructure, the shortage of skilled labour and the huge hike in the cost of materials.

We have also established a \$3 million voucher system for customers who face financial hardship and we will increase the pensioner and seniors rebate. People can also turn to the new Energy Ombudsman. The high level of capital investment in the state's electricity network is continuing with our government owned energy corporations investing a record \$2.7 billion this financial year.

The state government also has contingency plans in place to deal with the worsening drought in south-east Queensland and throughout the rest of eastern Australia and its impact on electricity supplies in the south-east. Late last year I set up a special task force made up of key stakeholders from across government and industry to analyse in-depth what the drought means for electricity and they have continued to advise government on this issue. Significant water savings are being achieved while security of electricity supplies is being maintained.

Later this year the new 750-megawatt Kogan Creek Power Station will come online. It is an air-cooled power station that uses one-tenth of the water of its wet-cooled counterparts, with water drawn from subartesian bores. There are a large range of projects on the drawing board to boost Queensland's generating capacity in the years to come. With Kogan Creek online, our generating capacity in the national electricity market will be boosted to over 11,250 megawatts—well in excess of the record demand set in March this year. Origin Energy will start building a 630-megawatt gas-fired power station at Braemar on the Darling Downs next month.

Transmission company Powerlink has projects worth \$1.6 billion in progress and will spend more than \$570 million this financial year on capital works. Energex is undertaking capital expenditure of more than \$900 million on its distribution network in 2007-08 to match the high growth of electricity demand in south-east Queensland. Ergon Energy is budgeting for capital expenditure of more than \$800 million across regional Queensland.

Queensland is also on the front foot on climate change. Our \$414 million strategy—ClimateSmart 2050—aims to lower the greenhouse gas emissions of communities and industry across the state. Among the initiatives are a renewable energy target of 10 per cent by 2020 and retailers and other large electricity users will have to source at least 18 per cent of their electricity from gas-fired generation by 2020. Of course clean coal technology is an important part of our program. Households will benefit from the government's \$4 million three-year gas rebate scheme which offers eligible households a rebate of up to \$500.

The mining industry is vital to the Queensland economy. The sector provided \$1.3 billion of royalties to the Queensland government last financial year. These royalties help build our schools and

hospitals and put police on the beat and teachers in our classrooms. Our \$20 million Smart Exploration Program is achieving positive results, and today's exploration, as we know, will yield tomorrow's jobs. The \$29 million Smart Mining Program is also well underway and will further advance the exploration of Queensland's resources. This will lead to almost \$1 billion in new capital investment and around 400 jobs.

We have one of the best mine safety records and the best mine safety legislation in Australia and it must continue to be strongly enforced, mine by mine, employer by employer, and worker by worker. Earlier this year I requested the Mines Inspectorate to undertake a series of unannounced, targeted safety audits at a range of mines with one objective—to boost safety. I also requested an independent review into the way in which annual mine safety figures are collected.

The resources sector has delivered enormous economic benefits to Queensland. It has also thrown up challenges and we are rising to meet them by providing the creativity and innovation needed to make things happen quickly.

We must also all work together to address climate change. If it is left to governments alone, it will never work. Governments, industry, research and development organisations—they all have a role to play. Climate change is the responsibility of all of Australia. The Queensland government takes its responsibility seriously and has come up with sensible, workable solutions that we believe strike the right balance. I have asked my department, the Department of Mines and Energy, to ensure we keep the momentum going. Thank you, Chair.

CHAIR: Thank you, Minister. I call the member for Charters Towers.

Mr KNUTH: Thank you, Minister, and thank you very much for the report. I have a bit of a croaky voice so you may have to bear with me.

Mr WILSON: You are not alone.

Mr KNUTH: Yes, I think 90 per cent of us may be in the same boat. Regarding the role of the department in ensuring the delivery of reliable and cost competitive energy to Queensland on page 1-12 of the MPS, what needs have been identified for additional baseload power capacity in Queensland over the next 10 years?

Mr WILSON: A range of considerations have been taken into account. The member may know that on an annual basis the National Electricity Market Management Company, NEMMCO, produces a statement of opportunities. That statement of opportunities projects forward on the energy demands from all of the states so that it gives guidance to investment throughout Australia into baseload, intermediate load and peaking power for all of the country, particularly obviously those on the national grid. Queensland plays a significant role in that.

Presently, there are probably up to 3,000 megawatts of generating capacity on the drawing boards for Queensland. A significant part of that is gas-fired generation and most of that is targeted to baseload requirements. The statement of opportunities document identifies that prior to the announcement of the Origin Energy 630-megawatt power station at Darling Downs the next additional generating capacity would be needed in 2009-10; an additional 243 megawatts would be needed at that time. The 630 megawatts by Origin Energy now pushes that out to beyond 2010-11, making Queensland one of the most secure states for the long-term provision of baseload electricity in the whole national electricity market.

More recently, we had the announcement by ERM that they will be adding another 450 megawatts to their existing 450-megawatt power station at Braemar. Their estimation is that that will come online by about the end of 2009. In addition to that, we have the AGL and Ergon consideration along with CS Energy for an additional 370-megawatt power station in Townsville. Also, AGL and CS Energy are looking at expanding the Mica Creek Power Station by a significant amount. The Northern Economic Triangle is very important to the long-term economic future of Queensland. There are active considerations being given by major generators to meeting the long-term future electricity needs for Queensland.

Mr KNUTH: Minister, what are the new baseload power station proposals that you say you are aware of? Do you have any firm details of the stations, including where they are likely to be located, their generating capacity and the fuel source of each proposed station?

Mr WILSON: The member may know that about 60 per cent of the generating capacity of Queensland is attributable to government owned corporations, leaving a significant 40 per cent and climbing component to the private sector. The private sector is generating proposals just like some of the government owned corporations are doing—in many cases, beyond the ones that I have indicated. There may be some additional ones that I have not referred to that do not presently come to mind.

You must bear in mind that the proponents for generating capacity will produce their proposals and assess the feasibility of them over a long period of time. The public may not necessarily become

aware of all of the work that is being done by the prospective new electricity generators until such time as they themselves choose to go public and announce the proposal they wish to proceed with. That could be because they need to raise additional financing on the stock exchange or they need to seek community support or consultation for one of their projects—there could be a whole range of reasons.

Certainly the power stations that I have indicated are the ones that are coming online in the time frames which I indicated earlier. The statement of opportunities document by the National Electricity Market Management Company is a thorough document that identifies for the marketplace and the private investment sector the opportunities going forward for long-term future generating power throughout the state and the nation.

I am aware of considerations being taken on board by CS Energy, for example, to explore what new generating capacity it could bring to the market within Queensland over the next 10 years. You would also be aware of the ZeroGen project that is taking place associated with the Stanwell Power Station where there is a proposal to establish the first clean coal-fired baseload power station by approximately 2012, so that fits within your time frame. There may be others within the private sector that I am not presently aware of.

Mr KNUTH: Minister, what are the details of this new coal-fired power station, and where is the proposed location?

Mr WILSON: Well, I have indicated to you the power stations that are presently publicly known to be on the drawing board. The most immediate one not only on the drawing board but about to put power into the Queensland grid is Kogan Creek Power Station—750 megawatts at Kogan Creek, owned by CS Energy. It is a coal-fired power station. CS Energy and other generators, as I say, both private and public, work up proposals from time to time, and I have indicated the ones that presently come to mind that are foreshadowed for the future here in Queensland. You can be assured that there are approximately 2,000 megawatts or more of generating capacity that is not yet committed but is under consideration by different proponents.

I should make the point that the statement of opportunities document that records the long-term or near-term investment in generating capacity is related to committed projects or bankable projects—projects that have been advised to the National Electricity Management Marketing Company where there is financial approval for that generating capacity to be built. There is a three- to four- and sometimes five-year time frame for construction. That is what is in that document.

That does not say anything about all of those proposals, some of which as I have indicated are under development by different proponents such as government and the private sector but which have yet to reach the point of commitment. They will bring them on to the point of commitment with bankable support once they identify that there is an opportunity in the market in the years going forward.

Mr KNUTH: Minister, I might have missed it in your answer, but did you say that it is a possibility that a clean coal baseload power station could come online by 2012?

Mr WILSON: There is considerable work being done, as you would be aware, on the ZeroGen project at Stanwell. Around that date is an intention that there would be a new clean coal-fired power station or power being able to be generated for the Queensland grid as part of the national electricity market. So there are many opportunities going forward. They are not confined to any particular fuel, although what we have done with the ClimateSmart 2050 strategy is to ensure that going forward Queensland is focused deliberately and intentionally on the bias for clean energy for Queensland. That means moving to a 10 per cent target by 2020 for renewables, it means going from 13 per cent to 18 per cent for gas, and it means putting substantial funds—in fact, \$900 million—into research on clean coal technology.

We clearly have a view that coal has and will continue to have a significant long-term role in the provision of baseload power in Queensland, but it is going to be clean coal. There will be a period of transition. Under the ClimateSmart 2050 program it clearly announces that going forward coal-fired power stations are to be biased in favour of clean coal adaptables. We are hopeful of enormous success not only with the ZeroGen project but also with the CS Energy oxyfiring project at Callide A.

Mr KNUTH: Minister—

CHAIR: Member for Charters Towers, can I remind you to direct your questions through the chair, please?

Mr KNUTH: Sorry, Madam Chair. Minister, I am a little confused here because you were talking about a proposed clean coal, coal-fired baseload power station. You have not given an answer as to where the location is to be for this proposal. Building a power station would take up to seven years and you are talking about 2012. This is something that is very important because a baseload power station is important for north Queensland and western Queensland. Where is this coal-fired baseload power station proposed?

CHAIR: Member for Charters Towers, I think you have been asking the same line of questions and the minister has answered on several occasions.

Mr KNUTH: We are just not getting it clear.

CHAIR: The minister can answer in whatever way he sees fit. I think you have asked this line of questioning enough. Do you have another line of questioning for the minister?

Mr WILSON: I am happy to respond to the question, Madam Chair.

CHAIR: Certainly, Minister.

Mr WILSON: I can refer the member to the response I gave in the House to a question without notice by the member for Burdekin, and that was that when we are looking at baseload coal-fired power stations and clean coal-fired power stations, they will be assessed according to the full range of considerations that need to be taken into account—financial aspects, technological aspects, environmental impacts and the appropriate location throughout the state. The Northern Economic Triangle, which is a key area for long-term development for Queensland, is very much in the mix for the location of a clean coal-fired baseload power station.

What we will have to do when we consider the different competing tenders that will come forward to the Clean Coal Council is appraise them on a sound, prudent commercial basis. The Queensland public would expect nothing less of us from that. It is entirely possible that a clean coal-fired baseload power station could be located in the northern part of the state. But I re-emphasise that location is one consideration. Whilst it may be a very important consideration, the assessment of the competing tenders that will come to the clean coal technology board for financial support for a clean coal-fired baseload power station will have to be very carefully assessed on a whole range of considerations, because the Queensland public would expect nothing less of us.

Mr KNUTH: Minister, I refer to your answer to question on notice No. 987 about AGL's intention to develop a new 370-megawatt Townsville south power station. This project was first announced in October 2005 with assurances from both AGL and your government that regardless of where the gas was to be supplied from—

Mr WILSON: I am sorry, I cannot hear you properly. Could you just start again?

Mr KNUTH: I will read that question out again, Minister. I refer to your answer to question on notice No. 987 about AGL's intention to develop a new 370-megawatt Townsville south power station. This project was first announced in October 2005 with assurances from both AGL and your government that regardless of where the gas was to be supplied from the project would be online by 2009. Can you explain the reasons for the extended delay?

Mr WILSON: I refer you to transcripts of previous estimates hearings. I stand to be corrected but my recollection is that Minister Mickel explained when asked a question regarding an additional gas-fired baseload power station for Townsville that, no matter how positive and hopeful everyone was about moving that project forward, at the end of the day it obviously has to satisfy commercial feasibility, not only because the state of Queensland is in some part involved in the project but also because that is exactly what the private sector would expect.

It has now moved forward. If I recall correctly, an announcement was recently made confirming that they will be able to proceed further to establish that baseload 370-megawatt gas-fired power station in Townsville. Yes, it might be later than what we all would like but it has to satisfy commercial feasibility. The proponents of the proposal who themselves have to garner the financial and investment support to make the project feasible and to obtain the long-term offtake contracts, which might be 15 years or 20 years in duration, have to set up the project in such a way that it is commercially feasible and viable. That takes some time. It may not happen exactly as quickly as any of us might like, but the financial tests have to be satisfied. It would be foolish and imprudent for a proponent of a generating facility or utility to proceed in defiance of settling very carefully that the financial viability can be properly attested to.

We are confident that the proposal will continue to proceed and it will proceed with considerable success. I know that north Queensland, and particularly Councillor Tony Mooney and others, are very much looking forward to that. My parliamentary colleague Craig Wallace is a great proponent of that proposal. The local council, the Townsville City Council, is doing everything it can to facilitate the speedy movement forward on that project.

CHAIR: Member for Charters Towers, there are only two minutes remaining of non-government question time. Did you want to ask a quick question or will we come back? You can if you like. The minister would only have one minute to answer.

Mr KNUTH: Your government committed to this project being online in 2009. Do you still commit to this project being completed by 2009?

Mr WILSON: I do not accept your assertion. I do not have anything in front of me to the effect of your assertion. I rely upon what I have said before. If there was a date indicated, then I would challenge you to assert that that date has to be met despite the failure perhaps or the absence of a provable, financially viable proposal.

CHAIR: The time for non-government members' questions has expired. I remind all committee members to direct their questions through the chair. I call the member for Stafford.

Mr HINCHLIFFE: Chair, I refer the committee and the minister to page 1-12 of the MPS. Under Recent Achievements, dot point 2, it states, 'Commenced the Gas Installation Rebate Scheme ...'. Could the minister outline the benefits of the gas rebate scheme for households and businesses in Queensland and indeed the benefits of gas as an energy source?

Mr WILSON: I thank the honourable member for the question. Up to 7,500 households across Queensland will benefit from the three-year gas rebate scheme. The new \$4 million gas rebate scheme is a win for the environment and a win for Queenslanders. Households that meet the criteria will be eligible for a rebate of up to \$500 to help with the installation of gas. The scheme will apply to existing homes where the homeowner installs gas appliances to replace electric and some non-electric appliances.

It is ideal for home renovators who are updating and replacing their appliances. The launch of the gas rebate scheme fulfils an election commitment to the people of Queensland. Eligibility for the rebate will apply from the very day we announced our commitment, which was 7 September 2006. The gas rebate scheme will reduce our greenhouse gas emissions at a household level by around 15,000 tonnes over the next three years. That is equivalent to taking approximately 3,500 cars off the road.

Gas has half the carbon dioxide emissions of that produced by electricity from coal-fired power stations. Gas now provides more than 2,000 megawatts of the state's electricity generating capacity. There is a further 1,700 megawatts of gas-fired generating capacity on the drawing board due in no small part to our 13% Gas Scheme which requires large electricity retailers to source at least 13 per cent of their energy from gas-fired generation. Honourable member for Charters Towers, those figures clarify the broader indications I was giving in my answer to you about the amount of gas-fired generation earlier.

Under ClimateSmart 2050 we will increase the gas scheme to 18 per cent by 2020. LPG and gas generally are destined to play a significant role in helping to meet the energy needs of our rapidly growing population. The gas rebate scheme and our 13% Gas Scheme means that households and big business can also play a significant role by working in partnership with the state government in helping to meet the challenges of climate change. The scheme applies to existing homes connected to reticulated natural gas, reticulated LPG and bottled gas. Householders can apply directly to the gas retailers and they will process the application and deliver the rebate on behalf of the state government by crediting their gas bill. I congratulate the industry parties for working closely with the government to implement the scheme. The continued support of the gas industry will be instrumental in the success of this excellent scheme.

Mr HINCHLIFFE: I further refer to page 1-2 of the MPS where it refers to changes in relation to the electricity and gas markets in Queensland. I guess like other Queenslanders I have had my first wave of salespeople knocking on the door, and I am interested to hear your reflections on the benefits of full retail competition for everyday Queenslanders and what measures the state government has put in place to protect consumers like myself and my family from unscrupulous operators.

Mr WILSON: I thank the honourable member for the question. Competition in the electricity and natural gas markets is expected to bring competitive pricing, more choice and better service offerings for many householders and small businesses. Queensland consumers will be winners from retail competition as retailers line up to win a share of the fast-growing electricity sector in the national electricity market. Indications are that in the short term competition will be strongest in south-east Queensland because the population density makes it more commercially appealing to retailers, but small regional customers will not be disadvantaged. The state government already delivers the best available deal to them through substantial price subsidies. The government helps Ergon Energy customers with around \$360 million a year in subsidies. If there was no subsidy, customers in regional Queensland would be paying on average around \$580 more each year for their electricity.

Since the introduction of competition for large industrial and commercial users back in 1998, the wholesale electricity price has fallen by about 30 per cent. We expect robust price competition as retailers seek to win market share in Queensland. Consumers should shop around and compare offers to make sure that they get the best possible deal for their electricity and gas.

The Queensland Competition Authority will publish electricity and gas prices to encourage price transparency and allow people to compare prices on offer. Importantly, all small customers can remain on the regulated electricity price or go back to it at the end of a market contract if they choose. 'The power to choose the power you use' consumer campaign will make people aware of the changes taking place in the electricity market. The campaign outlines consumer rights and protections and will help people make informed decisions about their options and provide important information about pricing, contracts and billing. These include minimum terms and conditions for all contracts and a 10-business days cooling-off period during which consumers can cancel the contract without penalty. A strict marketing code of conduct with heavy penalties for breaches applies and an independent energy ombudsman will investigate complaints and disputes between energy companies and consumers.

Ms JARRATT: I refer to page 1-1 of the MPS which makes reference to a reliable, sustainable and competitive energy industry. I ask the minister to please advise what factors the Queensland Competition Authority took into account when it ruled that there would be a 11.37 per cent increase in the electricity price ceiling for householders and small businesses in Queensland?

Mr WILSON: I thank the member for the question. The Queensland Competition Authority has made its ruling, which I adverted to earlier in my opening remarks, which was similar to its draft determination of around 10 per cent. There were several factors behind the decision: the drought, the worst in recorded history, and not just in south-east Queensland but throughout eastern Australia; the massive amount we are spending on infrastructure to maintain a reliable and secure power supply—that is more than \$6.2 billion over five years; the shortage of skilled labour; and the huge hike in the cost of materials used to build electricity networks.

Queensland households and small businesses will reap the benefits of a new competitive market and there will be savings to be made. Clever retailers will want to keep their customers and attract new ones, not lose them. The big retailers have said that they will be offering competitive deals and benefits for customers—Origin customers can expect deals of between five to 10 per cent, AGL will be offering benefits and Integral has already been advertising discounts of up to 10 per cent. We are going to support households facing disconnection because of financial issues with a new voucher system and we are also going to increase the pensioner and seniors rebate by 11.3 per cent. We want to make sure that the people, no matter where they live, have access to affordable electricity. That is why we are already subsidising the cost of electricity for people in regional and rural Queensland.

As I was saying earlier, \$360 million was set aside last year to help households and businesses in regional Queensland. That is an average of \$580 per customer per year and it will go up now because of the same cost increases that have driven the price increase. We are also under increasing pressure from the drought. Queensland is not alone. Full retail competition will create opportunities for households and small businesses to take advantage of the discounts and cheaper deals on offer. The best advice for customers is to hasten slowly and shop around.

Ms JARRATT: I refer to page 1-13 of the MPS, which refers to emergency response plans for electricity. In March last year Cyclone Larry caused havoc in far-north Queensland, disrupting mains power for many homes and businesses. Could you please advise what measures Ergon Energy is taking or has taken to provide emergency power to communities in regional Queensland under threat from cyclones or severe storms in the future?

Mr WILSON: I thank the member for the question. I am delighted to inform the committee that Ergon Energy has undertaken a number of measures including the launch of the first of its mobile substations named Nomad 1, which was launched in Townsville during June and is now parked outside this House. I had the pleasure of launching it. These mobile substations cost in the order of \$2.5 million each and will revolutionise the way Ergon Energy responds to natural disasters and routine maintenance across its vast electricity network.

Ergon Energy will build three Nomads and in the most severe cases all three could be brought to one area to respond to a crisis. The Nomads can deliver around 10 megawatts of power and if a sufficiently powerful generator is made available to power the Nomads they can provide an electricity supply to thousands of customers even if the bulk power supply into the area is cut.

The Nomads are able to handle more than one voltage group which makes them more flexible than the other mobile substations currently in Australia. As a result, the Nomads are capable of being connected to almost all of the more than 150 critical substations across regional Queensland. Until now, carrying out maintenance on substations with a single transformer has been problematic because it has required the power supply to customers to be interrupted for quite some time in many cases. Use of the Nomads will eliminate this interruption.

In the case of Tropical Cyclone Larry those parts of the Innisfail region fortunate enough to avoid damage to their poles and wires did not have power for several days because the bulk power supply into the region was cut. In future, the Nomads may be able to help supply power to some customers in that situation until the main power is secured and restored. The benefits of mobile substations also became apparent in Collinsville a few months ago when both transformers at the bulk supply substation were forced out of action. The Energex mobile substation used there was not as flexible as the Nomads because it catered for only one voltage. A parallel project is also underway to modify substations across the state so that the Nomads can be activated within as little as four hours on arrival at the site.

The Nomads were designed and built in Queensland and have unique features which have attracted interest from around the world. The second and third Nomads will be rolled out for service in the coming months and they will become a regular site around Queensland, especially regional Queensland, as they move from one substation to another.

CHAIR: I refer to page 1-3 of the MPS on the delivery of reliable energy supplies. In light of the long-running drought that we have been experiencing in south-east Queensland, can the minister please advise what steps he has taken to ensure that the supply of electricity to homes and businesses in south-east Queensland will be reliable and secure?

Mr WILSON: I thank the honourable member for the question. I have been assured that the bulk supply of power to homes and businesses in south-east Queensland will be secure. We are prepared for the worst and have contingency plans in place to deal with whatever nature throws up. Earlier this year I directed the big power stations in south-east Queensland to scale back their generating power to save water from Wivenhoe Dam until the recycled water pipeline comes online. Significant savings are being made while still maintaining a security of electricity supply.

I have set up a special task force made up of key stakeholders from across government and industry to analyse in depth what the drought means for electricity, and I adverted to that in my opening remarks. Expert advice from the task force is based upon a range of complex estimates and assumptions including hydrology modelling. It meets regularly and monitors constantly. I have recently appointed an independent expert to double check the work that has been done by the task force. The recent National Electricity Market Management Company report painted a bleak picture of the drought and its impact on electricity in the eastern states, but the NEMMCO report did not take into account those generating units that are on standby at power stations in Queensland that can be ramped up at a moment's notice, generating at full load within 36 hours to meet days of forecast low reserve.

The NEMMCO report also did not take into account generating projects on the drawing board in Queensland and New South Wales that will boost our power supply even further. If you take all of our current generating capacity into account, along with the 700 megawatts that is on standby—that is the two units at Tarong—our reserve capacity more than meets the national electricity market reserve standards. We will take the NEMMCO assessment on board, and have been doing so, and consult with our generators to ensure that they take those forecasts into account when planning additional supply over the summer months. A responsible government would do nothing less. We will also establish a working party made up of Queensland and New South Wales senior energy officials to monitor issues raised by the NEMMCO report. Based upon expert advice to the task force I set up, the bulk supply of power to homes and businesses in south-east Queensland will be secure. We have prepared for the worst and we have our contingencies in place.

CHAIR: I now refer to page 1-2 of the MPS. Can the minister advise what steps he has taken to make sure that the highest probity standards are met and maintained by senior executives in energy government owned corporations?

Mr WILSON: I thank the honourable member for the question. In early December 2006, shareholding ministers wrote to all energy GOC chairs advising of their expectation that GOC boards undertake a review of their codes of conduct and securities and trading policies and report back to shareholding ministers. By the end of January 2007 the chair of each GOC responded with comprehensive advice on how boards handle potential conflicts of interest in terms of their policies, how they manage disclosures, whether they have restricted trading registers or conflicts of interest declarations, how they communicate policies to staff, whether an independent review has been undertaken of their policies and their use of independent probity auditors for review purposes and advice.

Under the principles of corporatisation, each GOC board is provided with management autonomy and authority to ensure that the GOC achieves its objectives and the board is accountable to the GOC shareholders for its performance. As shareholding ministers are investors in the GOCs, they are able to outline their expectations in relation to a range of matters, including corporate governance as per the publicly available corporate governance guidelines for government owned corporations.

On the basis of the advice received from GOC boards, shareholding ministers decided to revise the guidelines to include a best practice guide on codes of conduct and conflicts of interest. This guide follows aspects of the managing conflicts of interest in the public sector guidelines published by the Independent Commission Against Corruption and the Crime and Misconduct Commission. The Auditor-General has recommended those guidelines be used as guidance in future policy updates.

As a shareholding minister I have clearly articulated my expectations about the high standards of conduct the government and I require of GOCs and of their senior executives. However, it is the responsibility of the respective GOC boards and not the shareholders to ensure compliance with standards, policies and legislation in accordance with the principles of the Government Owned Corporations Act.

Further, each board must be accountable for ensuring the policies are applied and enforced. This edict will be made clear to GOC boards in the best practice guide. It should also be noted that six of the seven GOCs are companies under the Corporations Act. This places additional obligations on their boards as is the case for public companies.

Under the Corporations Act the conduct of boards and senior executives is subject to the scrutiny of the Australian Securities and Investments Commission, with exposure to potentially severe penalties for noncompliance with statutory requirements. I believe that the GOC boards and senior executives are now absolutely clear about the expectations of the government. We now have the appropriate mechanisms in place to ensure the highest standards of probity are met.

Mr McNAMARA: Minister, a little earlier today in response to some questions from the member for Charters Towers you referred to Kogan Creek. I was wondering whether you could expand a bit on the role that Kogan Creek will be playing in meeting south-east Queensland's future needs?

Mr WILSON: I thank the honourable member for the question. This is an important power station. CS Energy's \$1.2 billion Kogan Creek Power Station project is a 750 megawatt baseload coal-fired power station near Chinchilla in south-west Queensland. It is the largest single generating unit in Australia. Construction was undertaken by a consortium comprising Siemens and Hitachi.

A five-month commissioning process commenced on 12 May 2007. During this period the plant will supply power at varying levels to the grid, with full power delivered as baseload during the final 30 days prior to handover. This is an important facility for Queensland, utilising efficient ultra supercritical boiler technology to deliver reliable and low-cost electricity with a reduced carbon footprint in time for the 2007-08 summer peak load.

As a dry-cooled plant, Kogan Creek will use only 10 per cent of the water needed for an equivalent wet-cooled coal-fired power station. This is particularly advantageous in view of the prevailing water shortages impacting on some of the power stations in south-east Queensland.

CHAIR: The time allocated for government questions has expired. I call the member for Nanango.

Mrs PRATT: Good morning, Minister. I am referring to non-government question No. 3. Noting that land acquisitions by GOCs are classified as commercial-in-confidence and offers are based on local and relevant GOC valuations, can you inform me as to what percentage of the price takes into consideration the fact that property owners simply do not want to sell but are asked to sacrifice their heritage in the future for the betterment of the state?

Mr WILSON: What needs to be understood at the commencement is the importance of Tarong Power Station in the long term for the economy of Queensland, not just south-east Queensland. There are a number of challenges that Tarong faces. The immediate one it is addressing very well, I might say, is determining the new fuel source to replace the contract with Meandu Mine through Rio Tinto that expires in January 2011. In that context it needs to deal with a number of challenging issues. One is the question of acquisition of either easements or full property rights and the manner in which they do that associated with any one or more of the alternative options that it is looking at. Associated with that are issues related to compensation.

What Tarong Energy has done to date I think gives a very clear indication of the level of care and sensitivity that it will continue to apply into the future in addressing issues such as land-holding interests associated with any one of the options. As the member for Nanango well knows—maybe it is not so well known by other committee members—there are three options that it is looking at. It is considering its Glen Wilga site as an alternative fuel which is about 120 kilometres away, its Kunioon site which is about 20 kilometres away and its New Acland site which is about 70 to 75 kilometres away.

It is exploring each of those three options as if it were the only option, but it is not. But it has to explore each one as if it were the option it was going to choose. It needs to fully and thoroughly investigate each of those options so it is in a position to carefully and prudently assess the financial viability of each of those options against each other. Part of that approach involves looking at issues like the corridors that would be needed for the transport of coal from whichever site to the power station, what resumptions might be needed and what access to land might be needed. Could I have an extension of time?

CHAIR: Member for Nanango, would you approve an extension of time?

Mrs PRATT: Minister, most of that we have heard 100 times before and you did not actually answer the question related to the percentage people's sacrifices actually equate to in the end.

Mr WILSON: I am happy to answer that question.

Mrs PRATT: No, you can answer it in this question, if you would not mind. If landholders flatly refuse to negotiate to sell their properties will you support moves to have this and other projects deemed as projects of significance allowing compulsory acquisition?

Mr WILSON: To resume the answer I was providing earlier, the issue of compensation is one of a range of issues that Tarong Energy will need to deal with. To date it has consulted very well, in my view, with the local community, and will continue to do so, around issues of land acquisition by whatever method or whatever mechanism and the issue of how appropriate compensation may be agreed upon.

The issue of compensation for affected landowners can be addressed in either of two ways, as I understand it. In relation to acquisitions of access and title to land not related to a mining lease—for example, the transport corridor—that is addressed under the acquisition of land legislation which provides for compulsory resumptions, if I recall correctly. But that also involves negotiation between the relevant parties to decide a fair and reasonable outcome. That is what would be sought.

Likewise, anything associated with the mining lease, the opportunities to ensure that compensation and fair compensation is paid for any land resumptions—and it is not clear yet what land resumptions and access would be needed by way of easements et cetera—the avenue for obtaining fair and reasonable compensation is through the Land and Resources Tribunal, which is a very common process in the mining area. Tarong would engage valuers of its own but also offer to pay for landowners to engage their own valuers because it is interested in fairness. It is aware that it is a significant, if not the most significant, corporate citizen in the South Burnett. It is in its absolute interest to ensure that it continues to build goodwill with the broader community but, in particular, those who might consider themselves potentially adversely affected by any one of these options that might be chosen going forward. If it is willing to pay for valuations to be obtained by potentially affected landowners as well as engage its own valuers, I think that is a commendable approach to ensure that fairness is the key principle pursued and that fairness is the outcome achieved for all.

Mrs PRATT: I think they disagree that the valuers actually value their heritage and the amount of time and effort they have put into their properties to make them, for example, organic or whatever. They can never repeat that when they move.

Mr WILSON: I am happy to take that as another question.

Mrs PRATT: Getting on to another question. With regard to alternative fuel sources for power stations, has there been any negotiations or consideration of a gas-fired power station at Tarong?

Mr WILSON: Tarong is a baseload coal-fired power station. It is set up at a mine mouth. Meandu Mine has been operating for the last 20 to 25 years. The three options that are presently being considered include only coal. The whole strategy going forward for Tarong Energy has been to carefully approach making a very prudent decision about the long-term future of the power station as a baseload coal-fired power station.

Indeed I think it is acknowledged that Tarong is one of the best, if not the best, and most efficient baseload coal-fired power stations in Australia, not just Queensland. The whole strategy going forward is that it wants to make a contract for maybe 15 to 20 years that secures coal as the fuel not only for Tarong Power Station itself but also for Tarong North Power Station.

I am not aware of whether the Tarong board and its advisers have turned their minds to the possibility of gas as a displacement fuel or as a supplementary fuel for the Tarong Power Station, if I have understood your question correctly. I am not aware whether that has been considered. I am aware that it has been putting enormous effort and resources into securing the long-term future of Tarong Power Station as a coal-fired baseload power station for the next 15 to 20 years.

You will appreciate, as I said in answer to a question from you in the House some weeks ago, that this is a multibillion-dollar contract. I will put it in the positive. Tarong needs to get it right and not just for that reason but because the Tarong Power Station is important for the electricity system in the south-east and Queensland. The regional economic value of Tarong Power Station is second to none.

Miss SIMPSON: Good morning, Minister. I will ask you a question with regard to the full retail market which is outlined in the MPS on page 1-12. Given the Beattie government's statements that there would be safeguards to ensure the new electricity retail scheme would not disadvantage people, I raise the case of Maroochydore NightOwl owner and small businessman Gary Costello who was shocked to find that his power bill had more than doubled to \$5,000 for the last quarter because he would not sign a four-year contract with Origin. I would be happy to table copies of his statements. Mr Costello has been in contact with the Energy Ombudsman. They could not resolve the problem. He has also contacted other power companies only to be advised that they would not be in a position to take over his contract for four to 12 weeks. Mr Costello, like many other small businessmen, is not being advised of having any real choice in the electricity retail market and is now facing horrendous cost rises. I ask: what will you do to fix the problem?

CHAIR: Before you answer, Minister, member for Maroochydore are you seeking leave from the committee to table those documents.

Miss SIMPSON: Yes please, I seek leave.

Leave granted.

Mr WILSON: Can I just check with the honourable member regarding the question. Does the business that you speak of consume more than 100 megawatt hours a year equating to approximately \$15,000 worth of electricity?

Miss SIMPSON: As I understand, it has not been given the option of maintaining the current tariff rate. I have tabled its documentation and it was not given an option of the existing tariff rate.

Mr WILSON: What I am wanting to understand is whether or not this particular business—and I am keen to address any concerns that you have or this person has—is already in the contestable market because it consumes more than \$15,000 worth of electricity a year, in which event the recent opening up of the retail market to small customers, that is residential and small businesses consuming less than \$15,000 of electricity, does not apply to its situation. I take it also from the way in which you have asked the question that the account has been received prior to 1 July.

Miss SIMPSON: The tabled document—

Mr WILSON: You have the documents; I do not. I am just wanting to clarify.

Miss SIMPSON: I have just tabled the document.

CHAIR: Minister, will you—

Mr WILSON: I am happy for you to tell me. Was the bill relating to a period of time prior to 1 July?

Miss SIMPSON: The bill that has just been tabled was 30 June to the end of that period.

CHAIR: We will provide you with the tabled document, Minister.

Mr WILSON: Which was the end?

Miss SIMPSON: Which was the beginning of July. It totalled \$5,080.

Mr WILSON: We will have a look at this and come back and respond to you.

Miss SIMPSON: I would appreciate that, because he has gone to the various authorities to try to get an answer to this. His bill has more than doubled, which is quite a horrendous increase.

Mr WILSON: I want to give a considered response to your question to ensure that there is no confusion about the circumstances of this particular individual and what their entitlements are—whether they are part of the situation preceding 1 July or whether they are part of full retail competition post 1 July. So we will give some careful consideration to this and come back to you.

CHAIR: Minister, are you taking that question on notice?

Mr WILSON: I will partially take it notice. If I can, I will come back to the member during the session this morning.

Miss SIMPSON: Thank you, Minister.

Mr KNUTH: Minister, with regard to full retail competition, according to page 1-4 of the MPS one of the major outputs is to ensure that all Queenslanders have access to cost-competitive energy supply and services. Could you then please explain how the introduction of full retail competition will benefit any areas of Queensland outside the south-east corner?

Mr WILSON: A number of things are happening with the retail electricity market from 1 July, and they are these. Firstly, we are continuing the regulated tariff—or otherwise known as the uniform tariff—for all of Queensland but particularly for regional Queensland. That regulated tariff has been in place for many years and we stand by that, which means that there is a price cap for retail electricity for small customers—households and small businesses consuming less than \$15,000 worth on average of electricity per year. There is a price ceiling. They cannot be charged electricity by a retailer greater than that price cap. Secondly, we are also allowing competition to take place between retailers, and there are 19 registered and licensed in Queensland to participate in the electricity market. They are permitted to compete with each other, but they cannot charge electricity more than the uniform tariff. They cannot charge more than the uniform tariff. So there will be benefits for people who shop around.

As you would expect, if the market is being opened as from 1 July, it will take some time for the market to extend beyond the most densely populated areas in south-east Queensland, and that has been the experience in the other states. We are the fourth state to open up full retail competition. The extent to which the competition will be producing some savings for Queenslanders in major regional areas, perhaps up the eastern seaboard, will be in the hands largely of the competitors—of Integral, Origin and AGL and all of those—as they seek to extend their customer base further and further throughout Queensland. So there will be savings to be made, but they will not be overnight. It will take some time. But initially the competition is expected to be fiercest in the south-east corner.

Additionally, there is the new marketing code that protects customers and there is also the Energy Ombudsman which is a lot more than the ECPO, the Energy Consumers Protection Office, that existed within my department. It is an independent statutory authority which is there to assist customers. Despite the calls from major industry associations to abolish the uniform tariff, with the consequence were that to take place that some Queenslanders would be paying thousands and thousands of dollars for retail electricity, we have stood firm and we are defending the uniform tariff and we will continue to provide \$580 on average as a subsidy to especially regional Queenslanders who are protected by the uniform tariff. That is a benefit that they will continue to have from full retail competition whilst there may come a time that some of them—and we hope many of them—in the denser regional centres will be able to take up the advantage of full retail competition by cheaper retail electricity.

CHAIR: Thank you, Minister. The time allocated for non-government questions has expired.

Mr McNAMARA: Minister, this morning we have been talking a bit about the generation sector and its role in meeting Queensland's future energy needs. I was wondering if I could ask you, however, to expand a bit on the transmission and distribution sectors and perhaps tell the committee what Powerlink, Energex and Ergon have been doing to make sure that they have appropriate infrastructure in place and particularly what they will be doing to meet our future needs?

Mr WILSON: I thank the honourable member for the question. Under the Electricity Industry Code, electricity distributors are required to prepare and submit annual network management plans and summer preparedness plans by 31 August each year. The plans ensure transparency and greater accountability in the planning, management and performance of the distribution networks. The network management plans identify how Energex and Ergon Energy are to develop and maintain their networks to cater for customers' needs over the next five years. The summer preparedness plans focus on improving the resilience of networks to hot weather and summer storms as well as ensuring distributors have contingency and emergency plans and customer communications strategies to deal with supply interruption situations. The current network management plans set out substantial capital and operating expenditures forecast by the distributors for the five-year period to 2010-11. Ergon Energy allowed for a capital expenditure of \$3.2 billion over the period—that is, \$3.2 billion—while Energex has forecast capital expenditure of \$3.6 billion over—

Mr McNAMARA: How much?

Mr WILSON: It is \$3.6 billion. This figure compares with budgeted capital expenditure in the Queensland government energy sector of \$590 million in each of the 1996-97 and 1997-98 financial years. How much was that? That was \$590 million only.

Mr McNAMARA: Impressive!

Mr WILSON: It is extraordinary. What is being spent now is probably about six to seven times greater. Operations and maintenance costs, including vegetation management and asset inspections for the five-year period, are forecast at \$1.3 billion for Ergon Energy and \$1.5 billion for Energex. These expenditures represent a significant investment in improving the reliability and capacity of the distribution networks to accommodate Queensland's strong electricity demand growth. Investment in the distributors' customer contact centres has greatly improved their ability to handle large call volumes and will enable them to deliver more accurate and timely outage information to customers, particularly during summer storms. The additional works outlined in the distributors' network management plans and summer preparedness plans to increase network capacity, replace ageing assets and enhanced vegetation and asset management programs will help to ensure the secure and reliable supply of electricity for Queenslanders.

CHAIR: I refer to the MPS at page 1-14 which refers to the efficient use of energy, and the minister will be aware that I am very keen to investigate all avenues to address climate change. It is an issue that is hotly debated at the moment. Can the minister please outline the benefits of ClimateSmart 2050 and any other state government initiatives to address the very real threat to our environment?

Mr WILSON: Thank you very much for the question. The member may recall that the ClimateSmart 2050 publication, which I have here, was tabled by the Premier on Tuesday, 5 June, having been publicly launched on Sunday, 3 June to a very warm and positive reception by important stakeholders in this sector. ClimateSmart 2050 includes new investment of \$414 million, including \$300 million for the Climate Change Fund and \$114 million for further initiatives, all underpinned by a strong commitment to the coal industry. Add that to Queensland's \$300 million for clean coal technology and industry contributions of \$600 million for that purpose, we have got \$1.3 billion for this very important groundbreaking policy for Queensland. It involves new technology, renewable energy and smarter energy use. There is \$50 million for the Renewable Energy Fund to diversify the state's generation mix and we are currently utilising renewable sources including hydro, gas, biomass, wind and bagasse. The 13 per cent scheme will be increased to 18 per cent by 2020 under ClimateSmart 2050. We are also setting a 10 per cent renewable and low-emission energy target by 2020.

There have been recent announcements of further gas-fired generation projects to come online between 2008 and 2010. As I was saying in responding to the member for Charters Towers' questions earlier, Origin Energy will have 630 megawatts at its Darling Downs power station and ERM's will be a 450 megawatt power station, doubling their capacity to 900 megawatts at Braemar. We have Australia's only working geothermal power station at Birdsville. Swanbank E is the country's newest and most advanced gas-fired power station and Swanbank B's landfill gas supply generates green energy for the Queensland grid. There is also a macadamia nut shell biomass plant in Gympie and there is the bagasse-fired plant at Childers. There is about 300 megawatts—I am looking at the member for Mirani knowing how significant the sugar industry is in his area—of power generated out of bagasse at the moment and there is considerable interest in the industry for doubling that maybe up to 600 megawatts. That is a significant contribution. We are developing the state's first solar farm at Windorah. There is also the ZeroGen project, potentially a world-first demonstration power plant ahead of the FutureGen project in the US. There is much more to this very big story. Can I recommend to members that they read more about it in the ClimateSmart 2050 document that was tabled and I know is on their desks waiting to be carefully perused by you all.

CHAIR: Thank you, Minister.

Ms JARRATT: I refer to the MPS at page 1-13 which refers to emergency response plans for electricity. In March this year the town of Collinsville lost power when two transformers that feed into the substation went down in two separate incidents, both of which were acts of nature. Minister, could you please advise how the government owned energy corporations worked together and what steps they took to restore power to the people of Collinsville?

Mr WILSON: This is the story of a crow and a lightning strike taking out in extraordinarily improbable circumstances not one but the two transformers at Collinsville, and I thank the member for the question.

I am delighted to inform the committee that Powerlink Queensland has successfully completed the complex work that was needed to commission a second 132,000 volt transformer at the Collinsville substation. The substation has now been restored to its full operating capacity. This is an important milestone.

Powerlink has been hard at work since the two transformers at Collinsville were damaged in separate incidents earlier this year, as I indicated just a moment ago. A crow hit one and a transformer short-circuited and not long afterwards lightning struck the other. One must understand that the substation needs only one transformer to operate properly. The second transformer there is always as the backup. That is the N minus one principle that the electricity system works on. Unfortunately, before the second one could be reinstigated—it was sitting there to be reconnected—lightning hit the second transformer.

But now there are two new high-voltage transformers in place at the station. Either of them can supply the entire Collinsville area if one transformer is offline unexpectedly. Powerlink, working with Ergon Energy, put in many hours of hard work to install a first replacement transformer in March. Of course, then electricity was fully able to be restored, and they have redoubled their efforts to install the second transformer—the backup transformer.

I take this opportunity to thank the Collinsville community for their patience and understanding during the substation restoration work. I want to particularly thank the Bowen Shire Council, the local business community, the Collinsville Workers Club and the Collinsville Lions Club. The Powerlink and Energex crews who completed this complex project drew encouragement from the support and understanding of the people of Collinsville. Powerlink and Ergon Energy workers acted quickly to restore temporary electricity via generators and worked around the clock to install a replacement transformer at the substation. I also want to acknowledge the efforts of Energex and their wide range of generators and mobile substations which helped with the temporary supply of electricity, not to be confused with Nomad No. 1.

The Collinsville response shows how well our energy corporations work together in emergencies with the united goal of restoring power to communities as quickly and as safely as possible.

Mr HINCHLIFFE: The minister would be aware of the keen interest I take in the urban development of Brisbane. I would be interested if you could advise the committee on the work being undertaken by Energex to boost electricity supply to meet the unprecedented growth that is going on in the Brisbane CBD and indeed the surrounding inner-city suburbs, including areas of my own electorate.

Mr WILSON: I thank the honourable member for the question. To cut to the chase, I think the best way to illustrate what work Energex is doing is to talk about the CityGrid project. It is a major link in south-east Queensland's infrastructure chain. This joint Energex-Powerlink project is the biggest integrated electricity project in south-east Queensland. It involved total expenditure by Powerlink and Energex of \$200 million. It will provide electricity supplies for commercial and domestic expansion in the CBD and surrounding suburbs for decades to come.

The 110,000 volt underground power cables were laid between Newstead, the CBD and Belmont. CityGrid will significantly boost power supplies to the Brisbane CBD and more than 20 inner-city suburbs. Businesses will be able to expand or relocate to the south-east, bringing more jobs and prosperity with them. I point out to the member for Maroochydore that the extra capacity delivered by CityGrid is equivalent to the total amount of power used on the whole of the Sunshine Coast on a normal summer's day, or the equivalent of powering about 112 sold-out Suncorp Stadiums on a State of Origin night—and I know how much the member for Mirani and the member for Charters Towers like the State of Origin.

Even though CityGrid is one of Brisbane's largest constructions, given that it is almost entirely underground most of the work will never be seen. The concrete used to secure the conduits is equivalent to that which is used to build 1,200 homes. The copper used in the cables alone is heavier than the weight of 1,800 small cars. All of this is linked to 300 tonnes of state-of-the-art electricity transformers. It is a major project completed a few months later than originally forecast, and slightly above budget, due in large part to world copper prices. But people and businesses in those 20 inner-city suburbs now have a more reliable and robust electricity supply to cater for future growth. I want to congratulate Energex and Powerlink on a job well done.

CHAIR: I refer to page 1-2 of the MPS and the energy needs of Queensland. I ask the minister: in light of the \$3 billion windfall from the sale of the retail arm of Energex and some of Ergon, can the minister advise how much of this money will be reinvested into electricity infrastructure to ensure that Queenslanders have an adequate supply of electricity now and into the future?

Mr WILSON: I thank the honourable member for the question. The Queensland government has committed \$300 million from the Future Growth Fund to the delivery of clean coal technologies. This will be complemented by industry contributions of \$600 million, which I spoke of earlier. A further \$50 million will be sourced from the Future Growth Fund to fund 50 per cent of Queensland's renewable energy fund and the Smart Energy Savings Program, which are both part of the ClimateSmart 2050 package.

Whilst not funded directly from the Future Growth Fund, the Queensland government, through its government owned corporations, invests billions of dollars in the state's vital electricity transmission and distribution networks. Total expenditure by Powerlink, Ergon and Energex over the last three financial years exceeded \$5 billion and projected expenditure over the next five financial years is in excess of \$11 billion.

The government announced on 26 April 2006 its decision to sell the retail arm of Energex, the contestable retail business of Ergon Energy, and the Allgas distribution business owned by Energex. The purpose of the sale was to exit the risky retail segment of the electricity business, except for Ergon Energy's non-contestable customers ahead of the introduction of full retail competition on 1 July. The aim was to maximise returns from the sale and reduce the government's exposure to the volatile wholesale electricity market.

The Queensland Future Growth Fund will help meet the challenges of climate change through a variety of technology and infrastructure projects. The government has already announced its intention to allocate funds to the development of clean coal technology, which will allow Queensland to minimise greenhouse gas emissions whilst using its abundant coal resources to meet the energy requirements of the growing economy and population. This will give new life to our coal-fired electricity generators. The demonstration of clean coal technology will also be of great importance to the maintenance of Queensland's coal industry, which is a major contributor to the state's economy. The Future Growth Fund will also help to accelerate the development of new water infrastructure which is important to the electricity network. As I say, it is also important for power generators.

Importantly, the government retained ownership of the electricity distribution businesses of Ergon and Energex—in other words, the poles and the wires. The network operations will continue as regulated government owned businesses, with a focus on ensuring the reliable supply of electricity to Queensland consumers—'regulated' meaning that their revenue take is determined by the Queensland Competition Authority or the Australian Energy Regulator. It has also retained ownership of the non-contestable retail business of Ergon which supplies customers outside the south-east corner of the state—of the government regulated uniform electricity tariff. The Queensland government has a number of community obligations to support regional Queensland and Ergon and Energex. That includes the pensioner rebates, the electricity life support concession, the drought relief and the electricity charges, and the uniform tariffs that I have spoken of before

Mr HINCHLIFFE: In the context of talking about the Future Growth Fund and the distribution of those moneys, I turn to some of the other revenues coming out of the sector. I am interested in hearing your explanation as to why the dividend payments made by the energy GOCs are not being used to reduce debt levels, which some people might be suggesting that they should be, rather than being provided to consolidated revenue?

Mr WILSON: I thank the honourable member for the question. The Government Owned Corporations Act 1993—so being in operation for nearly 14 or 15 years—requires the board of a GOC to recommend to shareholding ministers that the government owned corporation pay or not pay a specified dividend for the financial year. In accordance with the act, shareholding ministers must approve the recommendation or direct payment of a different specified dividend before the end of the financial year. I remind members that this started in 1993, not yesterday or the day before; it has been going since the Goss years of government, through the Borbidge years of government and into the Beattie years. Generally, the recommended dividend payout ratio is 80 per cent of net profit after tax. The final dividend payment is determined after the audit of the corporation's financial statements by the Queensland Audit Office.

Over the last 10 years, the energy GOCs contributed dividends totalling around \$4 billion to the government's budget. As a general principle, GOCs, like other publicly owned corporations, are businesses that are required to return a dividend to shareholders. GOCs, in making investment decisions, factor in a provision for dividends through their assessment of the cost of capital, which includes a return on equity. On this basis, the net profit after tax, which is derived from their profit and loss statement, is available for shareholder dividend payments subject to the discretion of the board of the GOC. The debt that a GOC carries on its books is managed in accordance with an appropriate capital structure, which is consistent with the debt to equity ratios and similar businesses across the country in that industry. Particularly, in this regard I am confident that the debt levels in Queensland GOCs are maintained at prudent levels consistent with retaining investment grade credit ratings.

CHAIR: The time allocated for government questions has expired.

Mr KNUTH: Regarding the introduction of full retail competition from 1 July this year, can you supply details of how many existing and new retailers are currently operating in the new market and the areas they are operating in?

Mr WILSON: It is a new market and, as I was explaining before, it will take time to evolve. There are approximately 19—and I will let someone here at the table contradict me on the number if I have that wrong—electricity retailers licensed to operate in the Queensland market. The extent to which they choose to do so and the locations in which they choose to operate and the speed at which they choose to operate are all private decisions for those corporations to make. There are significant savings being offered by Integral, AGL, Origin and by a number of others. Over time, we will see more offers being made by more of those retailers.

But one has to remember that, as happened with the other states—and I was saying earlier that we are the fourth state to introduce full retail competition—you just cannot fire the gun and from the start things happen as if they have been operating that way for the last four or five years. It will take some time not only in south-east Queensland but more broadly in the other major population centres of Queensland for the market to open up if only because a lot of people will be content for a period of time to stay on and embrace the protection of the uniform tariff—the maximum ceiling price that we have maintained to protect all Queenslanders. Also, the speed of penetration into the market by the new retailers, driven by a whole range of considerations that they take into account with their market strategy, will also be influenced by the level of awareness that the Queensland consumers have about the opportunities that they have to shop around and potentially save money. As you would be aware, there have been advertisements on the TV and in the newspapers—‘The Power to Choose the Power You Use’ initiative—to raise awareness among the population of the introduction of full retail competition.

Mr KNUTH: Minister, electricity prices are increasing across the board and you recently announced an increase in price of 11.37 per cent. Regarding your responsibilities to determine a uniform tariff under the community service obligation, do you have any plans to further increase the price of power in the next 12 months or can you reassure all of those Queenslanders who live outside the south-east that the regulated tariff will not be increased again this year?

Mr WILSON: Each year the price for the uniform tariff is set by the Queensland Competition Authority. I ask the member: can you give a guarantee that, when you walk out of this hearing today, you will not be hit by a bus? I hope you will not be, but I want to know if you can give a guarantee that you will not be involved in a traffic accident? The answer would be no, you cannot guarantee that, like one cannot guarantee a whole range of things. There are only two things that we can guarantee. We will not go into either of them because neither are pleasant.

The Queensland Competition Authority is the independent economic regulator that has the job of assessing the price of electricity, among other things, and what changes there may be year on year. On this occasion it has undertaken an extensive investigation and has identified that an increase of 11.3 per cent to the uniform tariff reflects appropriately the increase in the costs of delivering electricity to the consumer's door. Next year and the year after that and the year after that, it will undertake those assessments, again reviewing the market year by year.

On this occasion, it determined that the substantial impact on price increases came from the drought, not just in south-east Queensland but throughout eastern Australia. The water flows in the hydro system in the Snowy are 13 per cent of what they normally are. In Tasmania, they are eight per cent of what they normally are. There is drought in Victoria and Queensland, as well as in New South Wales, and that all impacts upon price.

About 50 per cent of the increase in price that has been ruled upon by the Queensland Competition Authority is attributable to the drought. About 40 per cent is attributable to the massive capital expenditure required to keep extending, expanding and upgrading the electricity network throughout Queensland that I spoke of earlier, regarding Ergon, Energex and Powerlink's expenditure. Ten per cent is associated with costs relating to Ergon as a retailer and the other retailers as well.

Next time round it will do its assessment and, to be frank, my expectation is that as the drought effects move through the wholesale electricity price system of the electricity network, you will actually see it coming off the price. Certainly the drought effects on price will recede from what they have been in this year just passed.

Mr KNUTH: Minister, those outside south-east Queensland have to be very sceptical because they have received an 11 per cent increase. There was a promise to protect them through the community service obligation and uniform tariffs. They are unable to access this retail market. Therefore, obviously they would have to be very sceptical, especially after receiving an increase when they were told that everyone in Queensland was going to be better off.

Therefore, can you give a cast-iron guarantee that with the current water usages—and you said that all this is restricted to the drought—electricity prices and, particularly, uniform tariffs will be reduced after the drought?

Mr WILSON: As I said before, you cannot give me a guarantee that you will not be hit by a bus when you walk out of this place, although I hope and pray that you will not be. If you were able to give me a guarantee about anything in your life or anything else that happens, perhaps we could look at the question of guarantees. However, it is impossible to guarantee those sorts of things. Realistically, you know that very well.

Indeed, as I said, the impact of the drought upon the wholesale price of electricity has been enormous. If we go back to 1998 when Queensland first went into the national electricity market, the wholesale price of electricity was about \$51 per megawatt hour. In 2005, it was about \$28 per megawatt hour, but the drought effect had not hit then. Now the drought effect is really hitting on electricity prices and it has pushed the wholesale prices to somewhere varying between \$90 to \$120 per megawatt hour. The drought effect on the wholesale electricity price is pushing through the electricity market. It will continue to do so until the drought recedes, not just in south-east Queensland but across the eastern seaboard. Then we will see the drought impact on prices receding. That should give some relief into the future.

However, I want the honourable member to fully understand that we made a decision that we will stand by regional Queenslanders and protect them by sticking with the uniform tariff. You might have noticed on two occasions in the last four weeks major industry associations, including the Energy Supply Association of Australia, have urged the Queensland government to fully deregulate the electricity industry and abolish the uniform tariff. That would mean your constituents, those of the member for Mirani and others would be paying on average more than another \$580 a year for electricity. Some might be paying \$1,500 or \$2,000; we are talking about an average of \$500. If we were to abandon the uniform tariff and there was a full free market in electricity, those are the prices that your constituents would face. That is what would happen if we did not stand firm, and defend and protect them from the impacts of the market by standing with the uniform tariff.

With respect, it is important that the honourable member understands well that \$360 million of the \$28 billion Queensland budget—and it will be more into the future—is being spent on Ergon providing subsidised electricity to all your constituents, or many of them, to protect them from the excessive prices on electricity that would be able to be charged if we had abandoned that tariff. We will not. We stand by regional Queenslanders. We will defend that uniform tariff maximum ceiling.

Mr KNUTH: We thank you for your assurance, Minister. I hope that one or two years down the track, we do not have to revisit this. Minister, again referring to the setting of tariffs, you would be aware of the night rate tariffs used by many farms that are able to schedule their irrigation and other power requirements around the cheaper off-peak tariffs. Have you investigated or are there any plans to introduce a night shoulder rate for tariff 62, which would increase the current rates paid between 7 pm and 9 am? Are there any plans for changes to tariff 68 affecting drought-declared producers?

Mr WILSON: If I may, I will ask the CEO of Ergon Energy, Tony Bellas, or Justin Fitzgerald to approach the table and respond to your question.

Mr Fitzgerald: Can I just clarify that there were two parts? One part was in relation to a shoulder period. A shoulder period for the irrigation tariff has been investigated on many occasions over the past 10 years. There certainly has been a lot of input from rural groups into reviews that both the Department of Mines and Energy and Ergon Energy have done.

The issue that we have in terms of responding to that is that in a market we need to actually reflect the prices in the profile. The minister has been talking about this as a market now. We do reflect, through the instantaneous pool price, what the price of energy is at different times of the day. That price of energy tends to turn into a profile that goes into hedge prices. That profile usually prices energy in that shoulder period higher than what the farmers have been asking for.

In terms of a response to that question, what we have done in the past when we had those was we analysed the requirement that the farmers have had in terms of the pool prices in those periods. If there is a change in the pool price, we can consider it. If there is not a change in the pool price in those periods, we need to reflect the price in the pool in those shoulder periods. I think there was a second part of the question?

CHAIR: Does the member for Charters Towers have another question?

Mr KNUTH: In setting those prices, you will go to the farmers, speak with the farmers and listen to the farmers?

Mr Fitzgerald: This has been raised on a number of occasions. In each case, both Ergon Energy and the Department of Mines and Energy have gone to the farmers and tried to understand fully what it is that they are looking at, so that we understand the time periods. In terms of the time periods, we have also tried to understand when, on many occasions, farmers have raised issues, for example, that they

need to get out in daylight to set up the irrigation. We have looked at a lot of the issues that the farmers have in terms of the practical operations of farms. We need to take those considerations back and mirror them against the actual pool price costings that come through from the wholesale market. Yes, on each occasion we do go back and deal with the farmers.

Mr KNUTH: Thank you.

Mrs PRATT: My question is a fairly easy one for you, Minister. It contains no facts, figures or anything like that. You would be aware that in close-knit communities like ours you cannot keep a secret no matter what.

Mr WILSON: Not only in close-knit communities, but anywhere. You know what they say about a secret: there is no such thing as a secret; it is only a question of how many people know about it.

Mrs PRATT: Exactly. When QTC decided to delay the decision from 30 July to 30 September, my contacts and sources within Tarong Energy actually leaked that information quite a number of weeks prior to the announcement being made. The fact that it was delayed greatly upset a lot of people. There was a lot of angst in the community. At the moment the same sources, which have been incredibly reliable over the past seven years, have actually been putting it around that the decision will be delayed until 30 December. Can you tell me if you have heard that? Will you do everything in your power to ensure that the decision is announced by 30 September at the latest, if not earlier?

Mr WILSON: Firstly, I assure the member and your constituents how important this decision is and how seriously it is being taken by Tarong Energy and by government. Having grown up in a little country community that is probably smaller than Kingaroy, I well understand and recognise that, whilst a decision is being carefully appraised, there is a level of concern and anxiety about the future because people are looking for certainty. They are entitled to look for certainty. It is quite understandable, but at the same time it is important to ensure that we get the decision right. It is important to make the decision as quickly as we can and for Tarong Energy to make that decision as quickly as it can. However, as important as that is, it is more important that they get it right.

The advice to me is that they are very keen to make a decision before 30 September. It is unfortunate that it was not able to be made by 30 June, and I have explained elsewhere why that was so. I might ask the new CEO of Tarong Energy, Ms Helen Gluer, to come to the table to respond to the second part of your question. I want to reassure you that I do understand. You have made representations to me on many occasions. We have talked very frankly about the need to get this decision right and a whole range of associated issues are involved. I want you to understand that that is where we are coming from.

Mrs PRATT: Minister, I need you to acknowledge the fact that all the information I have had in the past has been accurate. When I hear these sorts of concerns being put out there at the moment, that concerns me greatly. Hi, Helen, it is nice to see you again.

Ms Gluer: Mrs Pratt, I understand you want me to answer the question about the 30 December suggestion. I can assure you absolutely that there has been no discussion at the executive management team level or with the board on anything other than a focus on getting a decision made by 30 September this year. As I said at the community meeting at Nanango, I cannot guarantee that with everything I have got because I do not know what information may come out over the next week or two that throws a big furphy in the air. I am not aware of anything and my absolute view is that a decision will be made by 30 September. I am not aware of anything that will give rise to that decision being deferred and I certainly, with everything I have got, hope it is not.

Mrs PRATT: Thank you.

CHAIR: The committee will now take a short break and resume at 10.45 am.

Proceedings suspended from 10.16 am to 10.45 am

CHAIR: I call the member for Hervey Bay.

Mr McNAMARA: Minister, in relation to the new Energy Ombudsman, can you explain to the committee how the Energy Ombudsman will help energy customers in Queensland under full retail competition in the energy market?

Mr WILSON: I thank the member for the question. At the outset, I want to correct the record. In answer to a question in the previous session, I may have spoken about the Ombudsman and said that their job is to represent the interests of 'retailers'; I did mean to say 'consumers'. If the record has that error, I did mean to say 'consumers'. The job of the Energy Ombudsman is to represent the interests of consumers, working obviously in a cooperative way with retailers.

The Energy Consumer Protection Office, the predecessor of the Energy Ombudsman, was established in 2000 to investigate disputes between consumers and their electricity and natural gas suppliers and to support independent mediation or arbitration between consumers and energy entities where required. When the Beattie government committed to implementing full retail competition for electricity and gas from 1 July 2007, an independent Energy Competition Committee chaired by Darryl Somerville of the Somerville report era was appointed to provide advice on the policy framework and to oversee the implementation of the program.

The Energy Competition Committee advised that the nature of the services provided by the Energy Consumer Protection Office would change greatly as it became more involved in assisting consumers in resolving disputes on issues such as market contracts with new entrant retailers when full retail competition commenced on 1 July 2007. I would just emphasise at this point that they are referring to retailers for small consumers—that is, households and small businesses consuming fewer than 100 megawatt hours a year. On this basis the committee recommended that an independent Energy Ombudsman office be established.

The Energy Consumer Protection Office model in Queensland has been second to none since its establishment over six years ago. The decision to establish an ombudsman model, as opposed to an energy consumer protection office, mediator or arbitrator model reflects the evolving nature of the national electricity market. This in no way reflects on the excellent work and outcomes ECPO has achieved in resolving over 7,000 disputes to date for electricity and gas customers across Queensland over this five to seven year period. That is a substantial body of work.

The Energy Ombudsman has the powers to make, refuse to make or order in favour of a customer a binding decision against the energy provider. These binding decisions enable the Energy Ombudsman to resolve any disputes by directing the energy provider to pay compensation to the customer of an amount up to \$20,000 or, if the parties agree, an amount up to \$50,000. Could I have a time extension please?

Mr McNAMARA: Yes, sure.

Mr WILSON: Thank you. The Energy Ombudsman may also order that an energy entity provide the customer with a service as stated under an energy act of parliament—that is, a non-monetary solution to remedy the dispute, to amend a charge or to carry out corrective works.

Mr HINCHLIFFE: Minister, I am taking great interest in what you are explaining to the committee about the new Energy Ombudsman. I refer you to MPS 2-7 relating to the revenues and a line item there that refers to 'grants and other contributions'. Minister, could you please identify the source and rationale of funding the Office of the Energy Ombudsman through this method?

Mr WILSON: This is an important feature of the Energy Ombudsman, so I thank the member for the question. The Office of the Energy Ombudsman is fully funded by industry through membership and user-pays fees imposed on energy sector distributors and retailers who contract to small electricity and gas customers in Queensland. With the deregulation of the electricity and gas market in Queensland from 1 July 2007—that is, deregulation for the small customers because it has been substantially deregulated over the last nine years for larger customers—the majority of the funding for the Office of the Energy Ombudsman will come from privately owned electricity and gas corporations. The membership fee is an annual fee of \$5,000 per product—that is, electricity or gas—which is charged to a scheme member of the Office of the Energy Ombudsman at the start of each financial year or when an energy entity becomes a scheme member in that financial year.

The user-pays fees are fees paid by scheme members on a quarterly basis and reflect the number and level of contacts made against the scheme member in that quarter. The user-pays fee structure is based upon the upgrading of a dispute, which takes into account the time spent by the Office of the Energy Ombudsman in dealing with the matter. This is of course a significant incentive for energy entities to actually resolve disputes with customers. The user-pays fees are divided into four categories: refer back enquiry, when the customer has not given the scheme member a reasonable opportunity to resolve the matter; a level 1 investigation, which takes fewer than 480 minutes to resolve; a level 2 investigation, which takes more than 480 minutes to resolve; and determination, where the Energy Ombudsman makes a binding order.

The user-pays fee structure provides a real incentive, as I said, to industry to resolve disputes with their customers in a timely manner. The more disputes referred to the Office of the Energy Ombudsman about a specific scheme member in a particular quarter will mean that the scheme member will pay a higher proportion of the operating costs of the Office of the Energy Ombudsman in that quarter. The amount of funding for the office has been based upon the former Energy Consumer Protection Office expenditure in the 2006-07 financial year, factoring in the additional costs that are incurred in establishing and operating an independent, stand-alone Energy Ombudsman office.

The Energy Ombudsman must, in consultation with the Energy Ombudsman Advisory Council, prepare budget guidelines, including guidelines for the working out and structure of the user-pays fees. If at any time because of unforeseen circumstances the receipts from the membership and user-pays fees will not be enough to fund the total operating costs of the office, a regulation may impose a supplementary fee on scheme members—not on the public purse, but on scheme members—or a stated class of scheme members of an amount that will allow all of the functions to be fully funded.

CHAIR: MPS 2-3 relates to the establishment of an Energy Ombudsman Advisory Council. Minister, can you please explain how this will benefit the energy customers of Queensland?

Mr WILSON: I thank the member for the question, and I should have acknowledged at the table here with me the inaugural Energy Ombudsman for Queensland, Mr Barry Adams.

CHAIR: Welcome.

Mr WILSON: An Energy Ombudsman Advisory Council has been established to advise the Energy Ombudsman and me on the independence and the budget of the Energy Ombudsman scheme. Ms Karen Chalmers-Scott has been appointed as the independent chairperson, and the appointment of consumer representatives and industry members is being processed as we speak. The council will prove an additional enhancement to the energy consumer dispute resolution process by providing comment and advice from both a consumer and industry perspective and will contribute to the efficient and effective conduct of the Energy Ombudsman scheme for the benefit of Queensland energy consumers.

The primary responsibility of the council is to advise me as Minister for Mines and Energy and the Energy Ombudsman on the effective operation of the scheme. This advice will assist to ensure that the scheme is administered in a manner which is fair and just to energy consumers and to the entities which supply energy in the Queensland market. The council's functions are to monitor the Energy Ombudsman's independence; to advise the Ombudsman on policy and procedural issues, the operation of the act for small customers and relevant occupiers of land, the development of guidelines for dispute referrals and investigations, and the preparation of budgets and annual reports; and to advise me on the funding of the Energy Ombudsman's functions.

The council is to do the following: provide advice to the Ombudsman on policies and practices relating to the scheme, advise and consider financial budgets and business plans prepared by the Ombudsman, refer financial budgets and business plans through the Ombudsman to me and make recommendations as the council sees fit, make recommendations to me or the Ombudsman on the appropriateness and effectiveness of the scheme, provide advice to the Ombudsman on promoting the scheme and the preparation of the annual report, and advise the Ombudsman on processes to enhance the responsiveness of the scheme to stakeholder needs.

The council consists of a chairperson and at least six other members appointed by me. The chairperson must be independent of the interests of scheme members or non-entity partners. The other members must consist of industry members and an equal number of consumer members drawn from groups who represent the interests of non-entity parties. At least two of the industry members must represent the interests of retailers and at least one of the industry members must represent the interests of distributors. By doing that, we hope to ensure the wide cross-section of the different elements of the energy sector are adequately represented on the council and can fairly bring their various points of view to the table.

CHAIR: Minister, you have been referring in your answers to the independence of the Energy Ombudsman. Can you detail what safeguards are in place to ensure the independence of the Energy Ombudsman from the Department of Mines and Energy and other energy entities?

Mr WILSON: I thank the member for the question. The Ombudsman is established as an independent position which reports to parliament through me as Minister for Mines and Energy. The Energy Ombudsman is not subject to direction from anyone in carrying out the Energy Ombudsman's functions and is not attached to the department or any other department or energy organisation. In accordance with the provisions of the Energy Ombudsman Act 2006, which received assent in December of last year, the Energy Ombudsman is not subject to direction from anyone regarding the way the Ombudsman performs their function, decisions relating to dispute referrals, or the priority given to investigations or the resolution of dispute referrals. Energy Ombudsman staff working in the Energy Ombudsman office are also not subject to direction by anyone other than from within the Energy Ombudsman office regarding the way the Energy Ombudsman's powers for investigations are exercised or the priority that is given to investigations.

If a relevant energy entity fails to comply with an accepted order or compliance direction from the Energy Ombudsman, the Ombudsman may report the noncompliance to the regulator under the Electricity Act 1994 or the Gas Supply Act 2003 to request the regulator to consider taking actions against the energy entity. The regulator is the director-general of the Department of Mines and Energy.

The Energy Ombudsman can also file an order for the non-energy entity party—in other words, the consumer I guess—in a Magistrates Court. Once filed, the order is taken to be a judgment of that court of the stated amount in favour of that party against the relevant energy entity. Whilst the Energy Ombudsman is not bound by the rules of evidence, the Energy Ombudsman must comply with natural justice and must act in a way that is fair, reasonable, just, informal and timely and maintains confidentiality. The Energy Ombudsman is appointed by the Governor in Council under the Energy Ombudsman Act 2006.

Memoranda of understanding—and this is an important point—are being prepared between the Energy Ombudsman and the Office of Fair Trading, the Queensland Competition Authority and the Department of Mines and Energy respectively to clarify jurisdictional responsibilities and to coordinate the resolution of energy consumer disputes between these four agencies. The Energy Ombudsman may also give a report to or make observations to a scheme member, an energy act regulator, the minister, the advisory council or any public forum on a matter arising from the performance of the Energy Ombudsman's functions. So there is a wide capacity for the Energy Ombudsman to report.

The point I want to emphasise is that the memoranda of understanding are designed to create a one-stop shop for energy consumers so that irrespective of which aspect of their issue with an energy entity they have it goes through the Ombudsman and then through the Ombudsman it is dealt with by Fair Trading or the Queensland Competition Authority. The outcome is that there is a one-stop shop to make it simple for energy consumers; they do not need to shop around.

Ms JARRATT: Minister, my question refers to the mines part of your portfolio. While I do not have any coalmines in my electorate, many mineworkers and their families do live in my electorate—and why wouldn't you?—and so I do have a great interest—

Mr WILSON: I do not know why other people are not living in your electorate.

Ms JARRATT: Exactly. I do not know what they are doing in the south-east corner really. Minister, I refer you to page 1-7 of the MPS, which refers to a series of unannounced safety audits at a number of mines in Queensland. Could you please advise why this action was taken? Can you also provide a progress report on this important safety initiative?

Mr WILSON: I thank the member for the question. Mine safety is an important area and this is an important initiative. While the people of Queensland are reaping the benefits of the resources boom, we should never lose sight of the importance of safeguarding the safety and health of mine workers. My department has commenced a series of unannounced mine safety audits covering both the metalliferous and coalmining sectors, and I reported on this initiative to the parliament on 9 March this year.

Five coalmines and five metalliferous mines have been selected for this exercise. This selection of mines was based upon a risk assessment of all operating mines undertaken by the Mines Inspectorate. External auditors were also engaged to provide feedback on the audit process followed by the Mines Inspectorate and to provide recommendations of ways to improve future audits—in other words, to adopt the principle of continuous learning.

These audits are not designed to be a substitute for the normal activities of the Mines Inspectorate. Indeed, normal inspections are continuing during these operations. Up to date, five mine audits have been completed, with a range of identified safety improvements being implemented at the mines following these focused audits. I am particularly grateful to the Queensland Resources Council and to other stakeholders for facilitating the cooperation of their members in this important initiative.

I am also pleased that the mines involved have implemented the recommendations arising from the audits in an expeditious manner. These audits are not intended to be draconian in nature but are designed to assist in the continuing improvement in health and safety in the mining industry in Queensland. Unannounced audits will continue to be utilised from time to time beyond the completion of this current exercise. I am determined that even though we have an excellent health and safety record in Queensland—it is not as good as it should be, but it is excellent—we will not rest on our laurels.

The mines were selected on the basis of their recent incident reports and potential high-risk areas. The audits target strata control, ventilation, fire prevention, vehicle control, fatigue management and electrical safety. This is not a naming and shaming exercise. This is about boosting safety standards in the mining industry because that is the ultimate aim and there should be no other aim than that.

Ms JARRATT: Minister, it was good to hear your answer to my last question. In the MPS it also states that the Mines Inspectorate will continue to support the industry operating safely. Can you advise what steps the state government is taking to ensure that Queensland does maintain the highest safety standards in our mines?

Mr WILSON: I thank the member for the question. As I alluded to earlier, the mining industry is so vital to the Queensland economy. While we reap the benefits that come from the mining industry, we must not lose sight of the importance of safety in our mines. At the outset you have to acknowledge that mining is a hazardous industry, but that means that we have to be even more vigilant about mine safety. It is essential that we monitor its performance both for compliance with legislation and for improvements in safety and health.

Queensland's mining and quarrying safety and health legislation provides approximately 33,000 men and women who work in the Queensland mining industry with the framework necessary for the protection of their safety and health. Compliance with the legislation is monitored through the Mines Inspectorate of the Department of Mines and Energy. The inspectorate conducts structured inspections and audits throughout the industry and takes appropriate action when noncompliance or unsafe acts are observed.

I want to reinforce that this groundbreaking legislation on mine safety in both metalliferous and coalmining that commenced in 2001 places the primary responsibility for mine safety on the owner and the operator of the mine. That is where the legal responsibility is and should be. There are a number of supporting arrangements, but it is the mine owner's obligation to deliver a safe working place and the job of the Mines Inspectorate to oversight the way in which that is done by the mine owner.

SIMTARS, the Safety in Mines Testing and Research Station, in my department provides a range of services to the mining industry and undertakes research all in the name of safety. One of the many hazards facing underground miners is the constant threat of gas explosion, and here SIMTARS is hard at work. It has designed a range of gas-monitoring systems which are used in most of Queensland's underground coalmines. This technology has been exported to China, to India, to the USA and to New Zealand.

Fatigue is another major hazard. In June last year the inspector commenced an audit of fatigue management along with safety systems on the use of alcohol and drugs and physical and psychological impairment. I wonder if I could have a brief extension of time from the member.

CHAIR: Unfortunately, the time allocated for government members' questions has expired. I am sorry, Minister. I call the member for Charters Towers.

Mr KNUTH: Minister, page 2-1 of the MPS states that the office of the Energy Ombudsman will be fully funded by a levy on electricity and gas distributors and retailers. Why is the government not contributing funding to this service?

Mr WILSON: For the very good reason that the industry should pay. The industry is the retailers. Why should the consumer pay? Why should the Queensland public pay? The industry is being opened up to full retail competition. We expect that the 19 or so licensed retailers who are able to enter the industry and who choose to do so and become active in the industry will behave responsibly. However, no matter how well they conduct themselves, and even if they meet, as I expect they will, the high standards that we expect, there will be disputes from time to time between themselves and energy consumers—just as has happened in the past under the ECPO model. Some 7,000 disputes were handled over a period of about five to seven years.

We believe it is an appropriate way to ensure a higher level of accountability on these retailers. We want the retail electricity market to operate not only efficiently but also fairly. If there are issues that consumers need to raise, if they have grievances or disputes, we want to continue the facility for those grievances and disputes to be resolved. Now that we are moving to full retail competition it is appropriate that we move on to the Energy Ombudsman model from the ECPO model and that the industry—by which I mean the retailers—bear the cost of providing a high-quality service to Queenslanders, to Queensland households and to small business. Where there are disputes, those consumers will have somewhere to go to have their dispute resolved and to have the continuing benefit of the sorts of outcomes that the ECPO office achieved in the past.

Also, it is set up and funded in a way to create a financial incentive to the electricity retailers that they be good corporate citizens in this new retail market in Queensland by having exemplary standards that they pursue and implement in dealing with customers. The funding arrangements encourage that and that is what I expect. There is a marketing code that is being developed and applied. The new electricity code sets out the parameters for the conduct of these retailers and an industry funded Energy Ombudsman initiative new to Queensland but well deserved by Queenslanders.

Mr KNUTH: Minister, if this is the case and the government is not contributing funds to this service, then why on page 2-5 is there a line item under 'Income for grants and other contributions', instead of the user charge that it actually is?

Mr WILSON: I will answer this question in two parts. I will ask one of the senior officers of my department to address the financial aspect. To the first part I will respond by saying that I responded to the previous question because the question was: why should industry pay? I addressed all of the reasons why industry should pay. I think you will find, if an officer can come to the table and elaborate, or maybe the ombudsman might be able to answer, that there may be a small residual sum of moneys that carries over to the ombudsman's office from the old ECPO office that is public funds, so to speak. But essentially it is an industry funded Energy Ombudsman scheme and it ought to be. That is the way we will operate it.

Mr Fellows: The reason that it is not classed as a user charge is that under the Treasury guidelines for putting together a Ministerial Portfolio Statement user charges are on a fee-for-service basis. In this case this is not a fee for service. We are asking the electricity retailers to pay a contribution towards the cost of running that office. We do not charge each of the retailers for each of the—

Mr Hunt: We do not charge on a per complaint basis.

Mr WILSON: So they are charged and the user pays—the user being the retailer—not on a complaints basis but on an assessed basis that is quarterly determined? I suppose I am asking Chris to confirm that.

Mr Fellows: Yes, that is exactly the case. We ask for a contribution on a quarterly basis. It is not charged on a per complaint basis.

Mr WILSON: I just want to underline that user pays often means the punter in the street pays. It does not mean that in this setting. 'User' means the energy entity as the user. The consumer does not pay under the Energy Ombudsman scheme.

Mr KNUTH: Minister, the distributors and retailers will naturally pass on the cost of the levy to the end consumers—that is, the families of Queensland. How much will this increase the average power bill for families in Queensland?

Mr WILSON: The costs of the Energy Ombudsman scheme as charged to the energy retailers will become part of their overall operating costs. Those operating costs are for the operations of those retailers in all of the markets that they operate in not only in Queensland but also in other centres—in other words, the full operations of their business. It is not confined and limited to their retail activities with small customers here in Queensland. So it becomes part of their larger operating costs that may also reflect costs—and no doubt will reflect costs—experienced in their participation in the energy market for major industrial and commercial consumers as well. That is the first observation I make. The second observation I make is that as to the pass-through costs of the distributors, they were also paid in the way that has been described under the ECPO model. I will get my director-general to elaborate on this, if he could.

Mr Hunt: ECPO, the predecessor to the Energy Ombudsman scheme, was the Energy Consumer Protection Office that existed as a division of the then Department of Energy and, most recently, the Department of Mines and Energy. It was also funded by a levy on industry. It was funded through a levy on retailers and distributors. The costs were already there within the industry in terms of the costs for consumers. The costs in total are an extremely small percentage of the overall cost of running the electricity industry.

Mr WILSON: I add that there would be a considerable disincentive if you move to a model where you wanted the punter in the street to have to pay for accessing the ombudsman. In fact, it would conflict with the essential philosophy of an ombudsman's model for solving grievances that constituents and citizens have with entities operating in the marketplace. I would urge you not to go down that track and be propounding that the consumer should be paying the cost, otherwise they will not approach the Energy Ombudsman and the structure will fail.

Mr KNUTH: Minister, would you say that forcing customers to pay thousands of dollars for connections that take up to 12 months to complete, with the fee generally being paid well in advance of the work beginning, is a fair practice? And bearing in mind many are small consumers, will the ombudsman be able to investigate this practice?

Mr WILSON: One of the challenges facing the growing and expanding electricity network in Queensland is in the area of what is called customer initiated capital works. I need to make the committee aware that the energy industry in Queensland is the second largest energy industry in Australia and it is the fastest growing. It is predicted to continue to be so. That is well illustrated by the figures that I gave earlier about the capital expenditure over the next five years of Ergon, Energex and Powerlink. They are big sums of money. These monies are not just for upgrading the existing infrastructure but actually extending the transmission and distribution network more deeply into the reaches of regional Queensland.

In that setting, one of the challenges that Ergon frankly acknowledges that they have been facing, particularly in regional Queensland, is dealing as quickly as they can with customer initiated capital works to ensure that more businesses and more residential consumers are able to connect to the network as quickly as possible.

In the four years of Ergon Energy, in its area the expenditure on customer initiated capital works went from \$99 million to \$292 million in 2006-07. That is to illustrate the point I was making a moment ago. There has been a significant increase in demand, population growth, strong expansion in the central Queensland coalfields, as we all know, and buoyant economic activity generally. There has also been the problem that we have in many areas of lack of available skilled and specialist trade staff. Ergon has undertaken a number of actions to improve performance—that is, the speed of getting the work done to connect new customers to the network. Developers are now permitted to use private electrical contractors for underground works in subdivisions. There are changes to the asset inspection and defect management process to release more resources within Ergon to work on these new connections. There is a review of processes that Ergon has had in the past to give a fresh priority to what is urgent and important compared to the past. There is also a targeted performance improvement scheme that has been working. They have been steadily bringing their target down and meeting their target.

Ergon Energy recently won the state and the federal government award for excellence in meeting the International Customer Service Standard—ICSS. Ergon would be the first to say it wants to do better in this arena, but it is improving in a significant way. It is important in assessing how well or poorly it does that you also take into account the period of time that parties wishing to connect to the network may take in negotiations prior to formally committing funds and a deposit for Ergon to then start the customer initiated capital works project. It is only the time after that that it is fair to refer to in assessing how well or poorly it is responding to this increasing demand.

Mr KNUTH: Why does the ombudsman only cover disputes involving small energy consumers—as an example, the massive price increases that the member for Maroochydore indicated today and also the massive connection cost? First, I thank the department and the minister for their involvement in

looking at the power connection price at Nebo and Zig Zag Station. There are two important issues: the power connection price and the massive price increase. These are the main issues that people come to us about. We would love to be able to say that the ombudsman will address these issues, but these issues are something that the ombudsman will not address.

Mr WILSON: As I understand it, the new ombudsman's role in relation to small customers—and I have defined that in the past—will continue as had been the case with ECPO. Those residential and small business customers under the \$15,000 per year cut-off figure will continue to have access to the ombudsman as they did with ECPO to sort out any range of electricity concerns. Subject to anything that the Energy Ombudsman, who is still here at the table, might add in a moment, and I will invite him to do so, in relation to customers who are in excess of 100 megawatt hours a year, they are in a commercial setting. The opening up of the market took place in 1998 for those middle range and larger businesses and commercial and industrial businesses. The view is that they are in the marketplace having to negotiate their electricity with electricity retailers just as they negotiate with providers of other services, goods and products that they use in their business. It is a commercial world and it is a commercial setting in which they need to address all of the issues that need to be considered in their long-term purchasing of all of the factors of production needed for the running of their business.

In relation to the observation you make about the member for Maroochydore's situation, at an appropriate time I will give the member for Maroochydore a response to the matter that you raised. The short of that will be that that particular consumer is not within the small customer base that is going to presently benefit from full retail competition, they have been in the contestable market for three to four years. I will come to the details of that in a moment. Can I check with the Energy Ombudsman about the customer initiated capital works and the role ECPO, now the ombudsman, may or may not have in relation to those issues of costs?

Mr Adams: In terms of the cost of capital connection for capital works, the Queensland Competition Authority approves distribution entities' pricing principles. That documentation goes forward to the Queensland Competition Authority and it considers it and then approves it. In terms of when a customer then wishes to be connected—

Mr WILSON: Could I seek an extension of time?

Mr KNUTH: Yes.

Leave granted.

Mr Adams: In terms of when a customer seeks to be connected and finds that the cost of connection in their mind is too high, what can they do about it? They can appeal to the Queensland Competition Authority to determine if the pricing principles are being addressed correctly, but that is possibly not the most opportune way for the consumer to progress. Even though the Energy Ombudsman Act precludes the ombudsman from being able to rule one way or another on whether the cost of connection is too high or not, something that the ombudsman will continue to do is the work that the ECPO staff have done over recent times and that is to have a look at the actual route and location of the connection. We have resolved probably hundreds of complaints, not by arguing the detail of whether the cost of connection is too high or not, but whether in fact it is the most acceptable means of connection by looking at different opportunities there.

Whilst the act in itself at first glance looks as though the ombudsman is precluded from making those decisions and determinations, our officers will still investigate any complaint, where it is seen that the cost of connection is too high, for two reasons: to firstly make sure that the pricing principles documentation is being adhered to, as has been agreed by the Queensland Competition Authority; and, secondly, to work with the customer and the distribution entity to see if there is a better way of that connection going forward.

Mr KNUTH: If they come to our office with a complaint what directive do you feel we should give?

CHAIR: Through the chair.

Mr KNUTH: Through the chair.

CHAIR: And to the minister.

Mr WILSON: If someone comes into your office you can refer them to the Energy Ombudsman and I think that is the appropriate thing to do.

CHAIR: The time allocated for non-government members is expired. I call the member for Hervey Bay.

Mr McNAMARA: I would like to take you back to the line of questioning which my friend the member for Whitsunday had initiated in relation to the very important area of mine safety. I am sure that the entire committee endorses your comments earlier about the critical importance in that area. Could you provide a progress report on the recommendations arising from the review of the Mines Inspectorate.

Mr WILSON: I thank the honourable member for the question. Periodic reviews of the Mines Inspectorate are vital in ensuring that we have the appropriate structure, skills and resources to remain an effective regulator of mining health and safety in this state.

The latest review provided 42 recommendations for implementation which were based around skills, structure, improving performance and stakeholder relationships. There were 40 recommendations implemented prior to budget day. Some completed recommendations are subject to potential legislative changes which have been referred to the Coal Mining Safety and Health Advisory Council for further consideration. I hope to introduce these amendments later this year.

The two remaining recommendations are in the process of final implementation with an extra \$830,000 being allocated to supplement the remuneration base for the Mines Inspectorate and to facilitate new training programs. These remaining recommendations have required extensive consultation throughout government to determine the remuneration levels and training competencies that are required.

The approval process for the new remuneration base, which will provide attraction and retention incentives, is expected to be implemented this month. This will result in salaries being close to the best paid in Australia for mines inspectors. I repeat that: this will result in salaries being close to the best paid in Australia for mines inspectors. As part of this process, the organisational structure for the Mines Inspectorate will be supported with a career path that enables inspectors to advance through to the level of chief inspector based upon competency, qualifications and experience. This is being supported through the development of a Diploma of Workplace Inspection covering mining, explosives, petroleum and gas. Then there will be an Advanced Diploma of Workplace Inspection qualification, again covering those four areas, that satisfies the requirements of all of the inspectorates of which there are actually four: mines, explosives, petroleum and gas.

The accreditation approval process for the diploma and advanced diploma courses is expected to be completed within several months. After accreditation a tender process will commence for detailed design and delivery of these courses to meet the needs of the inspectorates. This is an important initiative. It is absolutely timely and I commend the Mines Inspectorate for the work that it has been doing in developing the diploma and the advanced diploma because we will then have the ability to attract and hopefully retain for longer new staff into the Mines Inspectorate because they have a career path, they have access to new training and can see that they have a long-term future with the Mines Inspectorate.

CHAIR: I call the member for Stafford.

Mr HINCHLIFFE: Chair, I know that you and other members on the committee will have noted a number of statements that the minister has made both in the parliament and before this committee about the significance of the mining boom that is happening in Queensland at the moment. I would like to note that—pardon the pun—Queensland has a rich history of mining. That brought my attention to the highlights in the MPS on page 1-2 and the reference to abandoned mines. Minister, mine sites in Queensland are a result of that long legacy, that rich history of mining but also a bit of a legacy of neglect and a culture that saw mining companies move in, take their millions and move out. Can you please advise what action the state government is taking or will take to help rehabilitate some of those old mine sites?

Mr WILSON: I thank the honourable member for the question. This is an important area. I can say that in the 2007-08 state budget there is a commitment to the injection of additional funding for the rehabilitation of abandoned mine sites in Queensland. While we reap the benefits, as I have said on other occasions this morning, of the resources boom we cannot turn our back on those old mines that helped forge our strong economy. The state government will continue to manage and rehabilitate abandoned mine sites with \$8.2 million that has been set aside over the forthcoming four years. Extra funding in this year's budget will be spent on two of the worst affected mine sites in the state—Croydon in the north-west and Mount Morgan in central Queensland.

In making this commitment, I have to acknowledge the strong representations made particularly by the member for Mount Isa, Betty Kiernan, and the member for Fitzroy, Jim Pearce. Mr Pearce invited me to inspect the abandoned Mount Morgan mine site not long after I became minister and convinced me of the need to pour extra funds into its rehabilitation. Additional capital funding of \$3 million, along with \$1.8 million in recurrent funding, will be spent on mine rehabilitation work at Mount Morgan and Croydon.

Mining began in Mount Morgan as far back as 1882. It was named after the Morgan brothers who pegged out a gold mining lease on what was known as Ironstone Mountain. They formed a syndicate with some Rockhampton businessmen to mine the mountain. Interestingly, one of the partners William Knox D'Arcy went to London and later made another fortune drilling oil in the Middle East in a venture which led to the formation of the famous BP company.

When the mine closed in 1981, after 99 years of operation, it had produced 225,000 kilograms of gold, 50,000 kilograms of silver and 360,000 tonnes of copper. The result of all this activity is that what was once a large mountain is now one of the largest artificial holes on earth, over 300 metres deep. We will spend these funds in consultation with local stakeholders so that the actions taken will be in the best interests of the local community.

CHAIR: The very first page of your MPS refers to Queensland's excellent mine safety reputation. Of course, protecting the safety of mine workers will always be of utmost importance. Minister, can I ask you to advise what steps the state government has planned or is planning to take to address the issue of fatigue in the mining industry in Queensland?

Mr WILSON: I thank the honourable member for the question. SIMTARS, Safety in Mines, Testing and Research Station, has conducted two research projects into fatigue related issues in the mining industry in 2000 and 2002 which continue to guide action on fatigue. I commenced rather flippantly, but SIMTARS has become so well known by its acronym. You mention the word around the industry and everyone knows what you are talking about. They have been doing about 19 years of dedicated research and development for the mining industry in Queensland and overseas.

The first project, which commenced in 2000, was funded by the Australian Coal Association Research Program and was conducted in conjunction with the Queensland Resources Council and the Australian Centre for Industrial Relations Research and Training at the University of Sydney. It was conducted over a six-month period with the final report *Fitness for duty: A scoping study issues* being produced in 2001. In April 2001 the Mines Inspectorate released a guidance note for the management of safety and health risks associated with hours of work arrangements in mining operations. This was designed to assist the mining industry control the risks associated with shiftwork and was well received by the industry and continues to be well regarded.

The second project—the development of a risk management tool for shiftwork in the mining industry—was funded by the Australian Coal Association Research Program and was completed in 2002. This resulted in the development of a number of tools to assist the mining industry in fatigue related risk management along with a shiftwork handbook which was disseminated to the industry at the time. It continues to be a very valuable tool to minimise the risks around workplace health and safety in the mining industry.

In June 2006 the Regional Manager, Safety and Health Central West sent self-audit tools to all coalmines in the central region. The subjects of these audits were training and safety and health management systems for alcohol, personal fatigue, other physical and psychological impairment and drugs. Replies were received from 44 coalmines and each was assessed for compliance with the mining safety and health legislation. Some 10 of the responses were then chosen to perform a minisafeguard audit, again based upon Australian and New Zealand standards, at that mine site with a Mines Inspectorate audit team to verify their responses.

The program of audits was scheduled to span much of the 2007 calendar, utilising three persons for one week per mine. Three mines have completed their miniaudits to date. These are BMA's Blackwater mine, Peabody's Baralaba mine and Anglo Coal's Callide mine. Mine record entries were made on completion of the audits. Could I have 15 seconds further?

Mr HINCHLIFFE: I would be more than happy to hear more.

Mr WILSON: Thank you. The fatigue audit program will continue into next month and beyond. More recently 250 of the shiftwork handbooks and CDs with the risk management tools were distributed to attendees at the fifth annual Mining and Quarrying Health and Safety Seminar conducted at the Bardon Conference Centre in June this year which I regret I was not able to make and open. I am told it was an excellent seminar.

CHAIR: I am glad we heard the end of that question.

Ms JARRATT: At the risk of appearing obsessed about mine safety I would like to ask you another question along those lines. I would like you to outline for the committee the work of the Mines Inspectorate and the role it plays in maintaining Queensland's hard-fought reputation as having one of the best mine safety records in the world.

Mr WILSON: I certainly have a very strong commitment and this government certainly has a very strong commitment to mine safety. I am delighted that so too does my department and especially the Mines Inspectorate that has a very hard and difficult job and brings a high level of competence and a high level of commitment to their task.

I thank the member for the question. The mining industry is one of the most important industries in our state and provides the jobs in rural and regional Queensland where no other industry could possibly substitute. I know our regional members from all sides of politics know how important the mining industry is. In Queensland we have a dedicated Mines Inspectorate and world-class legislation to monitor the safety performance of this hazardous industry. Our mining and quarrying safety and health legislation provides 33,000 men and women—whom I have spoken of earlier—who work in the industry with the legislative framework necessary to protect their safety and health.

There are over 700 mines from the very big mines right down to the very small mines. These vary in size from large industrial complexes such as Mount Isa employing over 3,000 people to numerous small mines in isolated parts of the state with only one or two workers. There are approximately 100 large mines and 600 small mines employing less than 10 people. So the overwhelming bulk of these mines are mines employing less than 10 people.

These mines are audited and inspected by the Mines Inspectorate to monitor safety and health conditions. Audits are detailed comprehensive examinations of the safety and health management systems at the mines and are conducted by teams of inspectors. Inspections are usually structured smaller audits of particular safety and health topics at a mine and can be carried out by one or more inspectors. The number of audits and inspections carried out at a mine depends on the hazards at the mine and is determined on a risk basis. Some mines are inspected or audited monthly and others annually or less.

The frequency of audit and inspection is also determined by the risk profile of the mine. In 2006-07 there were 1,400 audits and inspections completed by the inspectorate. The smaller number of audits and inspections than was targeted was mainly due to an operational decision to increase the number of complex, broad based resource intensive audits of systems. In addition, there were detailed and time consuming investigations into, regrettably, a number of fatal accidents.

These factors resulted in fewer inspections being undertaken during the year. The reduced number of audits and inspections also reflects the ongoing difficulties in recruiting staff to replace those returning to the industry or retiring in this unprecedented skills shortage era. Audits and inspections were conducted in accordance with identified risks and inspectors' work programs. If the questioner would permit me an extension of time I would be happy to proceed.

Ms JARRATT: I am very happy to give you that extension, Minister.

Mr WILSON: I thank the honourable member for that. Audits and inspections were conducted in accordance with identified risks and inspectors' work programs ensuring that resources were concentrated on high-risk activities while recognising good performance at other mines. I think that that is the balance that needs to be maintained. We do need to recognise good performance at other mines.

Inspections and audits resulted in over 135 directives being issued to mines to take corrective action as well as 1,300 substandard conditions or practices identified and requirements made for improvements. Because of the proposed number of detailed resource intensive audits planned for 2007-08 and the challenges in obtaining new staff for the inspectorate, the target for audits and inspections for 2007-08 is going to be 1,800, I am advised. These audits include the program of unannounced audits which I foreshadowed in the parliament in March of this year.

Although the number of audits and inspections was somewhat below the target that was identified some 12 months or so ago—as measured by the number of injuries and the lost time injury frequency rate—safety in Queensland mines continues to improve. Since 1996-97, for example, the number of lost time injuries has reduced from 919 in a workforce of about 21,000 to 308 in 2005-06 in a workforce of 33,000. Significantly the new act came in in 2001. That was groundbreaking legislation. In the same period the lost time injury frequency rate reduced from 20.4 to 4.2 in 2005-06. The frequency rate for 2006-07 is expected to be about four. That is an internationally recognised benchmark for assessing mine safety.

Mr McNAMARA: Of course the committee is very pleased to hear that safety in Queensland mines continues to improve. I note that you requested a peer review into the way in which the annual mine safety statistics are reported. I am wondering whether you could advise the committee what you hope to find out and why you have taken that course.

Mr WILSON: I thank the member for the question. This takes me back to a time shortly after I became minister and the publication of the 2005 annual statistical report on safety and health. The safety and health section of the department produces an annual report on safety and health statistics relating to the mining industry. There had been criticism from some stakeholders with respect to the accuracy and reliability of this data. So I requested my department to engage suitably qualified specialists to carry out a review of the annual report; we call it the peer review.

Associate Professor David Cliff from the Mining Industry Safety and Health Centre at the University of Queensland and Professor Tony Parker from the Queensland University of Technology are on the review panel. The scope of this research exercise was finalised following a meeting that I convened of a ministerial reference group, which I set up, that included all relevant stakeholders covering a range of industry, unions, departmental representatives and members of parliament. This project will assess the reliability of existing statistic parameters and also the introduction of new positive performance indicators.

Health based indicators are also proposed to be included in the new report. The research team will also look at the possible underreporting of accident and health data to try to address this anecdotal concern about the reliability of the data. This project is expected to be completed by the end of July this year. The final report will be presented to the ministerial reference group. It is anticipated that the 2007

safety and health statistical report will incorporate some of the learnings from this project, with all relevant project findings to be included in the 2008 report. So we hope that as a result of the peer review, having run the ruler, so to speak, over the annual statistical report that has been compiled for many years, we will find ways in which we can improve that document as a way of having that annual snapshot of the record into how well we are proceeding with mine safety in Queensland and also to guide future actions in the following year to keep improving mine safety in Queensland, because it is a job that is never finished.

CHAIR: The time allocated for government questions has expired.

Mr KNUTH: Minister, just to go back to the question about the ombudsman, you said—and I agree—that consumers should not pay the cost of funding the ombudsman's office. But, Minister, we all know that in fact this is what will happen, as industry will just pass the compulsory levy on to consumers. Minister, the point is not the small charge consumers will pay; the point is that they will be made to pay at all for their own protection.

Mr WILSON: Your proposition is that individual consumers pay for accessing the new Energy Ombudsman. That is your proposition. It defies me as to how you would see the new Energy Ombudsman operating if you want every individual consumer who has a legitimate, sound concern—they might not be right, but they have a legitimate, sound grievance or concern—with Ergon as a continuing retailer or with any of the other retailers to pay an individual user fee for them to access the Energy Ombudsman. You want, it appears, a user-pays approach to energy consumers—

Mr KNUTH: No, we do not want a—

Mr WILSON:—which I think is really extraordinary. If you do not want to go down that track, you have two other options. The first is that you require that the energy retailers themselves bear the cost, and in that event it becomes a disincentive for them because they are now in a competitive market. They cannot simply pass the cost on because they have to compete in the marketplace to obtain new customers and retain the customers they have got. The only other option is that you want the budget—all taxpayers in Queensland—to pay for the new Energy Ombudsman when it is an integral part of setting up full retail competition—setting up a robust, highly competitive marketplace, which is what it is. We are not just setting up an ombudsman like the Queensland Ombudsman dealing with citizens' interaction with government and government agencies. We are setting up an ombudsman scheme to facilitate a robust and competitive marketplace in the retail electricity arena for small customers and to facilitate customers getting the best deal out of energy retailers coming in and participating in that competitive market.

I believe that the best policy position is that the market needs to bear that cost so that there is a significant financial incentive on energy retailers to get it right, to treat their consumers with sensitivity and care, and that when they approach them with some complaint or grievance that they are fair dinkum and take on their concerns, because if they do not they will end up paying for it through the Energy Ombudsman's scheme and they still may get an arbitrated outcome against them as a result of the Energy Ombudsman's intervention.

Mr KNUTH: Minister, what I am saying is that I do not expect the consumers to pay. My proposition is that the government pays. I am asking: how will you stop the industry from passing on the cost to consumers, because that is what will happen?

Mr WILSON: Already there are discounts being offered by energy retailers, and we are only 13 days into July. The 10 business days cooling-off period for contracts in the industry has not even yet expired and we have already got up to 10 per cent being offered in discounts by different energy retailers competing with each other. The competition which will come into the state and, as I say, will evolve over time is the pressure on electricity retailers to minimise their costs. So that competition is also going to be driving the need for energy retailers to treat their customers and their consumers with sensitivity and care and where there is a concern raised with them that they seek to resolve it as amicably and as properly as they can.

The clever retailers all have sections within their organisations dealing with customer service because they well understand that even under the Energy Ombudsman scheme the scheme will require the consumer who may have a difficulty or grievance to take it up first with the energy retailer, and why shouldn't they? The energy retailer needs to perform and perform well in the marketplace. As you will recall when I spoke about an answer earlier on the ombudsman's role, there is a greater set of costs associated with dealing with a consumer's complaint with an escalating cost to the energy retailer if they do not deal with the complaint at source and at their front door and in a way designed to bring about an amicable resolution of their consumer's problem, and the cost pressures will be considerable within the marketplace where retailers are competing with each other to gain more customer base.

The level of profitability for energy retailers comes not from the margin for individual customers but from building mass customer bases. AGL I think has a customer base of something like 4.1 million customers. The long-term profitability for energy retailers in a full retail competition environment comes from building large customer bases but, more importantly, retaining the customer base they have. It costs them money to lose customers, more money than it does to gain new customers.

Mr KNUTH: Minister, the government would have known from the beginning that if the industry were to pay then obviously it was going to be passed down to the consumer. It obviously would have known this. So the way to solve that problem was for the government to pay for the cost of the ombudsman—not the industry, because obviously, as markets tell you, it is always passed down to the consumer.

Mr WILSON: Electricity retailers happen to be taxpayers in Queensland. If the Queensland government were to bear the cost of the industry based Energy Ombudsman, then we would be removing a significant incentive that otherwise would be in place—that is, having the energy retailers address at source any complaints or issues that they may have from customers. I do not know that there is much else I can say to elucidate for you the soundness of the approach that has been taken in that energy retailers need to be made accountable. That is what we think needs to take place in this new retail market because we want to make sure that costs are minimised.

The best way to minimise costs is to make sure that they are borne at source. In this case, it means that the energy retailers need to be on a fee for service out of the Energy Ombudsman's office to ensure that we get the best deal for energy consumers and that the costs of energy retailers' less than efficient operation are not passed through to Queensland taxpayers and they have to foot the bill by having to pay for it out of the taxes and out of the funds that otherwise would go into schools and teachers in schools, into police on the beat and into building new roads. You might perhaps nominate some of the expenditure from the budget—a \$28 billion budget or thereabouts—that you would be happy to forgo in your electorate so that you can allocate funds for all Queensland taxpayers paying for the poor performance of electricity retailers.

Mr KNUTH: Minister, I just have to disagree with you on this one and will move on to ask a few questions in relation to mining. Minister, for two years in a row your government has failed to meet targets for mining audits and inspections, falling short by 700 in the 2005-06 target and conducting only 1,400 out of 2,400 in 2006-07. Is the operational plan being revised yet again to cover up this failure, or was the shortfall instead simply caused by the failure to employ enough inspectors?

Mr WILSON: I thank the honourable member for the question. Inspections are often associated with, inevitably I guess, prosecutions and a full range of work done by the Mines Inspectorate. I just want to put into correct context the member's question. Firstly, I will refer to the information that I provided to questions from the government members earlier on what is happening with the inspections, but I also want to draw attention to the broader range of work that is actually done now by the Mines Inspectorate.

The inspectorate itself is actually being revitalised to reflect a new modern era of mining. A significant development that is taking place—and it has not only just commenced; it has been underway for a time—is to shift to a team approach away from single officer preoccupation. We are also moving officers out from behind their desks in the head office and putting them out into the field. There is also a wider range of skills being included, for example, with health professionals such as occupational health and safety officers and upskilling is taking place with the accredited diploma and advanced diploma course I referred to before plus the career path.

What is happening this year is a continuation of what was starting to take place last year—that is, there is a whole-of-site approach to inspections. So it is misleading for you to be relying in such a simple way on the raw data of the number of inspections. What is happening now with the whole-of-site approach to inspections is that they are more likely to be inspecting a whole site across a range of issues instead of a part of a site on a single issue. The raw inspection numbers fluctuate from year to year and region to region, as illustrated by me in an answer to a question on notice to you several months ago. The raw number does not actually disclose the varying complexity of the actual operations or the inspections undertaken.

What is the objective here? The objective here is to improve mine safety. The raw number of how many inspection occasions does not disclose very much information at all about achieving that objective. So you have to understand that there is a full range of types of inspections undertaken. If the member would like me to add some further detail in response to your question, I will invite you to extend the time for me to do so.

CHAIR: An extension of time, member for Charters Towers?

Mr WILSON: I know how keen you are to get the answer.

Mr KNUTH: I will give him the extension even though we have a few more questions to put to him.

CHAIR: Certainly. Extension granted, Minister.

Mr WILSON: Thank you very much for your consideration. Seriously, the actual number is actually a simple count of the occasions on which inspections take place. As I am sure you would readily agree, a bald number of 1,400 or 1,800 does not really reflect the nature, depth or extent of any particular inspection, let alone the full number.

So that is what is not disclosed by the raw number. The other thing I have to say is that the figures are forecast figures that naturally cannot anticipate developments day by day that take place over the ensuing year for which it is thought that this is a reasonable forecast. So the issue here is that it is outcomes that are the way to measure mine safety; it is not a preoccupation with the number of inspections, the number of investigations, the number of audits, or even indeed the number of prosecutions. All are important, but it is the outcome that is achieved with mine safety that is the thing to focus on, not to be preoccupied by the particular devices or mechanisms by which they get to that outcome. So to focus on those raw numbers is indeed a rather simplistic approach, I say with respect.

Talking about inspections, they often lead to prosecutions. There have been 20 prosecutions since 2001 when the new act commenced. If you compare to 10 years ago, for example, when the Nationals and the Liberals were in power—for two and a half years—over that two and a half years there was one prosecution over two and a half years and 20 since 2001

Mr KNUTH: Your department has the responsibility to stimulate exploration, as shown on page 1-3 of the MPS, and to issue exploration permits. Does the issuing of permits to explore for uranium, possibly including the 38 exploration permits pending with the department covering 8,000 square kilometres of exploration tenements, mean that if viable reserves are discovered uranium mining will be allowed in Queensland? Or do you categorically rule out further uranium mining in this state?

Mr WILSON: There is no uranium mining in this state.

Mr KNUTH: But will there be? With these explorations—and obviously you have given these exploration permits—if viable reserves are discovered, what is your position with those mining companies? You will not allow mining to go ahead?

Mr WILSON: The government's policy is that there is no mining of uranium in Queensland. That has been the policy, that is the policy, that will be the policy. Can I say that it is distracting to be focusing unnecessarily on the extent to which some explorers indicate to the marketplace, or might even indicate to the department, that they are interested in particularly uranium when they are going about their exploration activities. The fact is that there are only two mechanisms by which exploration can be authorised in Queensland. One is by an authority to explore for coal and the other is for the authority to explore for minerals other than coal.

Obviously, with the former, no uranium issue arises. With the latter, seeking authority to explore for minerals other than coal, there is no requirement—and never has been to my knowledge—for an applicant for the exploration permit to disclose the particular minerals that they wish to explore for. It happens that from time to time applicants disclose what particular minerals they are wishing to explore for and sometimes they disclose that it is uranium.

It happens—so I am told; not being a geologist I take this as being accurate—that often you find various minerals in combination with each other. Silver, lead and zinc is a common one and that was the origin of Mount Isa. Likewise, uranium is often found in combination with other minerals. So when explorers are undertaking their exploration activity, they will, or they may indeed, discover uranium in association with the minerals that they were looking for.

So it is a situation as I describe. They do not need to disclose. They can if they so choose. They sometimes disclose to the marketplace, which does have, one might notice, an impact sometimes on share prices, because there is an interest in whether they are exploring for uranium or not. But it does not indicate whether they discover uranium even though they have not disclosed it in conjunction with other—silver, lead and zinc—minerals that they are exploring for.

At the bottom of the exploration permit granted for minerals other than coal there is a clear note written with each exploration permit saying, 'Be on notice: the Queensland government policy is that no mining lease will be granted for the mining of uranium.' We have a coal industry in Queensland and we are going to look after the coal industry as we move into the cleaner energy future.

CHAIR: The time allocated for non-government members has expired.

Mr HINCHLIFFE: I am glad that you were talking about the issues around exploration in the mining industry. I refer to page 1-7 of the MPS which refers to the state government's Smart Exploration program. In light of recent comments on increased spending to attract exploration, particularly in the underexplored parts of the states—and I think we all noted before how important the industry is in some of the more remote parts of the state—can the minister advise what steps are being taken to stimulate exploration and investment in Queensland?

Mr WILSON: I thank the honourable member for the question. One of the department's key roles is to promote Queensland's geoscientific data and the potential for the discovery of new mineral and energy resources. The Ministerial Council on Mineral and Petroleum Resources endorses a national and international promotion plan by Team Australia comprising representatives from all federal, state and territory geological surveys.

The messages about the Queensland government's support for explorers, with new geoscience and funding initiatives, needs to be continually repeated in face-to-face meetings with explorers. The Queensland government is committed to supporting the continued growth and sustainability of Queensland's exploration and mining industry to help sustain Queensland's mining community to underpin Queensland's economy and prosperity.

The Queensland government, through the Department of Mines and Energy, promotes the opportunity for exploration investment in Queensland to discover new mineral and energy resources. The Smart Mining and Smart Exploration programs are two current Queensland government programs that are investing \$49 million into support for the exploration industry. These programs provide a significant increase in regional geoscientific datasets which open up new areas of the state for exploration by reducing costs, risk and time frames for explorers. These programs also provide direct funding support to explorers for target generation and drilling activities. There is an ongoing need to get the message out to the global exploration industry about what the Queensland's government is doing to help explorers in the long-term sustainability of the industry in Queensland.

I have a response that I am able to provide to the committee regarding the question asked earlier by the member for Maroochydore. I wonder if it is convenient that I provide that response now?

CHAIR: Yes, you can go ahead within the rest of this answer.

Mr WILSON: I advise the committee and the member for Maroochydore that I have had my departmental officers look into the matter that she raised earlier. I just want to say that normally I would not go into the details of an individual customer in a public forum, but given that the member has tabled the details I will provide the response.

First up, I want to make it clear that the circumstances of this particular customer have nothing to do with full retail competition commencing on 1 July. I will explain why as I go through. I would like to emphasize that large customers in Queensland's electricity market have had the benefit of lower prices arising from competition since 1998 when, starting at the big end of the market, the government opened up the competition. This has resulted in substantial savings for customers consuming more than 200 megawatts per hour per annum. Remember, FRC comes in for those under 100 megawatt hours per annum.

I am advised that the particular customer accepted a market contract with Energex Sun Retail from February 2004 to 31 January 2007 in order to benefit from more competitive electricity prices at that time. In other words, they were consuming more than 200 megawatt hours per annum. Taking the full benefit of retail competition for larger customers, the customer signed up for a negotiated contract, putting his monthly bill at approximately \$1,800. Had the customer stayed on the relevant regulated tariff he would have been paying approximately \$3,000 per month. That meant a saving of around \$1,200 per month under the competitive market for large customers.

I am advised that the customer in question had a market contract, but that it lapsed on 1 February 2007 without being renewed despite notice being given of the contract's impending lapse and numerous attempts to contact him. Without a new contract the customer automatically went on to a deemed contract. That is based on wholesale pool prices which have escalated because of the drought. This situation has been applying since 1998. The easiest solution for this particular customer is to get himself off the deemed contract as soon as possible by negotiating a new contract with his current retailer or another retailer of his choice.

The person in question did contact the Energy Ombudsman in July. However, as this customer is not a small customer, he is outside the jurisdiction of the Energy Ombudsman. The customer was referred to my department, which is liaising with the customer now to get him a direct contact with Origin Energy to deal with. It is now up to the customer to contact Origin, or any other retailer, to find a contract deal that best suits his particular needs in the commercial marketplace.

Mr McNAMARA: You were speaking previously about the mining industry underpinning Queensland's prosperity. Can you inform the committee how much income coal royalties have provided to the Queensland budget over the last five years? Further, how much of this has then been injected into clean coal and other research to support Queensland's booming coal industry going forward?

Mr WILSON: I thank the honourable member for the question. Clean coal energy is an important and vital element for our energy future. The contribution to the Queensland budget expressed in millions of dollars from coal royalties over the past five years is as follows: in 2002-03, it was 533; in 2003-04, it was 474; and going right up to 2006-07, it was 1,000—these are all estimated actuals. The total between 2002-03 up to 2006-07 is approximately \$3.9 billion over the past five years.

The royalties represent a return to the people of Queensland. We should remember that the people of Queensland own the mineral resources and the wealth of this state. These royalties represent a return to the people of Queensland for allowing entities or organisations to extract the state's mineral and petroleum resources for commercial gain. All such revenue is returned to the consolidated fund.

However, the Queensland government is keen to promote clean coal technology to ensure the sustainability of the Queensland coal industry. To this end, it has made a significant commitment by allocating \$300 million from the Queensland Future Growth Fund to develop clean coal technology. The government has also established the Centre for Low Emission Technology, which will advance research and development and provide the basis for developing a future strategic direction for electricity generation, both in Queensland and in the rest of the Australia. It is also supportive of the Queensland Centre for Advanced Technologies and its program of working on cutting-edge solutions to improve the performance of coal.

The government will work closely with the state's coal industry, which has recently agreed to provide \$600 million over a period of 10 years towards clean coal technology projects. That is an excellent illustration by the industry of how vital and important they see a solid partnership into the future to ensure clean coal energy for Queensland as a vital element of the new energy strategy for this state.

CHAIR: The time allotted for the consideration of the expenditure for the portfolio of the Minister for Mines and Energy has now expired. I thank very much the minister and his advisers for their attendance and their time today. The committee will adjourn for lunch and the hearing will resume at 1.15 pm to examine the portfolio of the Minister for Emergency Services.

Mr WILSON: Could I make a couple of closing comments by way of thanks?

CHAIR: Certainly.

Mr WILSON: I thank you, chair, and the other members of Estimates Committee D for their questions and discussions this morning. I much appreciate it. I would also like to thank senior executives and staff from the Department Mines and Energy, senior executives and staff from the energy government owned corporations and my own ministerial staff who have all worked hard preparing briefing notes and material for today's estimates. I would also thank the ombudsman for his work and his presence here today. I also acknowledge the committee's readiness to accept the suggestion that I put forward of allocating segments of time for different parts of my portfolio, because it has been very helpful in allowing certain members of the GOCs and my staff to return to normal duties earlier than they would otherwise have been able to do so. I thank you for your consideration in that regard.

CHAIR: We are happy to help.

Proceedings suspended from 12.15 pm to 1.15 pm

ESTIMATES COMMITTEE D—EMERGENCY SERVICES

In Attendance

Hon. NS Roberts, Minister for Emergency Services

Department of Emergency Services

Ms F McKersie, Director-General

Mr G Mahon, Executive Director, Strategic Policy and Executive Services

Mr J Higgins, Commissioner, Queensland Ambulance Service

Mr L Johnson, Commissioner, Queensland Fire and Rescue Service

Mr G Taylor, Executive Director, Business Support Services (Acting)

Mr G Bridger, Chief Financial Officer (Acting)

Mr F Pagano, Executive Director, Emergency Management Queensland

CHAIR: Good afternoon, ladies and gentlemen. The Estimates Committee D hearing is now resumed. The portfolio of the Minister for Emergency Services will be examined. I welcome the minister and his advisers.

The time limit for questions is one minute and answers are to be no longer than three minutes. 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. In accordance with the standing orders, at least half the time available for questions and answer will be allocated to non-government members.

For the benefit of Hansard, I ask agency officers and advisers to identify themselves if the minister refers a question to answer to them. I also ask that all mobile phones and pagers now be switched off.

I declare the proposed expenditure for the portfolio of the Minister for Emergency Services open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, would you like to make an opening statement?

Mr ROBERTS: Yes, I would.

CHAIR: In accordance with the standing orders, your opening statement must not exceed five minutes. Thank you, Minister.

Mr ROBERTS: I am pleased to be here with you today as Minister for Emergency Services. It is an important opportunity to outline some of the achievements of my portfolio and to highlight the new initiatives we are implementing for the future. At the outset, I put on the record how impressed I have been with the professionalism and dedication of the officers within the department since I have taken on the new portfolio. As a member of parliament, over the years I have had contact with Emergency Services staff and volunteers. As minister I am committed to ensuring that they are fully supported in the important work that they do.

Across the world emergency services are under increasing pressure as they seek to maintain essential community safety and disaster management services to the communities that they serve. In Queensland, the major factors generating this pressure are the state's growing and ageing population. That is why this year the Beattie government has delivered a record budget of \$849.3 million to this vital portfolio, an increase of more than 14 per cent. The centrepiece of the budget is the recruitment of an additional 250 ambulance officers across the state during 2007-08. This is the largest ever single staffing increase in the history of the Queensland Ambulance Service and comes on top of the 220 ambulance officers recruited in 2006-07. In fact, since being elected in 1998, the Beattie government has funded more than 1,000 ambulance positions.

There is no doubt that our paramedics are facing an increased demand for service and they are doing a fantastic job. For example, during 2006-07 the Queensland Ambulance Service responded to 10,757 more code 1 emergency cases in less than 10 minutes than it did during 2005-06, an increase of almost 10 per cent on total urgent cases.

The overall budget for the Queensland Ambulance Service represents a \$48.7 million increase on last year, or more than 13 per cent. We are committed to delivering a world-class ambulance service for all Queenslanders. This budget reflects that.

Last year Cyclone Larry demonstrated the incredible work that our staff and volunteers do. I am pleased to report that Emergency Management Queensland has commenced the roll-out of the \$52.1 million Safeguarding Cyclone Communities initiative to further boost the capacity of our volunteer

emergency services. This initiative is the most significant investment ever by the Queensland government in emergency services, volunteer training and equipment, yet again delivering on a Beattie government election commitment.

I should also point out that last week the new statewide 132500 contact number for the state emergency services went live. This replaces around 1,200 existing numbers. Some of our hardworking state emergency services volunteers have said that they think this is the single biggest improvement to state emergency services operations in the services' 30-year history.

As members of the committee will be aware, the Queensland Fire and Rescue Service has led historic changes to legislation in an effort to further safeguard communities and reduce fire deaths in Queensland. Compulsory smoke alarms in all homes is an important milestone in fire safety in Queensland, and it is complemented by the Queensland Fire and Rescue Service budget in 2007-08 of \$360.1 million, which is another record amount.

The Queensland Fire and Rescue Service will also be a major beneficiary of the \$22.3 million to be spent on the Queensland Combined Emergency Services Academy at Brisbane's Whyte Island. I had the opportunity to visit the site today and, when completed in April 2008, this new practical training facility will be the finest of its kind in Australia.

Finally, fail-safe intergrated communication systems are essential for the Department of Emergency Services in responding to emergencies and natural disasters, and in supporting counter-terrorism initiatives. The state budget provided \$41.7 million, part of \$70.4 million over two years, towards building a new state-of-the-art communications and operations centre at the emergency services complex in Kedron. This project is the largest budget commitment for any single project in the history of the Queensland Emergency Services.

These are just some of the key elements of a budget that reflects the strong support of the Beattie government for our emergency services. This support will enable us to continue to deliver world-class emergency and disaster management services to communities across the state and, ultimately, deliver a safer Queensland.

CHAIR: Thank you, Minister. I call the member for Mirani.

Mr MALONE: May I congratulate you, Minister, on your appointment and I wish you well in overseeing the management and operation of this department, which I believe plays a vital role in Queensland life. You are the fifth minister that I, as shadow minister, have examined in a budget session. Let us see how we go.

I am sure that we are all shocked at the events of last week, although I do not wish to rake over those issues. Suffice to say that Emergency Services desperately needs strong and decisive management. It desperately needs clear leadership. The staff and the people of Queensland require and look forward to it.

Minister, will you undertake to clear the decks and set a new course? Will you undertake to hold a full, independent and transparent inquiry into the Ambulance Service, and recommend steps to redress the legitimate staff concerns about harassment, bullying and systemic cronyism in management from the top down?

Mr ROBERTS: The first thing that I want to say is that the Queensland Ambulance Service and, indeed, all of the emergency services that I have had the privilege of being briefed about over the last two days are performing exceptionally in my view. I am tremendously impressed with the professionalism of the officers who I have been working with. I am also tremendously impressed with the network of volunteers that is in place to support those services. Therefore, I reject your assertion that there are difficulties within the service. I believe that the service is heading in the right direction. I am very keen to work with them in partnership to deliver the best Ambulance Service, Fire and Rescue Service and Emergency Service that Queenslanders deserve.

The government continues to support the work carried out by the managers and staff of the Queensland Ambulance Service to ensure a safer community in Queensland. As I will outline shortly, the assertions made in your question simply do not stack up.

In relation to the issue of bullying and harassment, the first thing that I want to say is this: no matter what level of the service, from the minister down to every volunteer within the service, bullying and intimidation are absolutely unacceptable. We have clear policies where that will be dealt with effectively by the systems within the department.

In terms of that issue, the facts do not support the claims that you are making. During the period of 1 July 2005 to 30 June 2006, WorkCover Queensland figures confirmed that there was only one substantiated claim relating to bullying and harassment within the Queensland Ambulance Service—one substantiated case. Member for Mirani, I think that that dispels the assertion that you are making about this being an issue which is rife within my department.

I will take a very strong stand against anyone who engages in this activity. We have strong policies. I expect the senior executive team and every manager, indeed every unit operator or professional within the service, to abide by that policy.

Obviously that figure of one is an extremely low figure—although I would like it to be zero—particularly considering the confronting nature of the work. We are dealing with people who deal with extremely dangerous and unpredictable circumstances in high-stress environments. However, as I have said, bullying and intimidation are not acceptable and will not be tolerated. To put that figure of one into perspective, it represents 0.037 of the total Queensland Ambulance Service workforce for the 2005-06 year. The service maintains an in-house staff support system known very well to paramedics and other staff as Priority One.

Moving now onto the issue of the stresses and difficulties that people face, I say this: I do not want any staff member within my department to suffer alone. I need them to talk to others and I need them to seek professional support. We provide that through our Priority One service.

Mr MALONE: Thank you, Minister, and I take on board your answer. Unfortunately, once you get to know the department you will find that it is very difficult for normal staff to come forward and address issues to you personally. They are virtually under a fine system if they move outside of the department. An independent group of ambulance officers have actually done surveys et cetera and made representations to the previous minister. Unfortunately, he would not meet with them personally. I ask whether you will meet with ambulance officers on an independent basis away from the department?

Mr ROBERTS: I am aware of the association that you refer to. The policy of the department in terms of industrial relations matters is that we will meet with registered industrial organisations. I am, of course, aware that these particular issues have been raised. However, the information that I am giving to the members of the Ambulance Service and the fire service is that I encourage them to raise them directly with their supervisors. I expect all levels of management to respond appropriately to issues of intimidation, bullying or harassment and that is the policy of the department.

In terms of meeting with organisations on industrial issues, the government and, indeed, my department has a very clear policy. It is that we will meet with the registered industrial organisation that represents the interests of those employees.

I might make a few more comments about that particular matter. As I have indicated, the Ambulance Service complies with its whole-of-government obligations to enter into agreements with registered unions. As you would be aware, we have established collective agreements with the union that represents the interests of ambulance officers. The Liquor, Hospitality and Miscellaneous Workers Union is the organisation that we negotiate directly with in relation to industrial matters. There is a collective agreement made under the provisions of the Industrial Relations Act 1999.

The Ambulance Service works in partnership with the LHMU in implementing and maintaining provisions of the enterprise partnership certified agreement and the formal consultative frameworks that are established with that union. That partnership assists in maintaining industrial harmony and continued service delivery.

The service is not bound to acknowledge, in an industrial sense, organisations that are not registered under the act and that is the position that I will be adopting. Of course I will meet with individual officers, groups of officers and staff as I move throughout the state. But in terms of negotiating directly on industrial issues, I will only be meeting with registered industrial unions.

Just to wrap up, as I have indicated on a couple of occasions this afternoon, the Department of Emergency Services takes allegations of workplace harassment seriously and does not condone that sort of behaviour by staff or volunteers at any level. The department has undertaken a number of significant initiatives to prevent the occurrence of this type of conflict in the workplace to ensure that employees work in an environment free from any form of harassment. Training in the prevention of discrimination and harassment is delivered to all student paramedics, emergency medical dispatchers, firefighting recruits and other staff as required.

Mr MALONE: Minister, from what you are saying you definitely exclude the possibility of an independent inquiry for the members of QAS right throughout Queensland? Are you ruling out totally an independent inquiry?

Mr ROBERTS: What are you suggesting that the independent inquiry needs to be about?

CHAIR: Through the chair please, Minister.

Mr ROBERTS: I am seeking clarification about the particular issues that the member believes need an independent inquiry.

CHAIR: Could you put some more detail into your question?

Mr MALONE: I will try to clarify the point. I am seeking the opportunity for staff members, employees of QAS, to represent themselves before an independent inquiry where they can be protected under whistleblower legislation and also have direct contact with an independent person in respect of their grievances.

Mr ROBERTS: If staff within the department feel that they are unable to make direct contact with their immediate supervisor, I would be concerned about that and I believe that should not be the case. In fact I do not actually accept your assertion that it is the case.

Mr MALONE: You need to move around, Minister.

Mr ROBERTS: I will move around. I have been here for two days and I will be making an effort to move around the state and meet with Emergency Services personnel in as many places as I can. A challenge was laid down to me in the *Courier-Mail* yesterday to go out with particular people in the Ambulance Service to experience what they are experiencing. I have given an undertaking on Toowoomba radio that I will do much better than that. I will not only go out with ambulance crews, I will go out with fire service and rescue operators, I will go out with the Volunteer Marine Rescue, I will go out with the coastguard, the SES, et cetera. As a minister, I want to become very familiar with the day-to-day experiences of the staff and volunteers who provide the excellent emergency services that we deliver in this state. I will be making every effort over the next month or so to put in place a program where I do that.

It is my view that as a minister—and I have experienced this in a quite intensive way in the last two days—you get a certain level of understanding by reading, and I can assure you, member for Mirani, I have read a lot over the last two days. I am not suggesting to you that I am going to remember it all, but I am a firm believer in being a hands-on minister and getting the practical experience of the people in the field.

As I have said, I have been here for just a couple of days and I am so impressed with the level of professionalism of the senior officers—and that is all I have been meeting at this stage. Also, as the member for Nudgee and in my parliamentary secretary role across a range of portfolios, I have come in contact with people from all levels of this department and other departments. It is my view that I will not be able to fulfil my role as a minister unless I get down and talk to those people and receive firsthand the benefit of their experience, and that is what I will be doing.

I am not suggesting I am going to go on a 10-hour shift with an ambulance officer or a fire officer. That would be inappropriate, but I will be spending a short period of time—it may be a couple of hours or whatever is appropriate according to operational requirements—with the various parts of the service. I think that will be an important contribution I can make to develop a rapport with the people I work with—both the volunteers and the professional officers—and to get a better understanding of the job they do for the people of Queensland.

On any measure, when I look at the performance of our ambulance officers, our fire officers and our SES volunteers, I actually reject any assertion that they are not delivering a first-class service to the people of Queensland. In fact I think they are and I thank them for it. I am looking forward to working in partnership with them to continuously improve that service.

Mr MALONE: Thank you, Minister. Be aware that I am not asserting that the service provided to Queenslanders is substandard and the people who supply that service are in that situation. My role is to make sure they operate and are employed under a proper situation.

Mr ROBERTS: Member for Mirani, if you continue to raise negative issues, you can only draw the conclusion that you are in a sense criticising the level of professionalism of those services.

Mr MALONE: I reject that, Minister. Going back to what you said five minutes ago in respect of meeting organisations, you indicated that you would only meet with the union representatives. I am asking you to consider meeting with groups of staff. There is a group of staff who have organised themselves into a very voluntary type organisation. Are you rejecting the possibility of meeting those people?

CHAIR: Member for Mirani, I think your line of questioning is verging on the repetitious. If the minister has something extra to add, he might answer that question.

Mr ROBERTS: I am happy to repeat and go over all the things I just went over. I indicated it quite clearly, but I will take the opportunity to provide a bit more information about our relationships with the union. The department and I will have a very clear policy when it comes to industrial relations matters. I do not want to go over the history of industrial relations in this country, but it is very clear that the system within Queensland and indeed nationally is that we have representative organisations that represent the interests of employees and indeed employers. In order for those organisations to get registered, they have to meet very stringent criteria and maintain appropriate records, et cetera—so do associations but not to the level of industrial organisations. My department has a very clear policy—which I support of course because it is government policy as well—that we will only negotiate industrial matters with registered industrial organisations. In the case of ambulance officers, that is the Liquor, Hospitality and Miscellaneous Workers Union.

I will just make this point: the association you refer to is not a registered industrial organisation under the act. If indeed another organisation does become registered, of course I would be obliged to meet with them. But the registered union which represents the overwhelming majority of employees

within the Ambulance Service is the Liquor, Hospitality and Miscellaneous Workers Union. I will just draw your attention to the fact that there are 3,000-plus staff in the Ambulance Service and the overwhelming majority of operational officers are in the LHMU.

Mr MALONE: Minister, in respect of code 1 call-outs, how many code 1 call-outs have been responded to as a first responder by QFRS or fire trucks in the last 12 months?

Mr ROBERTS: Sorry?

Mr MALONE: How many fire trucks have actually responded to code 1 call-outs as a first responder over the last 12 months?

Mr ROBERTS: Are you talking for fires or for other—

Mr MALONE: No, QAS. Code 1 is a QAS determination.

CHAIR: Member for Mirani, are you asking about the previous budget time frame or the one we are examining today?

Mr MALONE: I am asking about the last 12 months.

Mr ROBERTS: Sorry. Can you repeat the question again so I can hear it clearly.

Mr MALONE: I will put it simply. How many fire trucks have been called out to code 1s as first responders over the last 12 months?

CHAIR: It is not related to this budget, Minister, but if you would like to answer that question you can.

Mr ROBERTS: The information that I have been provided with is that it is less than one per cent. I might just provide you with a little more direct information on that. We are talking here about the issue of the fire service responding to medical situations.

Mr MALONE: That is right, code one emergencies.

Mr ROBERTS: Before I get on to some of the detail, the first thing I want to say about fire officers delivering medical assistance is this. In terms of our medical response to emergencies in Queensland, of course the priority is to deliver a paramedic with appropriate training as the first preference, and that will always be the case. In some instances, depending on the circumstances, there will be situations where the fire officers arrive first. I think it is absolute madness to suggest that we would not use the professional skills of our fire officers who are trained to the level of an advanced first aid certificate, as I am advised, to provide that first-responder medical support to people in need.

To suggest—and I do not know whether you are—that we would not use our fire officers in those circumstances is lunacy. In fact I fully support a system where our fire officers are, in a sense, an integral part of the medical support we provide to people who are injured. Ambulance officers are always a priority and will be dispatched wherever possible as the first line of support. There are many instances as you would be aware, such as a fire, where the fire officers will arrive first and if they can provide medical assistance in those very limited number of cases—and we are talking about a very small number—I fully support that.

The interesting thing about this, as I understand it, is that this particular arrangement was entered into under the coalition government, so I am quite surprised that you appear to be criticising this arrangement. I would assume that the previous National Party government that entered into this arrangement back in 1996-97 was fully supportive of it and recognised the benefit of it. The advice I have received over the last couple of days is that this system—where we use those other professionals, albeit they are there to fight fires and rescue people—means that where they have a particular level of expertise in first aid we should be making use of them as a first responder when an ambulance officer is not there. I will support that system. I think it is a good system, but I want to reiterate and stress that the first response we will always endeavour to provide is a professional paramedic through the Queensland Ambulance Service.

CHAIR: I remind committee members that we are examining proposed expenditure for the 2007-08 year. To assist me in my rulings as chair, I would appreciate a reference to the MPS please. The time allocated for non-government members has expired. Minister, I would like to refer you to page 11 of your MPS. Can you tell me how the \$15.7 million to commission 140 new ambulance vehicles will further enhance the delivery of ambulance services around the state?

Mr ROBERTS: Thank you for the question. As you have indicated, the government has announced expenditure of over \$15 million this financial year on new ambulance vehicles. It is another example of the government's commitment to continue to support the dedicated men and women of the Queensland Ambulance Service. I spoke in my opening remarks about the government's announcement to fund an additional 250 ambulance officers and I think that is worth repeating because this is the biggest single injection of additional officers in the Ambulance Service's history. We are putting in those additional 250 ambulance officers this financial year, and the \$15.7 million funding for vehicles is complementary to that.

As we employ additional ambulance officers, there is an obvious need to provide additional vehicles. This means that the Queensland Ambulance Service is able to allocate additional crews to those stations facing increased demand for service. It is fair to say that the south-eastern region of the state has not only seen the population increase quite dramatically over recent years; it also has an ageing population and the consequent demands from that group to respond to. Another factor in addition to the growing and ageing population is the increasing incidence of chronic illnesses and diseases which is impacting significantly on the calls to the Ambulance Service. However, it is not just the south-east corner of the state that will receive additional paramedics and vehicles. You can rest assured that the allocation of resources will be on a demand-driven basis across Queensland.

Whilst we have been talking about the increase in new vehicles that this funding will provide, I would like to assure the member that the Queensland Ambulance Service does undertake regular servicing of its existing fleet. Whilst this record funding will enable the decommissioning of a number of vehicles from the fleet, the Ambulance Service does retain some older vehicles. They are retained so they can be used for training purposes, some have been transferred to remote locations, some have been given to first-responder groups on inland and island locations to use, and some are located at mine sites and have very low kilometres.

I can assure the member that the ambulance vehicle replacement program is based on a rigorous assessment regime which considers the overall physical and mechanical condition of the vehicle. Since coming to office, the Beattie government has invested extensively in all parts of the Emergency Services portfolio, including its ambulance vehicle fleet. Since the introduction of the community ambulance cover on 1 July 2003 and up to 30 April 2007, operational ambulance vehicle numbers are up by 137, which is an increase of 14.5 per cent.

CHAIR: Minister, you referred in your answer to the 250 additional ambulance officers. You have also listed that on page 11 of your MPS. Will you advise what this huge increase in the number of ambulance officers will deliver for Queensland?

Mr ROBERTS: The first thing I want to say is that I am the beneficiary of a significant announcement by the government in this budget—not me personally but the Ambulance Service. It is a very exciting time to be coming into this portfolio. As I have indicated, 250 is the biggest single increase in ambulance officers in the service's history.

The government is going to be providing \$404.45 million towards the department's world-class Ambulance Service in this budget. That includes, as you have indicated, 250 ambulance officers across the state in 2007-08 to assist in managing demand for services driven by a growing and ageing population and the community's increasing use of emergency health services. This is the single biggest increase in the number of officers in one year and is additional to the 220 extra staff employed in 2006-07. Of the 250 ambulance officers, 210 of these will be paramedics, and the remaining forty will be communications officers and clinical and support staff to assist the Queensland Ambulance Service to manage demand for services driven by a growing and ageing population and the community's increasing use of emergency health services, and to staff a new ambulance station at Ashgrove/The Gap.

In addition, 42 new ambulance officers will complete the earlier commitment to employ an additional 144 ambulance officers over two years. These additional positions will contribute to the long-term occupational health and wellbeing of Queensland Ambulance Service paramedics, patient transfer officers and communication officers.

The community ambulance cover has helped put more paramedics and vehicles on the road, provided lifesaving equipment and helped to build more stations around the state. Consecutive record budgets and sound policies such as community ambulance cover, a record boost to paramedic numbers and roster reform are helping the Queensland Ambulance Service provide ambulance services to meet current and future demand in Queensland.

Ms JARRATT: Minister, I join with the member for Mirani in welcoming you to your position as Minister for Emergency Services. I wish you well in that position. Minister, I have heard the opposition claims that only one-quarter of the \$20 million set aside for ambulance station projects has been spent. Is this the case? Could you inform the committee what progress the Department of Emergency Services made on its capital program for ambulance stations?

Mr ROBERTS: Thank you for the question. The Department of Emergency Services capital investment plan provides for essential infrastructure, the acquisition of land, buildings, vehicles, equipment and information technology investments to support our operations and to achieve the economic and operational effectiveness through our contemporary asset management strategies. The capital investment program reflects the government's ongoing commitment to the provision of essential emergency services to ensure that Queenslanders live in safe and secure communities. The department will continue to invest in essential operation and corporate information technology, infrastructure equipment and systems to ensure the government meets its commitment to the people of Queensland.

Projects that achieved practical completion in 2006-07 include replacement of the Atherton, Dirranbandi, Emu Park and Gympie ambulance stations; construction of new ambulance stations at Narangba, Nerang and Samford Valley; relocation of the South Brisbane Ambulance Station; construction of the Maryborough regional office; construction of the Mount Gravatt, Wishart and Oxley-Durack fire stations; construction of the joint fire and ambulance station in Roma Street, Brisbane; replacement of the Forest Hill fire station; and construction of the Doomadgee storage facility.

In 2006-07 a number of projects were delayed for a variety of reasons. These delays were caused by external factors which were beyond the control of the department. Some of the main reasons for that were difficulties in resolving some land tenure issues, difficulties in acquiring land for some of the program projects and shortages in the building industry of labour and materials to deliver projects. As all members would be aware, Queensland is undergoing one of the most dramatic increases in building activity in its history. The Queensland Ambulance Service is competing not just with other departments but also with the private sector for the resources to get those projects undertaken, so that has had a significant impact. Flowing on from that, we have had difficulties in some areas obtaining the necessary contracts, the specialist project managers and, to a lesser degree, some of the consultants.

Tight delivery time frames have also had an impact. Wet weather during construction has had an impact in some instances only. As we are aware, rain is much needed in south-east Queensland. Indeed, I would be pleased to be saying at the moment that we had many projects delayed due to rain. Maybe hopefully I can do that when I am next before you. Another impact is resolution of local issues, and that will be a range of particular issues that apply to particular projects. We all know that when construction activities commence in a community there is a whole range of issues that arise, and that has contributed to some of the delays.

CHAIR: Were you seeking an extension of time to answer that, Minister?

Mr ROBERTS: Yes.

Ms JARRATT: That is fine.

CHAIR: That is with the approval of the member for Whitsunday.

Mr ROBERTS: Thank you. I believe that the department is now in a very strong position to deliver its capital works program, having adopted a range of new initiatives in areas of alternative and more efficient project procurement and construction methodologies. Over the last couple of days I have had a number of discussions about this issue. The former minister, as you would be aware, was passionate about the construction industry and took a very active interest in the way in which projects were procured. Together with the department he worked on some significant changes to the way in which projects are procured. Two of the more significant are that we have started to bundle up projects in particular areas to try to get some economies of scale. In one instance I am advised—I have not got it to mind at the moment—that about four ambulance stations were bundled together with savings of around \$1 million. One of the other efficiencies introduced was having some of the components or building modules constructed in-house. They were factory built, so to speak. That has not only delivered efficiencies in construction methods but also introduced some cost savings.

The department has not been sitting on its hands. There have been some issues with particular projects but a lot of time, effort and planning have gone into improving procurement and improving design. There has been a lot of consultation with employees about the type of design that would suit the needs of the service. Those things have been ongoing while we have been delivering other projects as well. In terms of capital works, the department has delivered over 80 per cent of the capital works projects that were proposed in the last financial year.

Ms JARRATT: Thank you, Minister, for that last response. It sounds like a Smart State Strategy to deliver the capital program. Could I ask you now to detail what the Queensland Ambulance Service is doing to accelerate the replacement of defibrillators to ensure that our hardworking paramedics have access to state-of-the-art and reliable equipment to boost patient care.

Mr ROBERTS: Before I provide a bit of detail, I think it is important to send a very strong message to the community that defibrillators are now standard first aid equipment. They are expensive pieces of equipment. There are obviously basic models and more sophisticated models. The Queensland Ambulance Service has identified a particular model which will be delivered and distributed throughout the service. But defibrillators in general are lifesaving equipment.

The message that I want to give to the community is that we need to extend and broaden the range of locations where we have defibrillators in the community and have people trained to use them, because they are a lifesaving device. When you are talking about cardiac arrest, every minute and every second count. If you have someone who is trained and capable of using a defibrillator, whether it be in a shopping centre or in a local senior citizens centre, these are the types of places that I believe we should be looking to have them installed and have people who are appropriately trained to use them. If we can extend the range of defibrillators throughout the community and have appropriately trained people to utilise them, we will be saving the lives of many more Queenslanders from heart attack.

In terms of the specifics of your question, the government has increased recurrent funding for the Queensland Ambulance Service by almost \$50 million in the overall budget this year to meet the growing demand for services. That, as I have said, includes funding for 250 ambulance officers and for upgrading critical lifesaving equipment.

In terms of defibrillators, to ensure that our paramedics are able to access the most modern and reliable equipment for patient care, \$2½ million has been allocated in this year's budget to purchase a further 240 defibrillators and to continue to accelerate the existing replacement program. There were some members of the opposition including in my electorate in the last election who were a little mischievous about the defibrillator program. I and other members on the government side took the opportunity to reinforce to the community that the government has a very proactive defibrillator replacement program. They are very extensively used within the service and we have an active program to update those existing ones with more modern pieces of equipment. That commitment of \$2½ million in this year's budget builds on the significant expenditure of the past 12 months, during which the service expended almost \$3.7 million to purchase an additional 230 defibrillators, and augments the significant and valuable contribution by local ambulance committees across the state. Local ambulance committees do not provide the basic equipment that our ambulance services need. They supplement and add to the equipment that is provided by the Ambulance Service and the department.

Mr HINCHLIFFE: Through you, Chair, I, too, would like to welcome the minister to his position and in that welcome him to my electorate, where his ministerial office and the headquarters of the Department of Emergency Services are at Kedron Park. In reference to that site, I note that pages 1 and 2 of the MPS make reference to the \$41.7 million investment in this year's budget as part of a total of \$70.4 million over two years in the establishment of a state-of-the-art integrated communications and state emergency operations centre. I am taking a very keen interest in this project and I would be interested if you could provide the committee with some more details on this very substantial project.

Mr ROBERTS: I want to acknowledge at the outset that I have been the minister for two days but I am already aware of the tremendous interest that you have shown in this particular project. I am very happy to keep you very much informed. You have been very proactive and interested not just in that project but also in a lot of the construction activity that is occurring around the emergency services centre at Kedron. I know that you have been very active in your local community in supporting them and in dealing with those issues as well.

The department will provide, as you have indicated, \$70.4 million over two years to build a new state-of-the-art integrated communication and emergency operations centre. This is one of the big-ticket items in this year's budget. The funding supports an innovative strategy for the redevelopment of the Kedron site that incorporates the following things: the construction of an integrated communications facility that will co-locate the 000 communications facilities of the Queensland Ambulance Service and the Queensland Fire and Rescue Service, which are currently at Spring Hill and Southport; and it will have the State Disaster Coordination Centre and the State Operations Coordinations Centre, which I visited in my first few moments of arriving at my office last Tuesday.

This state-of-the-art facility will also comprise training rooms, a major incident room and have integrated geospatial information capability. The development of a technical facility will consolidate the technical activities of the department. Currently the department has a range of specialist technical activities that are spread across a range of different areas. We will be able to consolidate those into this centre.

The construction of this world-class facility will place Queensland at the forefront of the country in emergency communications and major incident and disaster coordination. The construction of the centre, which is to be operational by 2010, will be a major undertaking for the Department of Emergency Services. The development of this facility reinforces a commitment of the Beattie government to enhance its immediate effective and highly regarded emergency services capability.

This innovative plan will create an integrated emergency operations centre which features state-of-the-art communications technology to support the decision making for the full scale of emergency situations that exist in Queensland and to provide interoperability and integration with other equivalent centres in other jurisdictions. I might just dwell on that point. When we are talking about emergency situations that my department deals with, we are talking about every imaginable type of emergency. It is not just medical emergencies or fire and rescue; for every type of emergency that you can imagine my department has the capabilities and skills to deal with it. The strategy that we are putting in place will enable the government to address key risks to the provision of effective emergency services which face a range of challenges in the community.

CHAIR: I remind the minister and committee members to refer questions and answers back through the chair, please. The time allocated for government questions has expired. I call the member for Mirani.

Mr MALONE: Minister, going back to the question I asked you earlier in respect to the call-outs of fire officers to code 1 ambulance call-outs, what percentage of fire officers are fully qualified to deal with code 1 QAS call-outs?

CHAIR: What aspect of the MPS does that refer to?

Mr MALONE: Page 1, dot point 4.

Mr ROBERTS: I will need to seek some advice on that. I have some information here, but the point that I made earlier was that for code 1 emergencies the absolute priority is to get our first-class paramedics to the scene and that will always be the case. It is a system which your former government put in place.

Mr MALONE: We appreciate that, but just the numbers.

Mr ROBERTS: Where fire officers are the first people on the scene, I repeat what I said: it would be absolute lunacy not to use the skills that they have in providing first responder medical assistance to people if they arrive on site in the first instance. That is in the main, as I understand it, what this proposal is about.

Mr MALONE: I am asking about the skill level.

Mr ROBERTS: The other point that I would make is that in these instances where it occurs it is always a co-response. The fire service may well be called, but the Ambulance Service is always called to attend those emergencies—if, in fact, they are real emergencies.

Mr MALONE: You would hope so.

Mr ROBERTS: That is always the case. So we are talking about a cooperative response from the Ambulance Service and the fire service. I would expect that if fire service officers arrive before the ambulance and they are able to administer first aid and save someone's life, anyone in Queensland would want them to do the work that they can do. The firefighters are trained and qualified in advanced first aid. They can provide assistance with oxygen therapy and advanced cardiopulmonary resuscitation. No-one expects anyone to provide a level of service above what they have been trained to do. If they arrive before the ambulance officer it is a natural thing for them to try to administer first aid to a person until the paramedics arrive—

Mr MALONE: Does that include auxiliary officers?

Mr ROBERTS:—and they are the type of skills that they provide. To reiterate the point I made earlier, we are talking here about co-response. We do not call the fire service as the only response; we always call both the Queensland Ambulance Service and the Queensland Fire and Rescue Service if it is appropriate to attend to those situations. The Queensland Fire and Rescue Service officers are only utilised where it is likely to be a delayed response on an occasion when all other resources in the immediate area are attending other cases. There are very limited circumstances in which this particular situation arises. That would have been the case, member for Mirani, when your government back in 1996-97 put this system in place.

CHAIR: Member for Mirani, I would ask you to not interject while the minister is answering the question. If you would like to ask a follow-up question, of course you will be allowed to do that.

Mr MALONE: In relation to page 6, dot point 5, 'Emergency Management', the question is: what is the current status of support and follow-up for the Emergency Services personnel who attended the Narangba fire 18 months ago?

Mr ROBERTS: You will need to speak a bit slowly, I am sorry, I am missing some of the words you are saying. Could you repeat that?

Mr MALONE: Referring to page 6, dot point 5, what is the current status of support and follow-up for the Emergency Services personnel who attended the Narangba fire?

Mr ROBERTS: That is quite a specific operational matter. I might ask the fire commissioner to respond initially in relation to the specific details of that and if there is anything I can add at the end I will.

Commissioner Johnson: Following that particular incident a couple of years ago now, all of our firefighters were tested and monitored through our processes. We have not had one instance of persons being involved in significant WorkCover claims. We have also instituted within the service, as a result of that fire, our lessons learned process. We can always do things better. You always learn lessons, particularly at a significant incident like that that had a range of ramifications. But from the firefighters' point of view, we dealt with some concerns of our staff—a few staff at the time. Those matters were dealt with and cleared up. We have now formalised, through the department, a health monitoring working party to examine this issue in great detail, because there were a whole range of claims made that serious illness and other things would occur as a result of firefighting operations and other matters.

All of the evidence to date proves very clearly that this is not the case. We did have our scientific officers on site. QFRS has a very highly professional and qualified staff, including many with doctorates in chemistry, who make up our scientific unit. We were doing the monitoring at the time on the scene and advising the incident controller and senior police and, in fact, the disaster management arrangements for the shire were also enacted. So there was a range of precautions taken on the sites. One of the lessons that we did learn from it was that some of the decontamination that was carried out

could have been done a little bit better and we followed that up, as I say, from our debrief and lessons learned process where we have enhanced what we call our operations doctrine or our standard operations procedures in relation to that.

In relation to the health monitoring arrangements, we were working very closely with our specialist workplace health and safety people, the union and staff to continue to monitor any of those falling outs and also to be prepared should, unfortunately, an incident like this ever happen again.

Mr ROBERTS: Thank you, Commissioner. I would like to add—

CHAIR: Would you like to grant the minister an extension to do that, member for Mirani?

Mr MALONE: I have too many questions and not enough time.

Leave granted.

Mr ROBERTS: Just briefly, I was simply going to add that there was a multiagency response. Obviously Emergency Services personnel were on the site immediately the incident occurred but following that there was a report tabled, as I am advised, in parliament on 1 November last year and was made fully available to the public.

Mr MALONE: In relation to the 250 extra ambulance officers, page 3 of the MPS, and in relation to question on notice 969 on 8 June, there was an indication that 143 persons had separated from QAS. Realistically this could be 160 in a full year considering superannuation issues et cetera. Does that in fact mean that QAS will have to recruit 380 persons or officers to get a net increase of 220?

Mr ROBERTS: In terms of the general issue of separations, it is worth noting at the outset that workforces across companies, small business and government agencies are far more transient than they have ever been before. The transient nature of the workforce is increasingly becoming a factor of employee recruitment and management for all sectors of the economy. Research indicates that over their working lives people may change their careers three or four times. So this particular issue of turnover is a significant one for a whole range of organisations.

The point that I would make though about separations generally is that Emergency Services has a much lower separation rate than across government. From memory, and I do not want to be held to these figures, my understanding is that the separation rate across government is around six per cent or a little above. In the Queensland Ambulance Service it is around about half that. I am happy to provide that figure in detail to you at some future time.

The reality is, of course, that ambulance officers are very dedicated people and love contributing to their communities. They do an amazing job caring for the wellbeing of people. The government is committed to providing our Emergency Services personnel with the best facilities possible to make their working lives that little bit easier.

Mr MALONE: The question is: is it a net figure or not?

CHAIR: Cease interjection please, member for Mirani.

Mr ROBERTS: I am actually going to get on to some figures in a moment. I am giving you some background information.

CHAIR: Was that a new question, member for Mirani?

Mr ROBERTS: I am happy to use the additional three minutes. I have a lot of material.

CHAIR: I think we have counted that as a new question.

Mr ROBERTS: Getting on to the specifics, between 1 July 2006 and 31 March 2007, 106 operational staff separated from the Queensland Ambulance Service. Of the 106, 77 resigned. These resignations represented 72.64 per cent of the overall operational turnover within the Queensland Ambulance Service for that period. In relation to question on notice 969, the response to the question on notice 969 stated that between 1 July 2006 and 31 May 2007 the number of separations for the Queensland Ambulance Service was 143. This includes separations of operational support and corporate support staff. The number of operational staff separated from the Queensland Ambulance Service between 1 July 2006 and 31 May 2007 was 128. Of the 128, 92 resigned. These resignations represent 71.88 per cent of the overall operational turnover within the Queensland Ambulance Service for this period.

These separations are from a workforce that, as at 31 March 2007, had over 2,500 full-time equivalent operational officers. The operational turnover rate for the Queensland Ambulance Service for the period 1 July 2006 to 31 March 2007 was 4.18 per cent which equates to 106 staff. This compares with a rate for the same period the previous year of 2.67 per cent or 67 staff. Almost half of these officers had completed more than 10 years of service at the time of their cessation of employment. During the 2006 calendar year the separation rate for the Queensland Ambulance Service was 3.92 per cent and this was significantly less than the whole-of-government separation rate which was 6.11 per cent for the same period. Turnover includes employees leaving for a variety of reasons including retirement, resignation and medical retirement.

Queensland workers now have a greater choice in employment, as I alluded to earlier, and movement between organisations is more prevalent than in previous years. Research indicates that over their working lives people may change careers three or four times resulting in a much more transient workforce and that is a challenge for all employers, not just the Queensland government.

Mr MALONE: Unfortunately, you did not answer the question.

CHAIR: The minister can answer the question—

Mr ROBERTS: Can I just add in response that we will be recruiting in actual numbers more than the 250.

Mr MALONE: The 250 is a net figure?

Mr ROBERTS: That is a net figure, 250.

Mr MALONE: That is what I was looking for. Can the minister tell me how many managerial staff and how many operational staff were in position on 30 June last year and 30 June this year? This comes under MPS page 3.

CHAIR: It is to do with the next financial year? It is up to the minister whether he chooses to answer that. Just a reminder that we are examining 2007-08.

Mr ROBERTS: That is a very specific question. We are happy to provide that information. We will endeavour to provide that information before the end of this session.

CHAIR: You are taking that on notice?

Mr ROBERTS: We will endeavour to provide it before the end of this session.

Mr MALONE: I will take that on notice. Page 10 of the MPS indicates that there is a possibility of recruitment of 57 paramedics from the United Kingdom, I guess through the National Health Service. In light of the recent terrorist scare in Australia and in Queensland can you assure the committee that all the possible checks that can be undertaken are being undertaken?

Mr ROBERTS: When I was advised of the fact that 50-odd paramedics from the UK were to be recruited that was one of the first questions I asked. I have been assured by the department that a comprehensive range of checks are made, not just about qualifications and experience, but also there are character checks, criminal history checks both in Australia and in the country of origin and, in addition to that, when people apply for visas to travel to Australia they are also required to go through similar levels of checks through Commonwealth agencies. The assurance that has been given to me by the department is that a full range of checks from qualifications to character are undertaken.

In July 2006 the Queensland Ambulance Service launched its largest ever United Kingdom advertising and marketing campaign to attract qualified ambulance officers—I stress, qualified ambulance professionals—from the United Kingdom. The advertisement was titled 'Time for an Aussie sea change' and it was placed in several United Kingdom ambulance magazines and was designed to attract qualified paramedics.

As the member for Mirani is aware, you do not just pluck paramedics out of thin air. They have a very comprehensive training program and it takes a considerable period of time to train them to a standard. We obviously believe that Queensland provides the best form of training in the world. Queensland paramedic recruitment campaigns are conducted regularly to ensure appropriate numbers of qualified staff are available for mentoring and training purposes for new recruits.

The specifics of the checks that are made before people are considered for appointment in our service are as follows. Their qualifications are checked. International and interstate applicant qualifications are assessed by the Queensland Combined Emergency Services Academy, which I visited this morning at Whyte Island. That is to review their equivalency to the Queensland Ambulance Service standards. There are character checks. Performance and integrity validation is completed by their manager at an area director level or higher. This validation is assessed by the medical director. If this is passed they are exempt from the psychometric health related fitness test and work related functional test. Any integrity issues flagged in this check are referred to the ethical standards unit for consideration and advice. With respect to security checks, criminal history checks are conducted in Australia by the Queensland Police Service in addition to in their country of origin.

Mr MALONE: Irrespective of your rhetoric in terms of the low separation rates within QAS, does QAS have any plans to actually look at ways in which it can retain highly qualified paramedics? As I understand it, a lot of resignations from the QAS are of senior, highly qualified paramedics. Have you a plan in place to try to retain those specific people?

Mr ROBERTS: I will wait for some advice from the department. The Queensland Ambulance Service obviously wants to retain its qualified staff. Great efforts are made to provide them with a workplace environment which is attractive to them. As we all know, being an ambulance officer, a fire and rescue officer or an SES worker is a very stressful position. The activities that these people engage in are very stressful. We want to create the best possible environment to retain them and indeed encourage them to improve their skills.

There are a range of initiatives in place to achieve that. I will obviously become more familiar with them. We have a very comprehensive training program in place. We have counselling services so that if the stresses of the job get to a point where people do need support they can get assistance. I absolutely encourage our officers to seek assistance if they feel that they need to talk about the difficulties of their positions. We have the Priority One counselling service available to them 24 hours a day.

The Ambulance Service has introduced a number of training initiatives that are delivered face to face. All of the issues go to enhancing the experience and the quality of work life that our ambulance officers enjoy. That includes the inservice continuing education program 1:2007. I was going to go into some specifics but I can do that later, if you like.

CHAIR: The time allocated for non-government questions has expired. I call the member for Stafford.

Mr HINCHLIFFE: I refer the minister to page 30 of the MPS and specifically the references there to the Queensland Household Survey that was conducted that revealed that there was a 2.6 per cent increase in a single year in the number of Queensland households with an operational smoke alarm. In concert with this are the compulsory smoke alarm laws effective from 1 July. I wonder what other measures have been taken by the department to make sure that all Queenslanders have the benefit of lifesaving smoke alarms?

Mr ROBERTS: You referred to a survey that was conducted in 2006. Before I use some of the material that has been provided to me I might just add that that survey was undertaken prior to the introduction of the new laws which require every residence in Queensland to have a smoke alarm. The results of that survey showed that around 87.1 per cent of households have a smoke alarm already installed. The critical issue of course is that 79 per cent of those were operational.

I take this opportunity of indicating to Queenslanders that it is not good enough to simply have a smoke alarm installed—about 86 per cent of homes have got them—they must be operational. The fire service will be spending a lot of time in the community educating and encouraging people not just to install smoke alarms but to maintain them properly. Simple things like replacing the battery on an anniversary or on Christmas Eve are so important. We cannot stress enough the need to regularly maintain your smoke alarm once you have installed it.

Over the last day or so I have had the opportunity to talk a little bit about the smoke alarm legislation. I have reinforced the position that has been adopted by the Queensland Fire and Rescue Service that our priority with these new regulations, which do provide for a fine of \$375, is to encourage and educate the community to put smoke alarms in their premises. I do not want fire officers kicking doors down to check whether people have smoke alarms. The community needs to be on notice that they are required by law to have a smoke alarm installed.

After taking up the position of minister I have made it very clear that where there is blatant disregard for the regulations a prosecution action will be taken. I cannot stress enough that our primary approach will be to work with the community to ensure that they know the benefits of smoke alarms and have them installed.

As I have indicated, a working smoke alarm is probably the most effective fire safety device that you can install in your home in terms of saving lives. Each year in Queensland up to 20 people die in fires in this state, many in homes either without a smoke alarm or with a smoke alarm that is not working. All of us would be aware of some terrible tragedies that have occurred in recent days as a result of fires.

I take the opportunity to indicate that this is probably one of the coldest winters that we have had in Queensland for a long time. I have not experienced a winter like this for a very long time. In the last 10 or 11 days there have been about 40 serious residential fires, some of which have resulted in death and serious injury. It is so important for people to make sure that they have an operational smoke alarm installed in their premises.

Mr McNAMARA: Minister, may I also take the opportunity to congratulate you on your new role. I recall you telling me a story once, which I have always taken with a grain of salt, about you having a job once as a track work rider. I had always had some doubt about that. But clearly your ability to look comfortable in the saddle on a new horse at short notice is well proven here today.

Mr ROBERTS: I might add, member for Hervey Bay, I have been thrown off a couple of times in the last couple of days, but I have got straight back on.

Mr McNAMARA: Not today. I would like to take you to page 33 of the MPS where I note that the completion of the Roma Street joint emergency services facility is noted. I was wondering whether you could explain to the committee what benefits will flow from this new facility and how it will help deliver better emergency services for Queenslanders.

Mr ROBERTS: I thank the member for the question. The honourable Premier and the former Minister for Emergency Services officially opened the new fire station and ambulance station which replaced the original fire station at Roma Street on 10 April this year. The Department of Emergency Services had a total project budget for the construction of the new facility of \$15.085 million.

Although the project is completed and the station is now operational a further \$354,000 has been budgeted for completion of other works in 2007-08, including the installation of rainwater collection systems and an enhancement to the turnout system and winch operation system.

The Roma Street Fire and Ambulance Station services a densely populated Brisbane city with more than 14,000 incident responses annually, approximately 8,000 for the Ambulance Service and 6,000 for the Queensland Fire and Rescue Service. I think that really goes to demonstrate the tremendous pressure on ambulance and fire services. When we look at their performance we find that they are performing exceptionally well, particularly in responding to those real emergencies.

The original Roma Street facility was constructed in 1968 and had increasingly become unable to respond to the latest demands for service in the inner-city area. The replacement facility provides new accommodation—providing better workplace conditions and health and safety for staff—area officers for fire and ambulance located on site providing better efficiency and improving service delivery and the ability to continue to meet response time targets in an environment of increasing demand through retention of the existing location. To reiterate, with respect to the Ambulance Service there have been an additional 10,757 code 1 responses attended in less than 10 minutes over the last year. That is a dramatic increase in demand and our service is responding well to those emergencies.

Additionally, the facility delivered a reduction in recurrent building maintenance costs over the old facility. The existing site constraints—and many of us have walked past there many times to go to Suncorp Stadium—resulted in a very unique design solution for the combined Queensland Fire and Rescue Service and Queensland Ambulance Service facility.

The Queensland Fire and Rescue Service and the Queensland Ambulance Service are located on separate levels of the multistory building. The Queensland Fire and Rescue Service section of the building houses the area director and five appliances with their crew. A total of 12 Queensland Fire and Rescue Service crew per shift operate from the station. The station does also allow for the possibility of future expansion of one more appliances and two crew members.

Mr McNAMARA: Could I take you to page 25 of the MPS which I note refers to the introduction of the 132500 national SES telephone number for emergency service responses to storms and floods. Like all members, my local SES does a fabulous job. Could you tell the committee what benefits this number will provide to Queensland residents and how it will help improve that service?

Mr ROBERTS: The 132500 number is one of the most significant steps forward in the efficiency and effectiveness of our SES. In the short time that I have been in the chair—two full working days—I have come to realise that the ability to have a single coordinated number for State Emergency Service operations is critical to improving the service that we have. There are one or two other states that have already introduced it as well but several are still to introduce it. We have followed on from at least one other state, maybe two states, but there are others to follow. It will deliver a lot of efficiencies.

One of the issues that existed before the single number was that there were around 1,200 individual numbers for SES services across the state in particular regions. Sometimes you would have to leave messages on machines et cetera. That is no criticism of the service involved; it was simply a fact that we did not have the statewide coordinated network that we have now. I am really confident that the 132500 number is going to deliver significant benefits to SES personnel and also to the communities that they serve. The feedback that I have through the department is that the volunteers on the ground are very excited about the improvements that that is going to offer to their service.

There are many thousands of people, as we all know, who selflessly devote their time to assist their local communities. That is particularly so with the SES. In terms of the arms of my department, the SES has probably got the biggest proportion of volunteers compared to full-time staff.

The government is continuing to demonstrate our commitment to support those many, many thousands of volunteers through our 2006 election commitment Safeguarding Cyclone Communities. We are investing \$52.1 million over five years to further boost the capacity of our volunteer emergency service workforce to prepare for and respond to emergencies and disasters. In Queensland the State Emergency Service is the primary response agency for storm and flood emergencies and provides support to other emergency service agencies. The response by State Emergency Service volunteers during Tropical Cyclone Larry was exceptional and was the largest mobilisation of emergency personnel in the state's history and has set a precedent for future disaster response. The introduction of this new 132500 number, which is in fact a national telephone number for the SES, is a 2006 government election commitment to enhance the effectiveness, efficiency and response capability of the SES.

CHAIR: Thank you, Minister. I now take you to page 30 of your MPS and the bushfire preparedness activities planned for iZones. Your electorate and my electorate both have special areas of wetlands in them that in this time of drought are particularly vulnerable in bushfire season. Can you inform the committee of iZone budget initiatives and how iZone preparations for the 2007 bushfire season are progressing?

Mr ROBERTS: The first point is to say that the Queensland Fire and Rescue Service conducts continuous planning and preparation for the fire season. With the expanding urban population where the city starts to meet the bush, it is those rural areas or those more expansive areas adjacent to the city or

urban areas that are the locations referred to as iZones. It is that urban and rural interface of communities and it is where increasingly across Queensland, particularly in areas of south-east Queensland, residential development is encroaching on bushland. Those particular environments referred to as the iZone present particular challenges which the Queensland Fire and Rescue Service puts a lot of time and effort into addressing. The impact of the continuing drought and climate change has led to changes in the traditional fire season, and the Queensland Fire and Rescue Service is well prepared for the challenge of an extended bushfire season this year. The south-east corner of the state has iZone areas in parts of The Gap here in Brisbane, Samford, the Gold Coast and north coast hinterlands.

Ten iZone officers under the command of the regional assistant commissioner have been tasked by the commissioner of the Queensland Fire and Rescue Service to continue the implementation of the operational priorities for the iZone which are as follows. The first is the delivery of iZone operational and command training to all permanent, part-time and volunteer firefighters and to conduct joint exercises with the Queensland Police Service to test the functioning of the new Prepare, Stay and Defend or Go Early policy. I might just add that one of the things which I have been tremendously impressed with over the past two days is the comprehensive range of scenario planning and exercises that are conducted not just within Emergency Services themselves but with other agencies as well in preparation for a whole range of emergencies, of course in this instance including fires. There is also the consolidation and test incident control infrastructure, including regional fire coordination centres, and the service continues to focus on both technical and interpersonal communications to improve the delivery of the service. To further strengthen ties with local authorities, which are a critical part of our emergency response in a whole range of areas, regional iZone officers are working with local governments and other agencies to conduct hazard reduction strategies to reduce the bushfire risk.

CHAIR: Thank you, Minister. I will move on to another area of your portfolio that is dear to my heart which is the volunteer marine rescue organisations. Page 25 of the MPS explains the support that your department provides. Could you explain to the committee how the \$2.1 million for the Volunteer Marine Rescue Association of Queensland and the Australian Volunteer Coast Guard Association will benefit Queensland boaties?

Mr ROBERTS: Again, at the outset I just want to really commend the many volunteers in that marine rescue service for their dedication and commitment to helping fellow boaties. I have actually visited the premises. I think there is Redcliffe and also in your electorate—

CHAIR: Yes, at Shorncliffe.

Mr ROBERTS: Yes, at Shorncliffe. I have actually visited the premises on a couple of occasions and they are very enthusiastic people. They love what they do. They love the sea and they provide a tremendous service to boaties in and around Queensland coastal waters. The government continues to provide substantial funding to the Volunteer Marine Rescue Association of Queensland and also the Australian Volunteer Coast Guard Association. That funding supports the operations and vital public safety activities of both of those organisations. I will firstly discuss funding which has been provided recently to these two services. Funding provided to the Volunteer Marine Rescue Association supports the operations of 25 squadrons and five zones throughout Queensland from Mornington Island in the Gulf of Carpentaria through Torres Strait and down the Queensland coast to Point Danger on the Queensland-New South Wales border. In 2006-07 the Volunteer Marine Rescue Association of Queensland received a total of \$2,225,245 under a service agreement with the Department of Emergency Services and additional funding from the Beattie government's election commitments in 2004 and 2006 including once-off funding in 2006-07 towards vessel replacement. That funding includes reimbursement to 18 volunteer marine rescue squadrons for the payment of the community ambulance cover levy backdated from 1 July 2003.

Funding provided to the Australian Volunteer Coast Guard Association supports the operations of 22 flotillas and four squadrons in Queensland from Seisia on Cape York Peninsula down the Queensland coast to Southport on the Gold Coast. In 2006-07 the Australian Volunteer Coast Guard Association received a total of \$2,004,965 under a service agreement with the Department of Emergency Services and funding from the government's election commitments in 2004 and 2006 including once-off funding also for vessel replacement.

CHAIR: Thank you. We have time for one more quick question.

Ms JARRATT: Minister, page 10 of the MPS states that the Department of Emergency Services has delivered on the government's commitment to expand the scope of practice for paramedics working in isolated Queensland communities. Could you explain to the committee how this initiative will boost patient care and recognise the need to adapt service delivery models to the nature of various communities and how this initiative will benefit Queenslanders who live in rural and remote areas?

CHAIR: I can give you two minutes for that, Minister.

Mr ROBERTS: Just as a general comment about the range of skills of our paramedics, the Ambulance Service is continually looking at ways in which we can expand the capabilities of our paramedics, and there are a number of instances which we will have the opportunity to talk about in this

hearing where they are doing that. So we are doing it not just in rural communities where paramedics obviously have to take on a much broader responsibility, because sometimes they are the only person available for a short period of time. Even in urban areas and cities we are looking to increase the range of skills that paramedics can provide to people in emergency situations. It is not just an issue for the country and for regional areas; it is an issue across-the-board that we are dealing with.

In terms of the specifics of your question, the service is actively working towards enhancing service delivery to rural and remote communities through implementing a range of initiatives developed by what is referred to as the Rural and Remote Task Force. The development and implementation of the new graduate certificate of rural and remote paramedic practice is a Queensland government election commitment to explore an expanded scope of practice for Queensland Ambulance Service paramedics working in isolated Queensland communities. Part of the election commitment is to fund 60 places for qualified paramedics in that graduate certificate. Since November 2006, 37 paramedics have been recruited and are undergoing training in the graduate certificate. They are engaged in 27 locations across the state from Horn Island in the far north to Texas in the south-west. A further 20 paramedics have been selected to be enrolled in the final cohort to commence on 16 July 2007.

CHAIR: Thank you, Minister. The time allocated for government questions has expired. The committee will now take a short break and resume at 3 pm.

Proceedings suspended from 2.39 pm to 2.59 pm

Mr MALONE: I would like to raise the issue of the \$860 fire brigade call-out fee on false alarms. A 91-year-old pensioner—a carer—contacted my office. His alarm went off when he was reheating a bread roll. It appears that he is one of 12 pensions in this complex at Bridgeman Downs who have been charged \$860 for a call-out. I implore you to investigate these matters. This call-out fee in nursing homes is becoming a very onerous situation. I ask if you would investigate the matter and ensure that these call-out fees are minimal?

Mr ROBERTS: I am happy to look into that issue. I am not aware of the specific issue that you have raised, but I am happy to have a look at it.

Mr MALONE: They are false alarms and there is a call-out fee of \$850. You might refer it to your commissioner.

CHAIR: It is up to the minister to decide who he would like to refer it to.

Mr ROBERTS: I am going to respond generally to the issue. I do not know that particular nursing home or incident that you are referring to, but I will make some inquiries.

Mr MALONE: You do not need to know the nursing home, but I can give you that. The reality is that there is an \$860 call-out fee for a false alarm.

CHAIR: That is another question.

Mr MALONE: The issue is onerous particularly in respect to nursing homes.

CHAIR: Member for Mirani, each time you carry on like that you go over into a new question.

Mr MALONE: I am clarifying an issue.

Mr ROBERTS: Do I get six minutes because he asked two questions?

CHAIR: That was another question.

Mr ROBERTS: Just in general to the issue of call-outs, I might respond generally to unwanted alarms. Queensland firefighters, along with their counterparts interstate and the world, are often called to attend fire alarms where no action is required. This is a significant issue for fire services, as I have indicated, not just in Queensland but internationally. Every time a fire service vehicle or appliance is called to a false or an unwanted alarm, that places in jeopardy those instances when there is a real emergency. So it is an issue that the department takes very seriously and is putting in place strategies to address.

In November 2006, the Queensland Fire and Rescue Service commenced an integrated program of activities providing a broader and balanced focus on addressing all facets of the unwanted alarm issue. The unwanted alarms program, which the department has put in place, has two major strategies: firstly, to prevent new buildings from becoming a problem building; and, secondly, to ensure a consistent, holistic and sustainable approach to the management of unwanted alarms.

The Fire and Rescue Service is working in partnership with building owners and occupiers and with the fire protection industry to identify the causes of false alarms and to implement strategies to assist building owners to reduce the occurrence of that type of call-out. One thing I would say, as a local member who lives close to an industrial estate, is that from time to time I hear alarms going off in buildings. I think there is a significant onus on the owners of buildings to ensure that their fire alarms are maintained properly. If they are being triggered by events such as incidents by individuals on site which are not genuine fires, they need to ensure that appropriate processes are put in place in those businesses, along with appropriate maintenance programs, to ensure that these alarms go off only

when there is a genuine fire. From the fire service's point of view, we cannot stress enough the need for businesses to put in a lot of effort, because every time a business fails to maintain its fire alarm system properly it is putting at risk the lives of other Queenslanders. We are taking that issue very seriously and putting in place a range of strategies to address it. The Queensland Fire and Rescue Service will also be adopting and implementing new processes and training to ensure a more robust approach to the building assessment process.

There were 21,319 unwanted alarm activations in the 2005-06 financial year. Member for Mirani, that is 21,319 too many as far as I am concerned and as far as the service is concerned. Of course, there will always be a level of false alarms. We do not suggest that we are going to get down to zero, but what I want to stress is that there is an onus on us to help the community reduce the number of unwanted alarms. There is also a very strong onus on owners of properties with alarms to make sure that those systems are properly maintained.

Mr MALONE: We cannot get it right in the parliament. Do you think it is fair to charge pensioners \$860 for a call-out?

Mr ROBERTS: I want to emphasise that the cost of attending unwanted alarms places a burden on the levied homeowners and businesses who pay the potential levies that fund this service. The increase in the fee from \$429 to \$860 commenced on 1 July 2006 and recovers less than a quarter—\$8 million to \$9 million—of the cost to the fire service for attending and it is clearly not a money-making exercise. There obviously has to be an appropriate level of financial response to these instances, but I want to stress that this does not cover by any means the cost to the fire service community. In addition, it does not cover the cost of the enormous damage and sometimes loss of life that might well occur due to having fire service appliances attending unwanted alarms when they should be attending real emergencies. So there will be a cost. We will set it at an appropriate level, but I stress that it recovers less than a quarter of the actual cost of these alarms to the community.

Mr MALONE: That is not the point.

Mr ROBERTS: As I said earlier, this is part of an integrated program to reduce the number of these alarms. Unfortunately, it is clear that, despite numerous campaigns and programs, some fire alarm systems are not being maintained. I want to send a very clear message to those organisations and businesses that have fire alarm systems that we expect them to properly maintain them. Of course, there is a system whereby the cost is imposed on particular services. That cost will continue to be imposed. The way in which businesses can reduce those costs—or any organisation can reduce those costs—is to ensure that their fire alarms activate only when there is a genuine fire.

Mr MALONE: The Cleveland and Capalaba stations are going to close some time down the track when the new stations at Redlands and Alexandra Hills are built. Can you give the committee some documentary evidence, or table some documentary evidence, supporting the claim that traffic growth over the next five or 10 years will not impact upon the response times to that area?

Mr ROBERTS: I am aware that the fire service response is reviewing and looking to replace, as I understand it, fire service facilities in that area. The fire service continually reviews its response capability, not just in the area that you referred to but across Queensland, to ensure that we can meet any significant increase in urban development in south-east Queensland. With south-east Queensland experiencing at the moment extraordinary growth, particularly in some areas, there is a need from time to time to review the appropriate placement of fire service facilities, Ambulance Service facilities and so on to ensure that the emergency response that we deliver for the people of Queensland meets those demands. What that will mean from time to time is that facilities located in one particular area, with urban growth in other areas, you will need to look from time to time to repositioning those services to ensure that demand is met.

With respect to the Redland Bay area, the Queensland Fire and Rescue Service is currently met by the Capalaba and Cleveland fire and rescue stations. Additional support is provided by surrounding stations. The former minister announced prior to the 2006 re-election of the Beattie government that a new fire station at Redland Bay would be built. Redland Bay will get a new all-purpose-built, state-of-the-art \$2.8 million fire station staffed with full-time professional firefighters. The government is committed to improved coverage across the state of Queensland and the new station for the Redlands is a part of that commitment.

To best allocate the state's firefighting resources, the government takes advice from the operational experts. When the former minister announced the establishment of a fire station in the Redland Bay area, it was stated that it was part of a wider review of fire services. I suggest that you go back and read the media statement.

Mr MALONE: I was the one who raised it in 2001.

Mr ROBERTS: That is what it referred to. We are looking at a wider review of fire services in the Redlands shire. Following considerable investigations and consultations with the local members from Cleveland and Redlands as well as a range of representatives from the Redland Shire Council, the

former minister was advised by the Queensland Fire and Rescue Service that the best coverage would be achieved by replacing the existing stations at Cleveland and Capalaba with proposed stations in the Redland Bay and Alexandra Hills areas.

The former minister met with the Mayor of Redlands, Don Seccombe, on Thursday, 21 June 2007, to further progress this consultative process to explore whether further improvements can be made on providing the best service possible to the Redland shire. Funding has been allocated to facilitate the purchase of appropriate parcels of land. A comprehensive community engagement strategy will be implemented to all stakeholders at the appropriate time.

Mr MALONE: Considering that Alexandra Hills is another 10 minutes away from Cleveland, in terms of a response to the bay islands, has the minister or the department considered the impact of that on the island community with respect to property and life? Or does the department have the intention of building a fire station on one of the bay islands?

Mr ROBERTS: Member for Mirani, as you are aware I have occupied this space for two working days.

Mr MALONE: You have the staff there.

Mr ROBERTS: I am happy to do that. I am happy to respond to a question that you asked as best as possible. But you are getting into particular operational detail here, which in some respects goes beyond the Ministerial Portfolio Statement. It certainly is a decision in terms of budget expenditure, but I am happy on this occasion to ask the commissioner to provide some specific operational details on that question.

Commissioner Johnson: The response delivery program, or arc, I guess, for the proposed site, or planned site generally in Alexandra Hills, will not impact materially on any response to the bay islands, because in terms of time taken we still need to get there by a vessel of some kind, not a fire truck. We have to wait for marine support to get us there. We have rural fire services on some of the islands. Of course, on Stradbroke itself there are three auxiliary stations.

At this stage there is no plan to upgrade any of the rural fire services to urban auxiliary or part-time fire services. But, as the minister mentioned earlier, that is part of our ongoing evaluation of service delivery needs for those sorts of communities. Certainly, in line with the South East Queensland Infrastructure Plan and the urban development footprint in that area generally, my operational advice both to the former minister and now to our new minister is that the sites chosen will service that area adequately. Our response to the bay islands, we believe, is adequate at this time, but obviously we note that there are plans for further developments on some of those islands. We will keep a very close eye on that together with the Redland Shire Council, because we work collaboratively with those people. As we have an integrated response between urban and rural operations, we cover most of those occasions.

Our problem in terms of responding, even when we go across to Straddie, for example, to support in bushfire season, is that we have to wait for the general commercial ferry services to take our fire trucks across and also in smaller instances, for example, boat fires or something, the volunteer marine support that can take firefighters out on board the vessels themselves.

Mr MALONE: I refer to page 22 of the MPS under the heading 'Future Developments' at dot point 10. In terms of community helicopters, is part of the new contract that you are negotiating with the rescue helicopters the requirement to have their own air operator's certificate?

Mr ROBERTS: That is quite a specific question and I will get some information on it. However, first I might make a general comment about the helicopter rescue services that we have. As you are aware, the department itself does, in fact, own three helicopters.

Mr MALONE: I am talking about the community helicopters.

Mr ROBERTS: I understand. I am giving a general response, because I found this an extremely interesting area of the portfolio.

Mr MALONE: I am just trying to keep you in line.

Mr ROBERTS: It is not just the helicopters that we own ourselves. In various parts of Queensland, and I refer specifically to far-north Queensland and the Torres Strait, we directly contract with a provider to provide an emergency service. In this year's budget my recollection is that we provided an additional \$2.05 million to ensure that that service can be expanded and enhanced in far-north Queensland.

The community provider is really the third tier of helicopter emergency services that we provide. As you would be aware, there are four provider arrangements that we have recently concluded where we engage directly with the community organisations to provide those services on an as-required basis. Over the past few months, prior to the signing of those contracts, there were a lot of very detailed negotiations undertaken. In the past, the arrangements were less stringent than they are now. The new contracts that we are putting in place with the community based helicopter service providers provide very clear specifications and protocols about how we will engage and task those service providers.

In terms of the specific question that you have asked, as I have indicated we have provided an additional \$1 million per year for each helicopter service. The additional funding provides for enhanced safety and service delivery features. Primarily it provides for large, more capable twin-engine helicopters that can be operated under instrument flight rules. That initiative will greatly enhance emergency helicopter services to the community by providing improved safety, particularly in night operations, over water and in adverse weather conditions.

In addition, increased funding of \$0.08 million per year provides for annual audits of the safety management systems of the community helicopter providers. I have mentioned the service in the Torres Strait. This auditing regime will establish benchmarks and promote the development of consistent safety standards and operational practices across the network.

In respect to the air operator certificate issues, these have been resolved through three-way capital funding deeds between the state government, the community helicopter provider and the air operator certificate holder. The three-way deeds will not result in additional cost to the government. Rather, they contractually obligate all parties to comply with enhanced safety and service delivery standards.

Mr MALONE: Minister, as you well know, the community helicopters have great support throughout regional communities. Certainly their sponsorship enables those aircraft to fly and save the government quite a considerable amount of money in terms of what would have to be spent if those helicopters were not there. Will the minister guarantee that the community based service providers will not be backmailed into signing onerous and unworkable contracts?

CHAIR: There are two minutes left for the answer, thank you, Minister.

Mr ROBERTS: To respond generally, with the provision of the additional funding, the government is addressing key recommendations of the coronial inquiry into the Cape Hillsborough helicopter incident on 17 October 2003. A range of recommendations came out of that particular report.

There is a requirement for twin-engine instrument flight rules for a capable helicopter as a primary aircraft. 'Instrument flight rules' mean that the pilot is guided by a range of sophisticated instruments to determine the position of a helicopter as opposed to relying on visual assessment. A comprehensive program for performance reporting and annual audits will be implemented and that will assist in providing consistent safety standards for the state's emergency helicopter network.

In respect to the particular issue that you have raised in terms of negotiations, I expect my department to negotiate fairly, but obviously advocate strongly for the interests of Queenslanders when they sign these contracts. As you are aware, we are dealing with community organisations that are very well supported in the community.

Mr MALONE: Absolutely.

Mr ROBERTS: However, we have an obligation on both sides to ensure that the contracts that are signed deliver the best possible service in the most effective way for the community. Of course I do not support intimidation, blackmail or anything of that nature. I do not believe that is the case in my department.

Mr MALONE: It happens.

Mr ROBERTS: You will need to provide the evidence and I invite you to do that. I would expect the department to negotiate fairly but strongly to secure the best possible contractual arrangement with those providers for the people of Queensland.

CHAIR: The time allocated for non-government members has expired. I call the member for Whitsunday.

Ms JARRATT: Minister, I refer you to page 33 of the MPS and the operational preparedness of the fire service. I ask: what is contained in the budget for the provision of new urban and rural fire trucks?

Mr ROBERTS: I will get some information on that. Of course, our rural firefighters are predominantly volunteers. In coming to this portfolio, one of the pleasant surprises was to see the amazingly large network of volunteers across all of the emergency services: in fire fighting, our first responders in terms of medical emergencies and our SES volunteers. In emergency services we have a volunteer network that is second to none, particularly with rural firefighters in rural communities. Of course, in the more remote communities we have now established the emergency service units where volunteers are trained not just in firefighting but also across a whole range of emergency situations.

With particular reference to the question, as I have said we have a record budget this year of \$360 million in the Queensland Fire and Rescue Service, which is an increase of \$36.1 million or around about 10 per cent. It is another example of our support for the dedicated and hardworking firefighters who protect our communities. Of this, \$18.2 million will provide 22 new urban fire appliances and 10 support vehicles as part of the statewide urban vehicle replacement and upgrade program, 36 rural fire appliances and five trailers as part of the rural appliance modernisation program. That will further enhance the ability of firefighters to provide essential emergency services.

Advanced approval for the expenditure of \$14.85 million has been approved for the manufacture of urban fire and emergency response vehicles. Advanced approval for this expenditure was provided to ensure that vehicles and appliances in the 2007-08 build program are completed on schedule. The government is doing everything possible to ensure that our permanent and auxiliary firefighters have the best equipment to assist their response capability.

As part of the ongoing commitment of the government to provide innovation and better resources for firefighters, a new urban incident support vehicle has been developed that will include incident management and breathing apparatus and hazardous materials control. Another example of the government's enhancement program is the technical upgrades being made to vehicles to enable officers to communicate more effectively with each other.

I might add that communications equipment is absolutely crucial in the delivery of emergency services. Not just in this area but across the whole department we are putting a lot of money into making sure that our communications systems are at the highest standard possible. That can be critical in saving people's lives.

Mr HINCHLIFFE: Minister, page 20 of the MPS states that your department will be investing \$4.6 million over four years to enhance spatial information and mapping capacity. How will this initiative assist the Queensland community to prepare for cyclones and storm surge inundation?

Mr ROBERTS: As I indicated in my opening remarks, Cyclone Larry demonstrated the tremendous capacity of the Department of Emergency Services to respond to emergencies of that nature. Of course, the response from our professionals was first-class and, getting back to the volunteers, the response from the volunteers in the various communities was exceptional. I do not think that we can offer enough praise for the dedication of those people, or the risks that some of them take. I qualify that by saying that we want our people to operate in the safest manner possible, but there is no doubt that these are risky situations. During cyclones, our professionals respond appropriately and promptly. They give a great deal of support to the communities affected by these terrible and quite frightening events.

Tropical Cyclone Larry in March 2006 and predictions by acclaimed scientists of the consequences of global warming have galvanised this government's determination to do everything in its power to insulate and protect our citizens from the effects of cyclones and flood damage. In the briefings and discussions I have had in the last couple of days, I can only reiterate how impressed I am with the amount of resources and time that goes into the planning and preparation to respond. You cannot rely upon developing your skills when an actual emergency occurs. They are unpredictable and you do not know when they are coming. I have learnt so much or heard so much over the past couple of days about the exercises and the scenario planning that goes into preparing our professionals and our volunteers for those emergencies. I am exceptionally proud and very impressed with the level of skills and the dedication of the people who do that.

Tropical Cyclone Larry really confirmed that the science of detecting and understanding the effects of tsunami waves on Australia is still being developed. It did reinforce the importance of the need to accelerate the Australian tsunami warning system project. I will leave the question at that, because with respect to cyclones we have put in place a very comprehensive planning program. I am very confident that our Emergency Services personnel are well equipped and the planning is there to respond appropriately when the need arises.

Mr HINCHLIFFE: I refer the Minister to page 2 of the MPS, dot point 8, which refers to innovative community education. I ask: what is the Ambulance Service doing to help equip our young people with necessary life skills such as CPR?

Mr ROBERTS: I will get some further details on that. CPR was the specific focus of your question and I take this opportunity to reiterate how important it is to have as many people as possible trained in CPR. As minister I have not undertaken CPR training for a little while, but a couple of years ago here in the parliament I did undertake a refresher course that was conducted by the Queensland Ambulance Service. Being a former electrician, and I am going back many years, I did undertake CPR training. Obviously in a field such as electrical work that is absolutely required.

We are making a big effort in engaging with young people. Throughout the emergency services we have cadet programs, but with respect to CPR we are putting particular focus on trying to engage young people, inform them and give them knowledge of CPR because it can save lives.

As part of the 2004 Safe and Healthy Schools initiative, which was an election commitment, \$1 million was provided to enable cardiopulmonary resuscitation training to be delivered to all year 11 and 12 students attending state high schools. That is a really significant contribution to improving the possibility of recovery for people in the community. If we can get young people, at the time when they are completing their schooling and are about to enter the workforce, and give them the necessary skills to administer CPR in an emergency situation, that will save lives. This is a really important program.

The Ambulance Service and the department of education and the arts formed a partnership, as I have said, to ensure that every year 11 student had access to effective CPR training using the established CPR for Life program. In 2004 a memorandum of understanding between the two

departments was signed to formalise that partnership. As part of the MOU, the Queensland Ambulance Service is responsible for providing the expert knowledge on CPR techniques and skills and producing age appropriate materials. The service is also responsible for maintaining a webpage for teachers, maintaining linkages to the CPR for Life program on the Queensland Ambulance Service web site and providing input into or conducting annual teacher updates as required.

The CPR for Life in schools program is an ongoing compulsory subject in all Queensland state schools. Schools report to the department of education and the arts on a yearly basis with the number of students who have attended that training. In addition to the CPR for Life program, there will be the CPR challenge during Ambulance Week this year.

Mr McNAMARA: Minister, a couple of moments ago in response to a question from my friend the member for Whitsunday you referred to good communications systems as being absolutely essential to provide world-class emergency services, and of course I could not agree more. I note that page 2 of the MPS refers specifically to operational service delivery enhancements. Could you tell the committee a bit more about what investments are being made in this vital area in the 2007-08 Emergency Services budget?

Mr ROBERTS: I thank the member for the question. The Department of Emergency Services' information and communications technology infrastructure, as you have correctly indicated again, is absolutely critical in providing key support capabilities to Emergency Services workers. I am pleased to advise that in the 2007-08 budget the department will invest a further \$18.97 million to upgrade and maintain its information and communications technology infrastructure.

The information and communications technology investment program includes an additional \$330,000 to complete the implementation of the Emergency Services computer aided dispatch system for the Queensland Ambulance Service and the Queensland Fire and Rescue Service communication centres across the state, which replaces three obsolete computer aided dispatch systems; a further \$709,000 of capital investment for improvements to complement the Queensland Ambulance Service electronic ambulance report form system; \$3.1 million to the Queensland Fire and Rescue Service for the ongoing development of a new operational management system for firefighters to plan and record their station based work programs and to interface to other information systems that support station level operations; \$0.77 million for improvements to the departmental radio data and communication networks across the state; an additional \$1.1 million for the replacement of aged and obsolete network asset infrastructure to ensure the continuation of electronic services throughout the department; and \$1.7 million for the replacement of server infrastructure supporting data storage and email services for Emergency Services workers. Those enhancements are indicative of the government's commitment to providing our service with the information and communications technologies they need to respond to emergencies throughout the state.

Mr McNAMARA: Minister, I would like to revisit the issue of cyclone preparations. Hervey Bay has been lucky that we have not had a cyclone since 1994, and the last one we had, which I think was Cyclone Fran, hit on the bottom of the low tide so we were lucky, but I guess you would say that we are overdue. I note page 20 of the MPS states that the department is assisting Queenslanders to be ready for cyclones. Can you give the committee some examples of what is being done to inform the community of how to prepare for such events?

Mr ROBERTS: Thank you for the question. In recognition of the accelerating impacts of climate change, the government is strengthening and undertaking new initiatives to better safeguard coastal communities from the impact of cyclones. Through the Safeguarding Cyclone Communities initiative, Department of Emergency Services personnel are working with local councils—who, I emphasise, play a critical role in the network of organisational response that we have throughout Queensland—and communities to enhance their capacity to respond to violent meteorological events such as cyclones and storm surges.

The government continues to demonstrate its commitment through an investment of \$52.1 million over five years to further boost the capacity of our volunteer Emergency Services workforce to prepare and respond to emergencies and disasters. In many instances, along with the first response from the professionals and the full-time staff, the volunteers are the ones who come in with back-up and provide the emergency response.

Under the government's election commitment in 2006, funding of \$10.226 million over five years has been allocated to enhance State Emergency Service volunteer management and equipment; \$14.3 million over five years to enhance the SES volunteer training initiative; \$2.192 million over five years for the implementation of the 132500 State Emergency Service national telephone number into Queensland; \$6.753 million over five years for regional technical support and communications equipment for Emergency Services volunteers; \$3.1 million over five years to provide additional capacity to train Rural Fire Service volunteers; and \$3.9 million over five years to develop online training materials for access by State Emergency Service and Rural Fire Service volunteers.

I might pause there and talk about online training. Obviously, for Emergency Services personnel and volunteers, on-the-job or practical training is crucial to the capabilities that they can contribute to a community, but there are many other aspects of emergency response that can be delivered online. Yesterday, I was at the Windsor Fire Station. Of course firefighting is a very practical exercise, but there are a lot of online training resources that we give our firefighters which they conduct on a regular basis. So online teaching facilities are really an important part of the training we are providing.

To continue on with the commitment: \$2.54 million over five years to provide Rural Fire Service volunteers with additional personal protective clothing; \$2.7 million over five years to improve the communications infrastructure; \$4.2 million over five years for the extended hours help desk for the Rural Fire Service; and so on. There is a lot more to talk about.

CHAIR: Were you seeking an extension of time?

Mr ROBERTS: No.

CHAIR: Minister, I will take you to another section of the MPS. Page 3 of the MPS states that the Queensland Ambulance Service will continue to boost the delivery of ambulance response services across the state with the rollout of the new Emergency Services computer aided dispatch system. Could you please outline to the committee what this initiative is and how it will assist the Queensland Ambulance Service provide a better service to the community?

Mr ROBERTS: Thank you. The department commenced the development of a new computer aided dispatch system in January 2004 to consolidate the three computer aided dispatch systems which support both the Queensland Fire and Rescue Service and the Queensland Ambulance Service. That will be combined into one system. The Emergency Services computer aided dispatch system implementation includes the installation of state-of-the-art information and communications technology, including a business continuity capability, supporting emergency response and dispatch.

In May 2005 following a detailed evaluation process, the contract for the Emergency Services computer aided dispatch system was awarded to a Queensland company, SDSI, to supply the VisiCAD system. Since the commencement of this initiative, the department expects to spend \$9.24 million in both capital and operating expenditure to 30 June 2007. In 2007-08, the department will invest a further \$3 million—that is \$0.33 million in capital and \$2.7 million in operating expenditure—in the Emergency Services computer aided dispatch system which will deliver improved ambulance and fire call-taking and dispatch services. A range of technical issues have delayed the original implementation time frame. Simulated load testing was conducted identifying a number of technical issues. The company is working collaboratively with the department and the issues are in the process of being resolved.

The Emergency Services computer aided dispatch system is anticipated to begin implementation in the third quarter of 2007 with rollouts statewide within the first quarter of 2008. Consolidation of the existing disparate fire and ambulance computer aided dispatch systems will strategically position the department to focus on improving the quality and integrity of data in the one system. The consolidation is a key strategic initiative and is part of a broader strategy to consolidate information and communication technology within the department to deliver an enhanced operational capability in pursuit of improved community outcomes.

CHAIR: Minister, thank you. The time allocated for government questions has expired. I call the member for Mirani.

Mr MALONE: Thank you. Chair, I seek leave to table some photos. I ask that they be given to the minister and the commissioner so I can ask some questions about them.

CHAIR: Do you mind passing them to me? Government members have looked and leave is granted.

Mr MALONE: Minister, these photos are in regard to the Beaconsfield fire station, which is part of the Emergency Services complex in Mackay that was built about two years ago. There were huge deficiencies in the structural integrity of the building, and I have tabled the photos which show that. There were huge leaks in the roof, water came through the light fittings and power points, the gyprock ceiling was falling in, there was extreme mould right throughout the building, the personnel could not inhabit the building, there was extremely shoddy concrete which looked like it had been laid after the boys had been out for a counter lunch, and there were many other defects. Minister, how could Emergency Services accept the keys to such a building? Who were the builders? Who was the project manager? Have they completed any other projects for Emergency Services?

Mr ROBERTS: I understand that the issues you are referring to—this building was built in 2005?

Mr MALONE: That is right.

Mr ROBERTS: In 2006 obviously you are aware that there were some difficulties which were experienced with the air-conditioning system which led to—

Mr MALONE: It is more than that, Minister.

Mr ROBERTS: I am referring to the difficulties which related to the air-conditioning system, because this is the advice I have received on this matter. Repairs were made at that particular time. When were these photos taken, by the way?

Mr MALONE: About two months ago.

Mr ROBERTS: The advice I have received on that particular facility is that repairs were undertaken in 2007 to the air-conditioning system and to the damage which had occurred. Subsequent to that later in 2007, the problem recurred and preliminary repairs were undertaken. Additionally, on top of that, it was identified that particular parts were required to be sourced from the United States to make sure that the air-conditioning system could function properly. The advice I have received is that work has commenced to rectify the problems at that station. The parts are expected to arrive in Australia for the air-conditioning system itself to hopefully repair this once and for all. The advice I have received is that that should be undertaken by August this year.

In relation to the specific issues about who is responsible for what under the contract, I have not got that information with me now. In terms of identifying who is responsible, I might hand over to one of the executive directors to provide some specific information on that question.

Mr Taylor: The building group was the Abi Group of contractors. They have also done work for us at the Cannon Hill complex which we had no problems with at all. The advice I have been given is that work has now been undertaken to rectify those problems and there should not be any further problems with that complex.

Mr MALONE: What about the cost?

CHAIR: Is that question to the minister?

Mr MALONE: No, it was a question I asked earlier. What is the cost to rehabilitate the building?

Mr ROBERTS: The cost of repairs?

Mr MALONE: Yes.

Mr ROBERTS: I do not know the answer to that question but I am sure we could provide that information to the committee.

CHAIR: Will you take that on notice?

Mr ROBERTS: I will take that on notice. We will get that information and provide that to you.

Mr MALONE: Minister, have VMR squadrons had any increase in subsidies to cover the additional cost of meeting the training standards set by the department—

Mr ROBERTS: You are talking about Volunteer Marine Rescue?

Mr MALONE: Yes, VMR.

Mr ROBERTS: Member for Mirani—

CHAIR: Through the chair, Minister.

Mr ROBERTS: I am sorry, Madam Chair. I am trying to capture knowledge about all of these acronyms. The Department of Emergency Services is like most government departments: there are about 400 acronyms. So just for the purposes of this estimates hearing I would prefer that you refer to the full name to save me asking you to repeat it.

Mr MALONE: I apologise, Minister. I assumed that you were up to speed with that. Have the Volunteer Marine Rescue squadrons had an increase in subsidies to cover the additional costs of meeting training standards set by the department of training and Emergency Services?

Mr ROBERTS: I can provide some general information about the funding that we provide to the Volunteer Marine Rescue. Again, I will keep doing this because I admire and respect the tremendous contribution that these people make to safety in our coastal communities.

Mr MALONE: It is mutual, Minister.

Mr ROBERTS: In 2006-07 under a service agreement the department provided a total of \$1.2 million to the Volunteer Marine Rescue Association Queensland, and that included a final payment of \$0.053 million as part of the 2004 election commitment to assist the association's state council and the squadrons to meet increased operational costs. In addition, further one-off funding of \$1 million was provided in 2006-07 to assist with the association's vessel management program. A further \$0.05 million was provided in 2006-07 to assist with training related initiatives, which brings the total to \$1.1 million as part of the 2006 government election commitments.

That extra funding, which is across the whole range of areas that I have identified, will benefit all 25 squadrons in Queensland. In 2007-08 under the service agreement the department will provide \$1.1 million to the Volunteer Marine Rescue Association. In addition, reimbursement for the payment of the annual community ambulance cover levy to 18 squadrons will be based on the annual consumer price index and provided in 2007-08.

In 2006-07 under a service agreement the department provided a total of \$1.1 million to the Australian Volunteer Coast Guard Association, which is a related organisation. That included a final payment of \$0.047 million as part of the 2004 election commitment to assist the association meet increased operational costs. The funding included a total of \$2,000 as reimbursement to the 21 flotillas for the payment of the community ambulance cover levy from July 2003. One-off funding of \$0.9 million was provided in 2006-07 to assist with the vessel management program. A further \$0.05 million was provided in that year to assist with training related initiatives, which brings the total to that service to \$0.95 million as part of our election commitments. Again, that funding will be spread across and benefit all of the 22 flotillas.

The other point that I want to make, because you asked a specific question about training standards, is that the Department of Emergency Services does not set the training standards.

Mr MALONE: As you well know, Minister, with regard to the coastguard and VMR, basically all of the squadrons and all of the groups are given an equal amount of funding for replacement boats or ships or whatever you like to call them—boats, I guess. Has any consideration been given to varying the amounts between squadrons depending on the type of rescue that they would undertake? Obviously some squadrons and groups have to travel further out to sea or do more deep-water rescue than others, and the cost of the equipment and the boats et cetera has gone through the roof in recent years. Has there been an inquiry into or a look at funding on a variable basis the different squadrons throughout the Queensland coast?

Mr ROBERTS: I am not personally aware of whether that is the case. I might ask the Executive Director of Emergency Management Queensland to provide some specific operational response to that question.

Mr Pagano: Part of the initiatives that the minister mentioned in support of the flotillas and squadrons to deal with VMR and the Australian Volunteer Coast Guard Association—and I would have to seek more technical advice in relation to the exact dollars—included in 06/07 in the election commitments a one-off injection to each one of those flotillas for the replacement of their next craft. I will seek more advice as to exactly what those dollars were. However, my understanding is that at this stage EMQ, through the service level agreements with the Volunteer Marine Rescue organisations, does not set a differentiating standard between squadrons.

Mr ROBERTS: The other point I would add to conclude is that the advice I have been provided with is that we pay a grant to the Volunteer Marine Rescue and it decides the allocation to individual units. My understanding is that if we provide it with a grant it would then have some discretion, I assume—and I can be corrected on that—to maybe take the suggestion you have made into account. But that is the understanding that I have at this stage.

Mr MALONE: With respect to rural fire brigades, page 2 of the MPS, I want to raise with you some issues in regard to the funding. Let us take as a scenario the government giving a fixed amount of \$1 million towards the funding of vehicles for the rural fire brigade. Instantly there is a depreciation value of 20 per cent, which takes \$200,000 off that amount. The Rural Fire Service volunteers raise another \$200,000, or 20 per cent. So that is \$400,000 that virtually comes off the top of the budgeted item. This is a scenario, obviously. In real terms, of the million dollars that is in the budget, the government writes a cheque for only \$600,000 because \$200,000 comes from the community and the other \$200,000 comes off as depreciation. Minister, can you investigate that, because it is really causing quite a deal of concern in rural communities where rural fire brigades are operational?

Mr ROBERTS: It is quite a specific question on the financial arrangements supporting those organisations. Unless one of my senior officers or executive directors at the table can answer that, I might take that on notice and get back to you with some more specific information, hopefully by the end of the session.

Mr MALONE: While you are doing that, Minister, in relation to equipment, the budgeted figure for equipment might be \$100,000 but volunteers pay 50 per cent of that. So basically the government funding is for \$50,000 as opposed to \$100,000 that is in the budget. You might take that on board as well.

CHAIR: Is that a question as well, member for Mirani?

Mr MALONE: It is part of the other question.

Mr ROBERTS: I have taken that on notice and we will try to provide some information.

Mr MALONE: One of the big issues for the Rural Fire Service is trying to acquire land for sheds. That also translates over to Surf Life Saving, where it has very specific areas of land on the coast. It is a similar situation with rural fire brigades when they are trying to acquire land to build a shed. One of the big issues is that currently Natural Resources will not lease land. Sometimes a landholder will lease a piece of land to the Rural Fire Service. Once the shed is built, the Rural Fire Service will give something like \$10,000 to \$15,000 towards a \$60,000 shed. The instant that happens it becomes part of a government asset. So the communities have raised all the money for the funding and the landholder is

given the land. Suddenly it becomes a government asset and in reality the government has contributed very little to that building. In your new role as minister, can you look at the ways in which that happens? More particularly, can you look at the onerous path that communities have to go through to acquire the land or get some sort of title to the land through the department?

CHAIR: Member for Mirani, is that not a question for the minister for natural resources?

Mr MALONE: No, it is not. It is for Emergency Services. Emergency Services provides funding for the shed and they have a role in acquiring the land—

CHAIR: So the question was not about the land tenure.

Mr ROBERTS: I might respond generally. You are asking me questions now which are quite detailed and specific to particular circumstances and I am not very familiar with these particular issues. I think Madam Chair has identified a significant issue in this question in that, if government land is provided or made available to any organisation and they put a capital investment into it and assets onto it, unless you can pick it up and remove it—and I have had other organisations in my electorate in the city where similar things have happened. You build a particular facility and if you leave it it remains on site.

On that issue, I pay tribute and credit to those organisations which put the hard work into raising the funds to build these facilities. If for some reason they are unable to use them it does create quite a difficulty. Sometimes it is simply not practical to reimburse people for those investments.

I may need to get back to you at some stage on this issue. I think it is more an issue, Madam Chair, for the owners of the land which may well be managed through the land bank of the department of natural resources. That is where it is probably more appropriate to direct that question.

I might add a bit more specific information about some of the leases that the department holds. We hold currently approximately 66 leases with the Department of Natural Resources and Water, 58 with local authorities and another 46 leased from other sources, predominantly private landholders. Those sites vary in size. However, all are for and in support of local rural fire brigades.

The lease rate is set by the Department of Natural Resources and Water at a non-commercial charitable rate which is 0.5 per cent of the unimproved land value. That is determined by the land valuation based on sales of equivalent land parcels in the area. Lease amounts range from \$41 to \$1,595 per annum, with the average lease cost being \$236 per annum. Lease rates are set by other sources and are usually at peppercorn amounts, with the average rate being \$7 per annum.

Mr MALONE: We have three minutes, so I will ask a quick question. The Agusta Westland helicopters are on order. Has there been any provision in the contract for escalation or depreciation of price according to currency valuations?

Mr ROBERTS: That is a very specific question and I might defer to Gary Taylor, the executive director, to answer that question.

Mr Taylor: The contract for the Agusta Westland helicopters was written in US dollars and converted to Australian dollars as at the point of time when the contract was written. As a result of that, we took out a hedging arrangement whereby it protected us from any fluctuation in the Australian dollar, so we are fully covered by any fluctuation that has occurred.

CHAIR: Would you like one more quick question?

Mr MALONE: I have one quick one. Is trade-in or turnover of the 412s part of the contract, or is the department selling them separately?

Mr ROBERTS: I am advised that it is not part of the contract. Could you repeat the question?

Mr MALONE: In terms of the acquisition of the new helicopters, is the trade-in or the turnover of the 412s part of the contract or is the department selling them separately? I do not need one but ...

Mr ROBERTS: We are selling them separately. I think it might be useful for me to put a bit more on the record about these helicopters because it is a significant investment by the department.

Again my understanding is that these helicopters will provide a vastly improved capacity to deliver in particular medical assistance during flights. As you are aware, these helicopters are far bigger in terms of the cabin and will enable that medical assistance to be provided.

Just to put a few more facts on the table, the government provided \$48.3 million over three years to buy these three new state-of-the-art helicopters to replace the existing helicopter fleet. The replacement of the helicopter rescue Bell 412 with the Agusta Westland 139 plus the transition to dual pilot operations will ensure the provision of a significantly enhanced service to those people who require those services.

CHAIR: The time allocated for non-government questions has expired. We are on the home straight now. I have a question. There are various references throughout the entire MPS to bushfire operations and education programs and the wonderful work of rural fire staff and volunteers all over Queensland. What will this budget deliver for the rural firefighters and how will that help protect Queenslanders from that ever present threat of bushfire, particularly in this time of drought?

Mr ROBERTS: Thank you for that question. The government obviously, as I have said on many occasions, is always looking for opportunities to improve the broad range of fire services and, indeed, ambulance and emergency services across-the-board. The Queensland Fire and Rescue Service budget for this year includes \$3.9 million for the construction of rural fire appliances and fire trailers. A key priority for this financial year is to continue the rural appliance modernisation program to ensure that modern equipment is available to volunteers. The appliance build program for 2007-08 will also provide the opportunity to decommission veteran appliances as required and to replace appliances identified as being beyond their economic life or repair.

The 2007-08 budget allocates \$150,000 for the construction of additional rural fire brigade stations. In excess of \$1 million has been spent each financial year since 2001 on providing, at no cost to the brigades, personal protective equipment to each active volunteer and no reasonable request has been refused for that equipment. This funding is a continuation of the government's commitment to rural Queensland. The Queensland Fire and Rescue Service rural operations budget also provides for a total of \$540,000 to be spent in 2007-08, \$2.7 million over five years on the development of communications equipment available to Queensland Fire and Rescue Service rural operations volunteers to ensure appropriate service delivery and firefighting safety in the expanding iZone, which we talked about during an earlier question, which is the urban rural interface where the towns meet the bush.

In 2007-08 the allocation to Queensland Fire and Rescue Service rural operations also included \$273,000, which is part of a \$3.1 million commitment over five years, to employ casual trainers to provide core training to rural firefighting volunteers and \$273,000, included in the commitment of \$2.5 million over five years, for additional personal protective equipment. A further \$454,000 in 2007-08, again part of a commitment of \$3.9 million over five years, has been allocated for the development of an online electronic learning strategy to improve the skills of volunteer firefighters.

The government recognises the important role played by all of our rural fire volunteers and this budget will ensure that they are prepared and ready to respond through increased training, more equipment and, importantly, strengthening the existing communications network.

CHAIR: I call the member for Whitsunday.

Ms JARRATT: I understand that our paramedics have gone high tech and are now using specialised laptop computers to record incidents and patient details which has replaced the former paper based system. Page 10 of the MPS states that the rollout of the electronic ambulance report form has further improved ambulance services. Can you please advise the committee how this initiative has helped improve services for patients?

Mr ROBERTS: Of course, the first immediate response is that it releases the ambulance officers to do the job that they do best and that is actually helping people when they are injured. These relocatable or transportable laptops replace paper based systems which previously existed and have dramatically increased the efficiency of service delivery in this area.

Commencing on 4 December 2006, paramedics across the state began using these new computers to collect ambulance response information through an electronic ambulance report form. The electronic process replaces a time-consuming manual paper based process and, as I have indicated, frees up valuable time for people who possess very high-level skills which they should be applying. Since the commencement of the electronic ambulance report form initiatives, 650 of these portable devices have been introduced into the service and are in use across the state. The electronic ambulance report form system is based on the collaboration that has been established between the Queensland Ambulance Service and the Metropolitan Ambulance Service in Melbourne. I think that this exercise is a good example of how ambulance services across the country can collaborate and share the expertise and experience that they gain from delivering their services.

Due to the success of the system in Queensland and Victoria, other ambulance jurisdictions are now looking to introduce the process. Jurisdictions in New South Wales, Tasmania, South Australia, the Australian Capital Territory and the Northern Territory are planning to implement the same technology and are seeking similar outcomes.

A number of enhancement modules are planned for the electronic ambulance report system which will deliver further efficiencies for our valuable on-road paramedic staff. The enhancement program for the electronic ambulance report form system aims to deliver further improvements by integrating information from various support systems and ambulance services support equipment. These enhancements include integration with computer-aided dispatch, device-to-device transfer of information, a potential interface with the Queensland Ambulance Service standard defibrillator, the Lifepack 12, and integration of the prehospital patient and treatment information captured in the electronic ambulance report form with the Queensland Health Emergency Department Information System.

The electronic ambulance report form, along with the programmed enhancement modules, will significantly reduce processing time and, as I have indicated, give the paramedics more time to do what they do best and that is applying their skills to people in need. I might take the opportunity of the remaining few seconds to make some comments on the cost of repairs to the Mackay facility.

CHAIR: Are you happy to extend that time, member for Whitsunday?

Ms JARRATT: Yes, briefly.

Mr ROBERTS: This is in response to an earlier question from the member for Mirani, to put it on the record. I am advised that the cost to the department for the repair of the North Mackay facility will be approximately \$60,000. The Department of Emergency Services will be seeking redress and financial compensation from the builder or professional consultants for the repairs. The primary concern for the department is to effect the repairs as quickly as possible. Then we will initiate action to recover, if we can, that money from either the builder or the consultants. We are now in the process of attempting to recover costs.

CHAIR: I call the member for Mirani.

Mr MALONE: I will defer to my colleague, the member for Charters Towers.

Mr KNUTH: I refer to service delivery, page 1 of the MPS. I have here an article that was in the local newspaper, the *Northern Miner*, today. It is about a man who was knocked unconscious and bled for 13 minutes before ambulance officers arrived. The ambulance station was on the same street where he was knocked unconscious, but was closed last year by the previous minister. The Charters Towers Ambulance Service, for as long as anyone can remember, has never been closed. The previous minister never asked me or the community. Had that station been open that night they would have been there within two or three minutes. Three people have resigned from the Charters Towers Ambulance Service in the last four months because of the roster system. Will you review the roster system and all the ambulance stations that have lost their night-time ambulance service to ensure that those communities have ambulance officers ready and available to respond to accident victims in the quickest, fastest, safest time possible?

Mr ROBERTS: The first point I want to make is that ambulance services are programmed to provide the best possible support to the communities in which they serve. From time to time there will be changes to the arrangements and the way in which particular services are provided. I have some specific information about that particular instance in Charters Towers. The first thing I want to say is that I am confident that the Charters Towers service is providing first class response and service to the people of that region. Of course, no-one likes to see anyone injured or have their injury or medical condition extended due to any circumstances. I start with the fundamental point that our ambulance officers do their absolute best, whether they are full-time, part-time or on call, to provide emergency response in the best way that they can. I have full confidence that that was the case in this particular instance: that people did their best.

The Queensland Ambulance Service provides, as I said, a first-class service across a range of Queensland communities. Charters Towers is no exception. To give you some background information, in 2006-07 the northern region, of which it is a part, responded to 73 per cent of code 1 cases in under 10 minutes. That is well above the benchmarks that the QAS has set for itself. The QAS changed its rosters to better manage community demand and staff fatigue. The 10-14 roster required staff to work an average of 42 hours a week. The new 10-hour rosters ensure that officers only work an average of 40 hours a week. In October 2007 a true 38-hour week will be introduced through officers accessing paid accrued leave, taking total leave to approximately nine weeks per year.

It was decided to phase out the night shifts at Charters Towers last year. This was done in consultation with staff to better meet community demand. Research shows that the community demand for ambulance services in this area is at its highest during the afternoon period and not overnight. Charters Towers currently has its full staff establishment of nine officers. A new paramedic begins next week. Only one ambulance officer has resigned from the Charters Towers station since the new roster was introduced. That is the advice that I have been given.

The other quick point I want to make before I run out of time is that it is not true to assert that the station is closed. Staff are rostered on and provide service on call. As you are very much aware—and this occurred under both Labor, National and coalition governments—it is a regular arrangement where service is provided through normal full-time hours and then the response for after-hours is in many instances provided by personnel who are on call. That is the basic situation which occurs in many regional areas of Queensland.

Mr KNUTH: I would like to say that those three ambulance officers had resigned from permanent duties.

CHAIR: Are you asking another question, member for Charters Towers?

Mr KNUTH: Just to go back to what you were saying, you said that you will consult. The problem at this present moment is that we have this, this is how it is, the figures show it and yet the service is starting to crumble and buckle. As I was saying, no-one can remember when we did not have a night-time service. The demand in the day was catered for, the demand in the night was catered for. We have a very angry community at this present moment who want to see that night-time ambulance service. As an example, all that was needed the other night was a person to run down to the ambulance station and if someone was available he would have been there straight away.

CHAIR: Did you put a particular question about the budget to the minister?

Mr KNUTH: That is the question.

CHAIR: If you found a question in there you can answer that.

Mr ROBERTS: I have a bit more information about that specific instance. The Queensland Ambulance Service attended a patient outside the bakery in Gill Street on 30 June. The QAS received the call at 1.27 and were on the scene at 1.40. Since the case was coded as non-life threatening, this response time was well within the acceptable limits as set by the internationally recognised triaging system employed by the Queensland Ambulance Service. I might ask the ambulance commissioner to talk not specifically about this case but generally about the way in which ambulance services are provided and delivered in areas according to particular needs.

Commissioner Higgins: There is quite a lot of angst around the issue of rosters, as members are aware. The reality is that the staffing levels at Charters Towers have not changed. We have organised the staff to be available when the community most needs the Ambulance Service's resources. We have provided a 24-hour system of coverage for Charters Towers for as long as I can remember. That still remains in place with a level of resourcing that has remained unchanged for the last several years. We have a full complement of staff in Charters Towers at the moment.

What we have done is change the maximum shift length that exists in the Queensland Ambulance Service to ensure that we do two things. The first is that we ensure that we align our resources to be available when the community and our patients require the services of the Queensland Ambulance Service. Secondly, we have reduced shift lengths to ensure that our paramedics have a system of work that protects their long-term occupational health and wellbeing.

Previously we had arrangements where paramedics were working 14-hour shifts overnight. In full consultation with staff and with our union, the Liquor, Hospitality and Miscellaneous Workers Union, we negotiated new arrangements through the enterprise agreement that was negotiated in 2002. Since that time we have had a small group of staff within the Queensland Ambulance Service who have advocated a return to extended shift lengths. That has not been approved by the Queensland Ambulance Service.

Our arrangements are very strongly supported by the evidence which has been collected through a variety of sources including through the Centre for Sleep Research and the shiftworking arrangements published by universities around Australia and internationally. There is some angst but the services that are provided by the Queensland Ambulance Service continue to meet and/or exceed the expectations of the Queensland community and our patients.

Mr KNUTH: Thank you for the response. I believe that calling ambulance officers out of bed at all hours of the morning after doing a 10-hour shift and expecting them to—

CHAIR: Member for Charters Towers, you cannot make a statement. Are you asking a question? Otherwise I will need to pass to the member for Mirani.

Mr MALONE: Question on notice No. 787 details the instances of QAS officers attending mentally ill patients. The totals have gone from 7,961 in 2005-06 to 9,069 in 2007. What protocols have been developed to protect ambulance officers and paramedics when attending call-outs to mentally ill persons?

Mr ROBERTS: The first thing I want to say is that the Ambulance Service along with the fire service in very difficult circumstances do all they can to ensure the safety of their employees. There is a range of initiatives put in place to do as much as possible to provide the safest work environment. I will defer to the commissioner in a moment. These officers work in extremely difficult and sometimes very dangerous situations. Where we can we provide the training and backup to enable them to act in a way that gives them the most protection during their employment. In terms of that specific issue I might ask the commissioner to provide you with more specific information.

Commissioner Higgins: The incidence of mental health disorders in the community is increasing along with other health conditions. The rise in the demand for those types of services provided by the Queensland Ambulance Service is a result of two things. Firstly, that they occur more often in the community. Community care paramedics are attending to more people with mental health disorders. Secondly, there have been arrangements put in place through a tripartite agreement between Queensland Health, the Queensland Police Service and the Queensland Ambulance Service which work in cooperation to deliver services to people in the community who require mental health support and the attendance of paramedics, police officers or Queensland Health staff.

We have very strong and robust arrangements through a memorandum of understanding with the Queensland Police Service to ensure that paramedics are protected. Where emergency orders are carried out either by paramedics or Queensland Police Service officers, those arrangements are supported mutually to ensure that both the patients receive the care that they require and the welfare of the officers providing those services is protected appropriately.

CHAIR: There being no further questions, that concludes the examination of the expenditure estimates for the portfolio of the Minister for Emergency Services. I thank the minister and his advisers for their attendance today. Congratulations, Minister, you may well have set a record in being sworn in on Tuesday afternoon and facing an estimates committee hearing on Friday afternoon. I want to be the last to congratulate you on your appointment as the Minister for Emergency Services.

Before I conclude I would also like to thank my fellow committee members, the Hansard staff, the Parliament House sound staff, the attendants and the timekeepers for their assistance today. I would also particularly like to thank the secretariat for Estimates Committee D, Renee Easten and Alice Hutchings, who have provided us with excellent support. Did you have a sentence or two of thanks, Minister, before I close the hearing?

Mr ROBERTS: Thank you, Madam Chair. I would also like to thank the committee, the government and non-government members, and the support staff for the way in which you have conducted the hearing. I also want to give my personal thanks to the few that I have had the opportunity to make contact with so far—the commissioners of both the Queensland Ambulance Service and the Queensland Fire and Rescue Service, the Executive Director of Emergency Management Queensland and the other executive directors at the table and the staff sitting behind me—for the fantastic support they have given me in a very short time. It has been a very intense induction course but I have very much appreciated it. I am so impressed with their professionalism and dedication and commitment to delivering first-class emergency services in Queensland. In two short days I have become very proud of their capabilities and I am really looking forward to working with them to deliver the best possible emergency services to the people of Queensland. I am looking forward to the days and months and years ahead. Thank you very much.

CHAIR: That concludes the committee's consideration of the matters referred to it by the parliament on 23 May 2007.

Committee adjourned at 4.23 pm