



Annual Report

2020-21

Report No. 13, 57th Parliament
Transport and Resources Committee
October 2021

Transport and Resources Committee

Chair Mr Shane King MP, Member for Kurwongbah

Deputy Chair Mr Lachlan Millar MP, Member for Gregory

Members Mr Colin Boyce MP, Member for Callide

Mr James Martin MP, Member for Stretton (from 31 August 2021)

Ms Jess Pugh MP, Member for Mt Ommaney (to 31 August 2021)

Mr Les Walker MP, Member for Mundingburra (stood down from committee position from 1 August 2021)*

Mr Trevor Watts MP, Member for Toowoomba North

* Ms Jennifer Howard MP, Member for Ipswich, has replaced the Member for Mundingburra until 19 November 2021.

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Chair's Foreword

This report relates to the activities of the Transport and Resources Committee since its establishment on 26 November 2020 to 30 June 2021.

On behalf of the committee, I would like to thank those individuals and organisations who have assisted the committee with its inquiries by providing submissions and other information and appearing at public briefings and hearings throughout the reporting period.

I would like to thank both the current and former committee members for their hard work and dedication in ensuring the work of the committee was completed in a comprehensive and timely manner.

A handwritten signature in black ink that reads "Shane King". The signature is written in a cursive, slightly slanted style.

Shane King MP
Chair

October 2021

1 Transport and Resources Committee

The Transport and Resources Committee (committee) is a portfolio committee of the Legislative Assembly which commenced on 26 November 2020 under s.88 of the *Parliament of Queensland Act 2001* and the Standing Rules and Orders of the Legislative Assembly.¹

The committee's primary areas of responsibility are:

- Transport and Main Roads
- Energy, Renewables, Hydrogen, Public Works and Procurement
- Resources.

Section 93(1) of the *Parliament of Queensland Act 2001* provides that a portfolio committee is responsible for examining each bill and item of subordinate legislation in its portfolio areas to consider:

- the policy to be given effect by the legislation
- the application of fundamental legislative principles
- matters arising under the *Human Rights Act 2019*
- for subordinate legislation – its lawfulness.

Portfolio Committees also have responsibility for scrutiny of public accounts and public works which relate to their portfolio.² Committees also consider reports of the Auditor-General and other referrals from the Legislative Assembly; and may initiate an inquiry into any other matter they consider appropriate.³

2 Annual report

In accordance with section 108 of the *Parliament of Queensland Act 2001*, the committee is required to table an annual report within 4 months and 14 days after the end of each financial year. The report must include:

- a list of meetings of the committee and the names of members attending or absent from each meeting
- a summary of issues considered by the committee, including a description of the more significant issues arising from the considerations
- a statement of the committee's revenue and spending for the year
- a brief description of responses by Ministers to recommendations of the committee.

This report provides a summary of the activities of the committee from 26 November 2020 to 30 June 2021.

3 Inquiries and reports

The committee considered a number of issues and tabled 6 reports during the 2020-2021 financial year. The committee's reports and inquiries are discussed below.

¹ *Parliament of Queensland Act 2001*, section 88 and Standing Order 194.

² *Parliament of Queensland Act 2001*, section 94.

³ *Parliament of Queensland Act 2001*, section 92.

Copies of the committee's publications, including reports, transcripts and other documents, are available on the committee's webpage: www.parliament.qld.gov.au/trc.

3.1 Bills and subordinate legislation

The committee examined a number of bills and pieces of subordinate legislation in accordance with its responsibility under section 93(1) of the *Parliament of Queensland Act 2001*, in particular the committee considered:

- the policy to be given effect by the legislation
- the application of fundamental legislative principles to the legislation
- for subordinate legislation - its lawfulness.

3.1.1 2020-21 Budget Estimates (Report No 2, 57th Parliament)

On 4 December 2020, the budget estimates for the committee's portfolio area was referred to the committee for examination and report. On 11 December 2020 the committee conducted a public hearing and took evidence about the proposed expenditure from: the Minister for Transport and Main Roads; the Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement; the Minister for Resources; and other witnesses.

The committee's report and volume of additional information were tabled on 12 February 2020. The committee made one recommendation:

- that the proposed expenditure, as detailed in the Appropriation (2020-2021) Bill 2020 for the Committee's areas of responsibility, be agreed to by the Legislative Assembly without amendment.

The bill was passed, without amendment, on 23 February 2021.

3.1.2 Resources and Other Legislation Amendment Bill 2021

On 16 June 2021, the Resources and Other Legislation Amendment Bill 2021 was referred to the committee for examination and report. The committee was required to table its report by 6 August 2021.

The committee tabled its report in the next reporting period.

3.1.3 Subordinate legislation

The committee tabled the following reports on subordinate legislation:

- Report No 1, 57th Parliament – Subordinate Legislation tabled between 10 July 2020 and 5 October 2020 – tabled on 30 November 2020
- Report No 3, 57th Parliament – Subordinate Legislation tabled 8 September 2020 – tabled on 8 March 2021
- Report No 4, 57th Parliament – Subordinate Legislation tabled between 6 October 2020 and 26 November 2020 – tabled on 22 March 2021
- Report No 5, 57th Parliament – Subordinate Legislation tabled between 27 November 2020 and 23 February 2021 – tabled on 19 April 2021

3.1.3.1 Notifications made under section 56A of the Statutory Instruments Act 1992

The committee also reviewed the notifications made under section 56A of the *Statutory Instruments Act 1992* (SIA).

Section 54 of the SIA states that subordinate legislation expires on 1 September on the 10th anniversary of the day of its making unless (a) it is sooner repealed or expires; or (b) a regulation is made exempting it from expiry.

The SIA (ss56, 56A) enables agencies to extend the expiry date of the subordinate legislation. Section 56 allows for an extension of up to five years for uniform legislation. Section 56A allows for an extension of up to 1 year for other subordinate legislation for the following reasons:

- (a)(i) replacement subordinate legislation is being drafted and is proposed to be made before the stated period ends;
- (a)(ii) the subordinate legislation is not proposed to be replaced by other subordinate legislation made under the Act under which or in relation to which it was made or preserved when it expires at the end of the stated period; or
- (b) for the stated reason that the Act or provision under which or in relation to which the subordinate legislation, or part of the subordinate legislation, is made or preserved is subject to review.

If an extension is given, it must be made before the subordinate legislation expires and may be made only for the stated reason. The Minister is required to table, within seven sitting days after the extension regulation is made, a report stating how the Act or provisions is subject to review; and the extent to which the Act or provision is being reviewed; and when the Minister expects the review to end. Failure to comply with the above report does not affect the validity of the extension regulation.

The committee considered the instruments, within the committee's portfolio area, contained in Table 1 which had previously been granted an extension to the automatic expiry.

Table 1: Statutory Instruments (Exemptions from Expiry) Amendment Regulation 2020 – Transport and Resources Committee portfolio entities with further exemption grounds.

Instrument	Ground for exemption	Relevant Minister
Building Regulation 2006	Further exemption: review	Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement
Electricity Regulation 2006	Further exemption: review	Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement
Energy and Water Ombudsman Regulation 2007	Further exemption: review	Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement
Gas Supply Regulation 2007	Further exemption: review	Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement
Stock Route Management Regulation 2003	Further exemption: review	Minister for Resources
Tow Truck Regulation 2009	Further exemption: review	Minister for Transport and Main Roads

All Ministers have complied with the notification requirements contained in section 56A of the SIA. The committee sought additional information from Department of Energy and Public Works in relation to the Electricity Regulation 2006, the Energy and Water Ombudsman Regulation 2007 and the Gas Supply Regulation 2007 and from the Department of Resources in relation to the Stock Route Management Regulation 2003.

The committee was satisfied with the reasons provided in relation to the need to extend the regulations. The committee will continue to monitor progress on these statutory instruments.

3.2 Public Accounts – Consideration of Auditor-General Reports to Parliament

The following reports were referred to the committee by the Committee of the Legislative Assembly (CLA) pursuant to Standing Order 194B:

- Auditor-General Report No 10: 2020-21 – Transport 2020
- Auditor-General Report No 11: 2020-21 – Energy 2020

The committee also considered the sections applicable to the committee’s portfolio area contained in Auditor-General Report No 13: 2020-21 – State Entities 2020. The committee intends to take no further action in relation to this report.

3.2.1 Auditor-General Report to Parliament No. 10: 2020-21 – Transport 2020

The Auditor-General’s report titled Report No 10: 2020-21 – Transport 2020, was tabled on 2 February 2021 and referred to the committee on 25 February 2021. The report summarises the results of the financial audits of the following seven entities in Queensland’s transport sector:

- Department of Transport and Main Roads
- Queensland Rail including Queensland Rail Limited, which is a wholly owned subsidiary of Queensland Rail
- Cross River Rail Delivery Authority
- Gladstone Ports
- North Queensland Bulk Ports
- Port of Townsville
- Ports North

The committee considered the issues and recommendations made in the Auditor-General’s report and noted that QAO found that the entities have good financial reporting practices and produce high quality financial statements. QAO issued unmodified audit opinions on all financial statements and the recommendations made by QAO have been accepted and are being actioned.

The committee is satisfied with the outcomes from this report and intends to take no further action.

3.2.2 Auditor-General Report to Parliament No. 11: 2020-21 – Energy 2020

The Auditor-General’s report titled Report No 11: 2020-21 – Energy 2020, was tabled on 4 February 2021 and referred to the committee on 25 February 2021. The report summarises the results of the financial audits of the following six entities in Queensland’s energy sector:

- CleanCo
- CS Energy
- Stanwell
- Powerlink
- Energy Queensland
- Ergon Energy

The committee considered the issues and recommendations made in the Auditor-General’s report and noted that QAO found that the entities have good financial reporting practices and produce high quality financial statements. QAO issued unmodified audit opinions on all financial statements.

The committee sought additional written information and held a public briefing with officials from QAO on 19 April 2021.

The committee tabled Report No 6, 57th Parliament – Examination of Auditor-General Report 11: 2020-21 – Energy 2020 on 21 June 2021. The committee made one recommendation that the Legislative Assembly note the contents of the report.

3.2.3 Auditor-General Report No 16: 2019-20 – Licensing Builders and Building Trades

The committee resolved to continue the inquiry into Auditor-General Report No 16: 2019-20 – Licensing Builders and Building Trades, commenced by the former Transport and Public Works Committee (TPWC) during the 56th Parliament.

TPWC held public briefing with officials from QAO, the former Department of Housing and Public Works (DHPW) and the Queensland Building and Construction Commission (QBCC) on 7 September 2020. The TPWC received additional written response to questions taken on notice at the briefing from the QBCC.

In February 2021, the committee wrote to the QBCC seeking further information on various matters. QBCC's response was received in March 2021. The committee sought a further update in June 2021.

The committee tabled its report in the next reporting period.

3.3 Public Accounts – Consideration of Departmental Annual Reports

Under section 47 of the Financial and Performance Management Standard 2019 (FPMS) the annual report is required to be tabled within 3 months after the end of the financial year, i.e. 30 September 2020 for the 2019-20 financial year.⁴

The Financial Accountability Handbook states:

Annual reports are key accountability documents that provide information to users about the achievements, performance and financial result of the agency for the financial year. The report also provides commentary on the outlook for the future direction of the agency. Users of annual reports include the public, members of Parliament, the media, other agencies and the agency itself.⁵

The committee considered the 2019-20 Annual Reports of the following entities:

- Department of Transport and Main Roads
- Department of Natural Resources, Mines and Energy – relating to entities now situated in Department of Energy and Public Works and Department of Resource
- Department of Housing and Public Works – relating to entities now situated in Department of Energy and Public Works

3.3.1 Department of Transport and Main Roads

DTMR tabled its annual report on 25 September 2020.

The Auditor-General provided the following audit opinion:

In my opinion, the financial report:

- a) gives a true and fair view of the department's financial position as at 30 June 2020, and its financial performance and cash flows for the year then ended
- b) complies with the Financial Accountability Act 2009, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.⁶

⁴ Financial and Performance Management Standard 2019, s 47.

⁵ Queensland Treasury, *Financial Accountability Handbook, Volume 5 – Reporting Systems*, October 2019, p 5-15.

⁶ Department of Transport and Main Roads, *2019-2020 Annual Report*, September 2020, p 173.

DTMR was not subject to significant machinery-of-government (MOG) changes subsequent to the 2020 election.

The comparative financial results for the 2019-20 and 2018-19 financial years are summarised in Table 2.

Table 2: DTMR Comparative Financial Results – 2018-19 and 2019-20

	2018-19	2019-20
	\$'000	\$'000
Operating Result		
Total income	6,144,435	6,427,966
Total expenses	6,164,190	6,294,352
Operating result before tax equivalent expense	(19,755)	133,614
Income tax equivalent expense	8,690	7,541
Operating result	(28,445)	126,073
Increase in asset revaluation surplus	1,390,601	3,703,762
Total Comprehensive Income	1,362,156	3,829,835
Statement of Financial position		
Current assets	759,681	506,146
Non-current assets	66,502,668	72,117,299
Total assets	67,262,349	72,623,445
Current liabilities	909,638	1,042,679
Non-current liabilities	1,598,435	1,518,871
Total liabilities	2,508,073	2,561,550
Net Assets	64,754,276	70,061,895
Equity		
Contributed equity	59,492,190	60,953,656
Accumulated surplus	2,024,672	2,167,063
Asset revaluation surplus	3,237,414	6,941,176
Total Equity	64,754,276	70,061,895

The committee considered the annual report and held a public briefing with the Director-General, DTMR, on 8 March 2021. The committee also received additional written responses to questions taken on notice at the briefing. Subjects discussed included:

- COVID-19 challenges and response
- Taxi industry
- Disability access
- Workforce statistics
- Road maintenance programs and funding
- Queensland Transport and Roads Investment Program (QTRIP)
- Bridge replacements and names
- Local procurement
- Cross River Rail
- Relocating farm equipment/machinery
- Noise testing and barriers

The annual report contains DTMR's financial statements in compliance with the statutory requirements set out in the *Financial Accountability Act 2009* (FAA) and the FPMS. The committee is satisfied that DTMR's annual report provides sufficient information to adequately assist users in understanding the performance of the department and complies with legislative and policy requirements as set out in the FAA, FPMS and supporting policy documents.

The committee is satisfied with the outcomes from this report and intends to take no further action.

3.3.2 Department of Energy and Public Works

DEPW was the subject of significant machinery-of-government (MOG) changes subsequent to the 2020 election. DEPW incorporates sections from both the former Department of Natural Resources, Mines and Energy (DNRME), the former Department of Housing and Public Works (DHPW) and the former Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) and other sections have been transferred to other departments.

The committee considered the annual reports and held a public briefing with the A/Director-General and other officials from DEPW, on 19 April 2021. The committee also received additional written responses to questions taken on notice at the briefing. Subjects discussed included:

- New departmental structure
- COVID-19 response
- Project delivery and procurement
- Government pricing policy and delivery
- Tenders and procurement, including local procurement
- Departmental responsibilities in relation to energy sector
- Government vehicle fleet, including hybrid and electric vehicles
- Training and apprenticeships
- Solar energy

The committee is satisfied with the outcomes from this report and intends to take no further action.

3.3.3 Department of Resources

The Department of Resources was the subject of significant machinery-of-government (MOG) changes subsequent to the 2020 election. The department incorporates some of the sections from the former DNRME with other sections being transferred to other departments including the DEPW.

The committee considered the annual reports and held a public briefing with the then A/Director-General and other officials from the Department of Resources, on 19 April 2021. The committee also received additional written responses to questions taken on notice at the briefing. Subjects discussed included:

- Establishment of Resources Safety and Health Queensland
- COVID-19 challenges and response
- Data and information held by the department
- Data and cyber security
- Land valuations
- Fraser Institute rankings
- Mining and exploration approvals process
- Remediation of environmental works

- Future opportunities in the resources sector
- Exploration expenditure in Queensland
- Protection of strategic cropping land and high-value farming areas
- Business continuity plans
- Mining and resource lease tenure management
- Movement of heavy vehicles and equipment across bridges

The committee is satisfied with the outcomes from this report and intends to take no further action.

3.4 Inquiries referred by the Legislative Assembly

3.4.1 Inquiry into vehicle safety, standards and technology, including engine immobiliser technology

On Wednesday 24 February 2021 the Legislative Assembly agreed to a motion that the Transport and Resources Committee inquire and report on vehicle safety, standards and technology, including engine immobiliser technology. The committee is required to report to the Legislative Assembly within six months.

The terms of reference are that the committee will inquire into and report on:

- a. Options to reduce or prevent vehicles being used illegally or dangerously on Queensland roads, including vehicle engine immobilisation technology, non-technology options, operational considerations or other measures;
- b. Lessons learned from other jurisdictions, particularly regarding the implementation of vehicle engine immobilisation technology to the existing vehicle fleet;
- c. The Commonwealth's role in relation to vehicle standards and safety, and measures the Commonwealth could take, including requiring all new vehicles to be fitted with remote engine immobilisation technology;
- d. The effectiveness of any proposed measures in improving road safety, preventing crime and assisting police in operational matters;
- e. A recommended framework for legislative, policy and operational implementation of any proposed measures;
- f. The benefit to and role of insurers in supporting any recommended measures;
- g. Options to improve vehicle standards and safety in Queensland, including in relation to the:
 - i. current Australian vehicle design rules;
 - ii. inspection regime for registered vehicles;
 - iii. pre-sale certification scheme, including measures to reduce fraud and improve consumer safety;
 - iv. management of written-off vehicles and 're-birthing';
 - v. after-market vehicle modification framework, including achieving consistency to ensure best alignment with other Australian jurisdictions

On 3 March 2021, the committee invited stakeholders and subscribers to make written submissions addressing any or all of the terms of reference. Submissions closed on 15 April 2021. The committee received a number of requests for extensions, which were agreed to. The committee also wrote to the Premier seeking a whole-of-government submission. 32 submissions were received, including a submission from the Department of Transport and Main Roads (DTMR) on behalf of the whole-of government.

The committee received a public briefing from DTMR and the Queensland Police Service (QPS) on 22 March 2021. The committee held public hearings on 10 May 2021, 24 May 2021 and 14 June 2021. The committee also received responses to questions on notice taken at the hearings. The committee also received a further briefing from DTMR and QPS on 14 June 2021.

The committee tabled its report in the next reporting period.

3.5 Other briefings

3.5.1 Queensland Resources Council

On 8 March 2021 the committee received a public briefing from the Queensland Resources Council (QRC) covering the economic contribution of and issues facing the resources industry. Issues discussed included:

- Fraser Institute rankings
- Impact of COVID-19 on resources industry
- Queensland Resources Industry Development Plan
- Employment, worker participation and training
- Key infrastructure for the industry
- Environmental practices
- Insurance for industry participants

4 Committee expenditure

The committee had no revenue during 2020-21. The committee is funded from the appropriation made to the Legislative Assembly. The expenditure of the committee from 26 November 2020 to 30 June 2021 is shown in the table 3.

Table 3: Transport and Resources Committee expenditure for the period 26 November 2020 to 30 June 2021

Item	\$
Employee expenses ⁷	205,786
Meeting expenses	9,188
Technology	3,543
Printing and supplies	1,567
Miscellaneous expenses	199
Expenditure Total	220,283

⁷ The figure for employee expenses reflects a three person secretariat supporting the committee. The committee's staffing may have been supplemented with additional resources from general Committee Office staff throughout the year.

5 Meeting attendance record

Table 4 shows the attendance of committee members at committee meetings and other activities during the reporting period.

Standing Order 202(1) provides that in the case of a committee members' illness or inability to attend, another member may be appointed to attend that meeting or stand in for a particular inquiry. Where this has occurred, details are included in the footnotes.

Table 4: Transport and Resources Committee meeting attendance record for the period 26 November 2020 to 30 June 2021.

Meeting Date	Activity	Shane King MP	Lachlan Millar MP	Colin Boyce MP	Jess Pugh MP	Les Walker MP	Trevor Watts MP
30/11/2020	PM	✓	✗	✓	✓	✓	✓
11/12/2020	PM	✗ ⁸	✓	✓	✓	✓	✓
11/12/2020	PH	✗ ⁹	✓	✓	✓	✓	✓
8/2/2021	PM	✓	✓	✓	✓	✓	✓
22/2/2021	PM	✓	✓	✓	✓	✓	✓
8/3/2021	PM	✓	✓	✓	✓	✓	✓
8/3/2021	PB	✓	✓	✓	✓	✓	✓
22/3/2021	PM	✓	✓	✓	✓	✓	✓
22/3/2021	PB	✓	✓	✓	✓	✓	✓
19/4/2021	PM	✓	✓	✓	✓	✓	✓
19/4/2021	PB	✓	✓	✓	✓	✓	✓
10/5/2021	PM	✓	✓	✓	✓	✓	✓
10/5/2021	PH	✓	✓	✓	✓	✓	✓
24/5/2021	PM	✓	✓	✓	✓	✓	✓
24/5/2021	PH	✓	✓	✓	✓	✓	✓
14/6/2021	PM	✓	✓	✓	✓	✓	✓
14/6/2021	PH	✓	✓	✓	✓	✓	✓

Legend:

PM private meeting PH public hearing PB public briefing

⁸ Chris Whiting MP substituted for Shane King MP as Chair for the private meeting on 11 December 2020 under SO202(1).

⁹ Chris Whiting MP substituted for Shane King MP as Chair for the public hearing on 11 December 2020 under SO202(1).