



2020-21 Budget Estimates – Appropriation (2020-2021) Bill 2020

**Report No. 3, 57th Parliament
Economics and Governance Committee
February 2021**

Economics and Governance Committee

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Acknowledgements

The committee thanks the Premier and Minister for Trade; Treasurer and Minister for Investment; Minister for Tourism Industry Development and Innovation and Minister for Sport; and portfolio statutory entities for their assistance.

The committee also acknowledges the assistance provided by the departmental officers and other officials who contributed to the work of the committee during the estimates process.

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Chair's foreword

This report presents a summary of the committee's examination of the budget estimates for the 2020-21 financial year.

Consideration of the budget estimates allows for the public examination of the administration of responsible Ministers and the chief executive officers of agencies within the committee's portfolio areas. This was undertaken through the questions on notice and public hearing processes.

The committee has recommended that the proposed expenditures, 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.

On behalf of the committee, I thank the Premier and Minister for Trade, the Treasurer and Minister for Investment, the Minister for Tourism Industry Development and Innovation and Minister for Sport, and other portfolio entity officers and departmental officers for their co-operation in providing information to the committee throughout this process.

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

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



Linus Power MP

Chair

February 2021

Abbreviations

Bridgman Report	<i>Bridgman Report – A fair and responsive public service for all</i>
committee	Economics and Governance Committee
CTP	compulsory third party
DPC	Department of Premier and Cabinet
DTIS	Department of Tourism, Innovation and Sport
GOCs	government owned corporations
IT	information technology
MAIC	Motor Accident Insurance Commission
Minister	Minister for Tourism Industry Development and Innovation and Minister for Sport, Hon Stirling Hinchliffe MP
NISQ Agency	National Injury Insurance Agency, Queensland
Premier	Premier and Minister for Trade, Hon Anastacia Palaszczuk MP
PSC	Public Service Commission
QAO	Queensland Audit Office
QPC	Queensland Productivity Commission
SDS	Queensland Budget 2020-21, Service Delivery Statements
Standing Orders	Standing Rules and Orders of the Legislative Assembly
TEQ	Tourism and Events Queensland
TIQ	Trade and Investment Queensland
Treasurer	Treasurer and Minister for Investment, Hon Cameron Dick MP

1 Introduction

1.1 Role of the committee

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

The committee's areas of responsibility are:

- Premier and Cabinet, and Trade
- Treasury and Investment
- Tourism Industry Development, Innovation and Sport.

The committee also has oversight functions in relation to the Auditor-General and the Integrity Commissioner.

1.2 Inquiry process

On 26 November 2020, the Legislative Assembly agreed to a resolution setting out dates and specified timeframes for portfolio committees to hold estimates hearings, and for committee questions on notice prior to the hearings to be provided and answered by Ministers.²

On 4 December 2020, in accordance with the *Constitution of Queensland 2001* and the Standing Orders, the Appropriation (2020-2021) Bill 2020 and the estimates for the committee's areas of responsibility were referred to the committee for investigation and report.³

On 7 December 2020, the committee conducted a public hearing and took evidence about the proposed expenditures from the Premier and Minister for Trade, the Treasurer and Minister for Investment, the Minister for Tourism Industry Development and Innovation and Minister for Sport, and other witnesses. The transcript and broadcast of the committee's hearing are available on the committee's webpage.⁴

The committee was required to table its report on the Appropriation (2020-2021) Bill by 12 February 2021.⁵

1.3 Aim of this report

This report summarises the estimates referred to the committee, identifies some of the issues the committee considered in examining the estimates, and states whether the proposed expenditures referred to the committee are agreed to.

The committee considered the estimates referred to it by reviewing information contained in:

- the budget papers

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

² Queensland Parliament, Record of Proceeding, 26 November 2020, pp 144-150.

³ *Constitution of Queensland 2001*, s 26C; Standing Order 177 provides for the automatic referral of the Annual Appropriation Bills to portfolio committees once the Bills have been read a second time.

⁴ <https://www.parliament.qld.gov.au/work-of-committees/committees/EGC/inquiries/current-inquiries/Estimates2020>

⁵ Queensland Parliament, Record of Proceeding, 3 December 2020, p 325.

- answers to pre-hearing questions on notice⁶
- evidence taken at the hearing
- answers to questions taken on notice at the hearing
- additional information given in relation to answers.

The committee tabled a volume of additional information with this report. It contains:

- a list of Members granted leave to attend and ask questions at the hearing
- pre-hearing questions on notice and answers to questions on notice
- questions taken on notice and answers to questions taken on notice at the hearing, and supplementary material provided by Ministers
- the document tabled at the hearing.

1.4 Participation by other Members

The committee gave leave for other Members of the Legislative Assembly to participate in the hearing. The following Members participated in the hearing:

- Mr Stephen Andrew, Member for Mirani
- Mr Michael Berkman, Member for Maiwar
- Mr Jarrod Bleijie, Member for Kawana
- Ms Sandy Bolton, Member for Noosa
- Mr David Crisafulli, Member for Broadwater
- Mr David Janetzki, Member for Toowoomba South
- Dr Amy MacMahon, Member for South Brisbane
- Mr Tim Mander, Member for Everton
- Mr Sam O'Connor, Member for Bonney
- Ms Fiona Simpson, Member for Maroochydore.

⁶ Prior to the public hearing, the committee provided the Premier and Minister for Trade, the Treasurer and Minister for Investment, and the Minister for Tourism Industry Development and Innovation and Minister for Sport with questions on notice in relation to the estimates. Responses to all questions were received.

2 Recommendation

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

Recommendation 1

The committee recommends that the proposed expenditures, 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.

3 Premier and Minister for Trade

The Premier and Minister for Trade, the Hon Anastacia Palaszczuk MP (Premier), has responsibility for:

- the Department of Premier and Cabinet (DPC)
- Trade and Investment Queensland (TIQ)⁷
- the Office of the Governor
- the Public Service Commission (PSC)
- the Queensland Audit Office (QAO).⁸

The Premier’s responsibilities also include:

- the Screen Industry Development portfolio area, through which the DPC provides administered funding for Screen Queensland⁹
- the administration of the *Integrity Act 2009*, under which the Integrity Commissioner operates.¹⁰

In keeping with the requirements of Schedule 7 of the Standing Orders,¹¹ each of the Auditor-General, Integrity Commissioner, and the chief executives of TIQ, the Office of the Governor, the PSC, and Screen Queensland, were present at the hearing on 7 December 2020 to assist the committee with its consideration of the portfolio estimates.¹²

3.1 Department of Premier and Cabinet

The Queensland Budget 2020-21 Service Delivery Statements (SDS) advise that the DPC will deliver the following services in 2020-21:

- lead the public sector and provide advice and support to the Premier and Cabinet
- inform the strategic direction of government and lead the government’s externally focussed activities
- provide high level constitutional, legal and public administration support to the Premier and Cabinet, as well as supporting Ministerial Offices and the Office of the Leader of the Opposition, and provide a central point of contact for veterans’ matters and coordinate support for them
- draft and provide access to Queensland legislation.¹³

⁷ Except to the extent administered by the Minister for Tourism Industry Development and Innovation and Minister for Sport. See: *Administrative Arrangements Order (No. 2) 2020*.

⁸ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 9.

⁹ In 2019-20, grants funding from the DPC accounted for \$22.480 million (92%) of Screen Queensland’s \$24.525 million revenue and income total. See: Screen Queensland, *Financial Report 2019-20*, p 20.

¹⁰ *Administrative Arrangements Order (No. 2) 2020*; DPC, *Organisational Chart*, webpage, <https://www.premiers.qld.gov.au/about-us/assets/dpc-org-chart.pdf?b>

¹¹ Schedule 7 of the Standing Orders sets out a list of statutory entities to which direct questioning of chief executives at estimates applies.

¹² Where a relevant chief executive was unable to attend, they were represented by another senior officer of the organisation, ensuring compliance with Schedule 7 responsibilities.

¹³ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 10.

3.1.1 Appropriation

The following table shows the cash appropriation for the DPC for 2020-21, compared with the budgeted and actual cash appropriations for 2019-20.

Appropriations	Budget 2019-2020 \$'000	Actual 2019-20 \$'000	Vote 2020-21 \$'000
<i>Controlled Items</i>			
departmental services	108,273	93,330	87,757
equity adjustment	..	..	..
<i>Administered Items</i>	128,064	125,918	146,812
Vote	236,337	219,248	234,569

Source: Appropriation (2020-2021) Bill 2020, Schedule 2.

As highlighted in the table, the 2020-21 appropriation of \$234.569 million represents an increase of \$15.321 million on the actual appropriation provided to the department in 2019-20.

This incorporates the sum effects of a decrease of \$5.573 million in appropriation funding for departmental services expenditure and an increase of \$20.894 million in appropriation funding for administered items.

The administered items funding amount includes support for Ministerial Offices and the Office of the Leader of the Opposition, and grants and subsidies funding provided for TIQ and Screen Queensland.¹⁴

Key service area initiatives and capital purchases for the DPC 2020-21 are set out below.

3.1.2 Service area highlights

The 2020-21 service area highlights for the DPC include:

- leading the implementation of *Queensland's Economic Recovery Plan* in partnership with Queensland Treasury, the Department of State Development, Infrastructure, Local Government and Planning, and the Queensland Industry Recovery Alliance
- supporting the Premier and Cabinet to deliver the Cabinet and Cabinet Committee agenda, parliamentary legislative agenda and processes, Regional and Community Cabinet program, and the implementation, monitoring and reporting of government priorities and election commitments
- supporting the delivery of federal funding arrangements and reform initiatives for a range of key sectors, including the early childhood, school, vocational education and training, health, housing, disability, waste and energy sectors
- negotiating the best policy position for Queensland on international, national and state issues through the national engagement forums
- coordinating Queensland's disaster management and counter-terrorism arrangements, including support for the Queensland Disaster Management Committee and the Queensland Security Cabinet Committee

¹⁴ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 18.

- coordinating and supporting Queensland’s input and response to Royal Commission and Productivity Commission inquiries
- supporting policy settings across all portfolios to reframe the Queensland Government’s relationship with Aboriginal and Torres Strait Islander peoples in line with the July 2019 *Joint Statement of Commitment* and the *Queensland Reconciliation Action Plan 2018-2021*¹⁵
- providing leadership across government by delivering guidance and support for crisis communication, including issues management and the public information function under the state disaster management arrangements
- enhancing the government’s international engagement program by leveraging existing relationships with Queensland’s sister states and developing new engagements and opportunities
- providing best practice event delivery advice across government in a COVID-19 environment and delivering events on behalf of the Premier to communicate key policies, initiatives and community engagement programs¹⁶
- facilitating the conduct of the *Strategic Review of the Integrity Commissioner*
- delivering the final round of the \$1.5 million grants program (2018-19 to 2020-21) to provide support services to veterans and to preserve and create memorials, monuments and other public sites that acknowledge veterans’ achievements
- coordinating the delivery of a new \$10 million funding package to support Queensland’s veterans and their families, including employment assistance, infrastructure funding, homelessness support, legal assistance, health and wellbeing research and other services.¹⁷

3.1.3 Capital purchases

The total capital purchases budget for 2020-21 for the DPC of \$901,000 is for upgrading multiple information, communication and technology systems.¹⁸ DPC’s capital purchases in 2019-20 totalled \$527,000.¹⁹

3.2 Trade and Investment Queensland

TIQ is the Queensland Government’s dedicated global business agency for trade and investment facilitation, attraction and promotion.²⁰

There is no separate appropriation provided for the agency in the Appropriation (2020-2021) Bill 2020, as TIQ’s activities are financed primarily through funds administered by the DPC.²¹

In 2020-21, TIQ will focus on delivering the following services:

- use government and industry missions and events internationally to promote and position Queensland as an ideal location for trade, investment, study and migration

¹⁵ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 11.

¹⁶ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 13.

¹⁷ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 14.

¹⁸ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 17; Queensland Budget 2020-21, Capital Statement 2020-21, p 31.

¹⁹ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 17.

²⁰ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 22.

²¹ In 2019-20, funding from the DPC accounted for 94% (\$46.869 million) of TIQ’s total income of \$49.618 million. See: TIQ, *Annual Report 2019-2020*, p 35.

- facilitate trade and investment opportunities for Queensland businesses and encourage investment in Queensland.²²

3.2.1 Service area highlights

The SDS note that in 2020-21, due to COVID-19, it is highly unlikely that there will be any trade and investment missions, with the exception of virtual missions to key markets. Missions will be planned once international travel can be safely resumed.²³

TIQ's service area highlights for 2020-21 include:

- continuing to provide market intelligence and vital connections to help exporters and investors leverage opportunities in international markets, despite travel restrictions
- providing expert advice to small to medium sized exporters on using e-Commerce to leverage export opportunities in target markets
- trialling new ways of delivery and using 'digital business matching' to raise the profile of Queensland companies.²⁴

3.3 Office of the Governor

The Office of the Governor provides executive, administrative, logistical and personal support that enables the Governor to effectively exercise the constitutional powers and responsibilities of office, and to undertake constitutional and ceremonial duties and community activities.²⁵

3.3.1 Appropriation

The following table shows the cash appropriation proposed for the Office of the Governor for 2020-21, compared with the budgeted and actual cash appropriations for the office in 2019-20.

Appropriations	Budget 2019-2020 \$'000	Actual 2019-20 \$'000	Vote 2020-21 \$'000
<i>Controlled Items</i>			
departmental services	7,333	7,042	7,337
equity adjustment	..	373	..
<i>Administered Items</i>	..	..	..
Vote	7,333	7,415	7,337

Source: Appropriation (2020-2021) Bill 2020, Schedule 2.

3.3.2 Service area highlights

The service area highlights for the Office of the Governor in 2020-21 include:

- providing high quality advice and executive support to the Governor to assist the Governor in fulfilling the constitutional and legal responsibilities of the office

²² Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 22.

²³ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 23.

²⁴ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 24.

²⁵ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 27.

- supporting the Governor’s program of civic engagements at Government House and educating the community about the role of the Governor and promoting community organisations through His Excellency’s patronage
- providing efficient and effective stewardship of Government House and the Estate.²⁶

3.3.3 Capital purchases

The Office of the Governor’s capital purchases in 2019-20 totalled \$203,000. The 2020-21 capital purchases budget is \$64,000.²⁷

3.4 Public Service Commission

The objectives of the PSC are to:

- support public sector agencies to effectively manage their workforces
- build a highly capable and responsive public sector workforce
- support the public sector to prepare for and respond to strategic workforce challenges.²⁸

The Integrity Commissioner – who provides advice to designated persons, raises awareness on ethics and integrity issues, and maintains the Queensland Register of Lobbyists – is administratively included within the PSC.²⁹

3.4.1 Appropriation

The following table shows the cash appropriation for the PSC for 2020-21, compared with the budgeted and actual cash appropriations for the PSC for 2019-20.

Appropriations	Budget 2019-2020 \$'000	Actual 2019-20 \$'000	Vote 2020-21 \$'000
<i>Controlled Items</i>			
departmental services	14,253	13,143	11,485
equity adjustment	..	..	..
<i>Administered Items</i>	..	..	..
Vote	14,253	13,143	11,485

Source: Appropriation (2020-2021) Bill 2020, Schedule 2.

The decrease in the proposed annual cash appropriation for the PSC in 2020-21 coincides with a reduction in the operating budget for the PSC across the year, with the SDS highlighting developments including the planned return to government of \$497,000 in savings achieved as a contribution to the Queensland Government Savings and Debt Plan.³⁰

The SDS note that this decrease will be offset by the planned carrying over of appropriation funding deferred from 2019-20 to 2020-21 (\$980,000) for the delayed implementation of the Predictive

²⁶ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 28.

²⁷ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 29.

²⁸ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 34.

²⁹ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 34.

³⁰ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 37.

Analytics Platform and the postponed delivery of learning and capability programs to the public sector, as a result of disruptions associated with the COVID-19 pandemic.³¹

3.4.2 Service area highlights

The service area highlights for the PSC in 2020-21 include:

- supporting the public sector’s COVID-19 response and recovery efforts by providing leadership and coordination of sector-wide projects including employee mobilisation and capability building
- implementing public sector workforce reforms, primarily arising from recommendations contained in the *Bridgman Report – A fair and responsive public service for all* (Bridgman Report) and the *Coaldrake Report – The public sector of tomorrow*
- further expanding the Careers Pathways program to support more Aboriginal and Torres Strait Islander public service employees into management and leadership positions through targeted mentoring and capability building
- supporting agencies to utilise employee opinion survey data to improve the organisational climate across the public sector.³²

3.5 Queensland Audit Office

The QAO provides independent public sector auditing and reporting.³³

3.5.1 Appropriation

The following table sets out the cash appropriations proposed for the QAO for 2020-21 and for the previous, 2019-20 financial year, together with the actual appropriation for 2019-20.

Appropriations	Budget 2019-2020 \$'000	Actual 2019-20 \$'000	Vote 2020-21 \$'000
<i>Controlled Items</i>			
departmental services	6,922	7,143	6,598
equity adjustment	..	..	..
<i>Administered Items</i>	..	..	..
Vote	6,922	7,143	6,598

Source: Appropriation (2020-2021) Bill 2020, Schedule 2.

The SDS advise that the \$545,000 decrease in the QAO’s appropriation revenue for 2020-21 (compared to the actual appropriation in 2019-20) factors in an anticipated \$65,000 in savings from the deferral of public sector wages increases in 2020-21, and a \$388,000 reduction by government, offset by a \$40,000 allocation for the state wage case.³⁴

³¹ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 38.

³² Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 36.

³³ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 42.

³⁴ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 46; Appropriation (2020-2021) Bill 2020, Schedule 2.

3.5.2 Service area highlights

The service area highlights for the QAO in 2020-21 include:

- increasing reporting on the extent of audit recommendations implemented, based on updates provided by state and local government entities
- reviewing how findings and insights are communicated with Parliament, clients and wider stakeholders
- working with clients to ensure they apply changes to accounting standards correctly and report appropriately
- holistically reviewing the audit process, including updated methodologies, toolsets, resource management, and technology.³⁵

3.5.3 Capital purchases

There is no money budgeted for the QAO for capital purchases in 2020-21. In 2019-20, the QAO had a capital purchases budget of \$26,000.³⁶

3.6 Key issues raised during consideration of the budget estimates for the portfolios of Premier and Cabinet and Trade

Issues considered by the committee in relation to the estimates for the portfolio areas of Premier and Cabinet and Trade included:

- DPC budget spending in support of the COVID-19 response³⁷
- investments in Queensland’s health capacity³⁸
- support for frontline services in health, education and community services³⁹
- the possible expansion of hotel quarantine⁴⁰
- the role of investments in schools in the economic recovery plan⁴¹
- the Wellbeing Workforce for Queensland state schools program⁴²
- support for jobs in the budget, including through the government’s Unite and Recover for Queensland Jobs plan⁴³ and support for local governments to create jobs⁴⁴
- skills initiatives, including investments in training centres and TAFE and apprenticeship placements, and support for school-industry partnerships⁴⁵

³⁵ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 43.

³⁶ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 45.

³⁷ Public hearing transcript, Brisbane, 7 December 2020, pp 18-19.

³⁸ Public hearing transcript, Brisbane, 7 December 2020, p 21.

³⁹ Public hearing transcript, Brisbane, 7 December 2020, p 42.

⁴⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 37-38.

⁴¹ Public hearing transcript, Brisbane, 7 December 2020, pp 26-27.

⁴² Public hearing transcript, Brisbane, 7 December 2020, pp 35-36.

⁴³ Public hearing transcript, Brisbane, 7 December 2020, pp 19, 21.

⁴⁴ Public hearing transcript, Brisbane, 7 December 2020, pp 41-42.

⁴⁵ Public hearing transcript, Brisbane, 7 December 2020, pp 19-20.

- major infrastructure projects funded in the budget⁴⁶
- investment in the regions,⁴⁷ including funding for regional roads⁴⁸
- consultation with regional and rural Queenslanders through Regional Community Forums⁴⁹
- the input of the Queensland Industry Recovery Alliance on the economic recovery plan⁵⁰
- assistance provided to business through grants, payroll tax support and loans,⁵¹ and specific initiatives to support small businesses⁵²
- support for manufacturing⁵³
- the government’s 50% renewable energy target by 2030⁵⁴
- the development of a hydrogen industry in Queensland⁵⁵
- support for the aquaculture and agriculture sectors⁵⁶
- support for the tourism sector⁵⁷
- the government’s Savings and Debt Plan⁵⁸
- machinery-of-government changes⁵⁹
- the cost of legal advice for the DPC, the Premier and Office of the Premier⁶⁰
- complaints about DPC staff⁶¹
- possible conflicts of interest for DPC staff⁶²
- the activities of lobbyists and their obligations⁶³
- car parks at 1 William Street⁶⁴

⁴⁶ Public hearing transcript, Brisbane, 7 December 2020, p 35.

⁴⁷ Public hearing transcript, Brisbane, 7 December 2020, pp 27-28.

⁴⁸ Public hearing transcript, Brisbane, 7 December 2020, pp 42-43.

⁴⁹ Premier and Minister for Trade, response to pre-hearing question on notice no. 8.

⁵⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 28-29.

⁵¹ Premier and Minister for Trade, response to pre-hearing question on notice no. 1.

⁵² Public hearing transcript, Brisbane, 7 December 2020, pp 29-30.

⁵³ Public hearing transcript, Brisbane, 7 December 2020, p 20.

⁵⁴ Public hearing transcript, Brisbane, 7 December 2020, p 33.

⁵⁵ Public hearing transcript, Brisbane, 7 December 2020, pp 34-35.

⁵⁶ Public hearing transcript, Brisbane, 7 December 2020, pp 33-34.

⁵⁷ Public hearing transcript, Brisbane, 7 December 2020, p 29.

⁵⁸ Premier and Minister for Trade, response to pre-hearing question on notice no. 12.

⁵⁹ Premier and Minister for Trade, response to pre-hearing question on notice no. 11.

⁶⁰ Premier and Minister for Trade, response to pre-hearing question on notice no. 14.

⁶¹ Premier and Minister for Trade, response to pre-hearing question on notice no. 13.

⁶² Public hearing transcript, Brisbane, 7 December 2020, pp 12-13.

⁶³ Public hearing transcript, Brisbane, 7 December 2020, pp 13-16.

⁶⁴ Public hearing transcript, Brisbane, 7 December 2020, pp 16, 49-50.

- the engagement of Jon Persley in the Premier’s office⁶⁵
- the appointment of Mike Kaiser as Acting Director-General of the Department of Resources⁶⁶
- payments to certain former DPC staff⁶⁷
- Ministerial charter letters⁶⁸
- Ministers’ use of private email accounts⁶⁹
- investigation of the Director-General of the DPC by the Crime and Corruption Commission⁷⁰
- frontline public service employee numbers⁷¹
- the implementation of Bridgman Report recommendations⁷²
- legislative drafting and e-publishing⁷³
- the budget of the Domestic and Family Violence Implementation Council⁷⁴
- funding for veterans⁷⁵
- support for veterans through the Veterans’ Employment Pathway Program⁷⁶
- outcomes delivered under previous veterans’ grants funding rounds and the ANZAC Legacy project⁷⁷
- support for Screen Queensland⁷⁸
- the Production Attraction Strategy⁷⁹
- the Far North Queensland Screen Production Strategic Plan⁸⁰
- disaster management co-ordination by the DPC⁸¹
- the management of the K’gari (Fraser Island) fire⁸²

⁶⁵ Public hearing transcript, Brisbane, 7 December 2020, pp 13, 49.

⁶⁶ Public hearing transcript, Brisbane, 7 December 2020, pp 22-23.

⁶⁷ Public hearing transcript, Brisbane, 7 December 2020, p 23.

⁶⁸ Public hearing transcript, Brisbane, 7 December 2020, p 17.

⁶⁹ Public hearing transcript, Brisbane, 7 December 2020, pp 18, 37, 38-39, 44-45, 50.

⁷⁰ Public hearing transcript, Brisbane, 7 December 2020, p 30.

⁷¹ Public hearing transcript, Brisbane, 7 December 2020, pp 30-32, 50.

⁷² Premier and Minister for Trade, response to pre-hearing question on notice no. 7.

⁷³ Public hearing transcript, Brisbane, 7 December 2020, p 32.

⁷⁴ Premier and Minister for Trade, response to pre-hearing question on notice no. 15.

⁷⁵ Public hearing transcript, Brisbane, 7 December 2020, p 28.

⁷⁶ Premier and Minister for Trade, response to pre-hearing question on notice no. 5.

⁷⁷ Premier and Minister for Trade, response to pre-hearing question on notice no. 6.

⁷⁸ Public hearing transcript, Brisbane, 7 December 2020, pp 36-37.

⁷⁹ Premier and Minister for Trade, response to pre-hearing question on notice no. 10.

⁸⁰ Premier and Minister for Trade, response to pre-hearing question on notice no. 9.

⁸¹ Premier and Minister for Trade, response to pre-hearing question on notice no. 16.

⁸² Public hearing transcript, Brisbane, 7 December 2020, pp 24, 25-26, 50.

- preventative fire maintenance in national parks,⁸³ and the Inspector-General Emergency Management’s K’Gari Bushfire Review⁸⁴
- Keswick Island, including the engagement of departmental staff with locals in relation to their concerns⁸⁵
- addressing inefficiencies such as those relating to surplus land assets and their potential use for housing or other purposes⁸⁶
- the upcoming 5-yearly strategic review of the Integrity Commissioner⁸⁷
- the powers of the Integrity Commissioner⁸⁸
- the possibility of a review of sessional orders⁸⁹
- the possibility of a COVID-19 oversight inquiry⁹⁰
- the possibility of a review or ‘revamp’ of estimates⁹¹
- TIQ’s international investment attraction unit and Queensland Treasury’s investment facilitation unit⁹²
- trade outcomes secured over the previous 12 months⁹³
- support for outback tourism⁹⁴
- TIQ’s support for innovation companies⁹⁵
- the Go Global exports grants program⁹⁶
- complaints about TIQ’s locally engaged staff⁹⁷
- TIQ hospitality expenses⁹⁸
- TIQ’s use of contractors⁹⁹

⁸³ Public hearing transcript, Brisbane, 7 December 2020, p 26.

⁸⁴ Public hearing transcript, Brisbane, 7 December 2020, p 26.

⁸⁵ Public hearing transcript, Brisbane, 7 December 2020, p 23.

⁸⁶ Public hearing transcript, Brisbane, 7 December 2020, p 25.

⁸⁷ Premier and Minister for Trade, response to pre-hearing question on notice no. 17; public hearing transcript, Brisbane, 7 December 2020, pp 15-16, 17.

⁸⁸ Public hearing transcript, Brisbane, 7 December 2020, p 15.

⁸⁹ Public hearing transcript, Brisbane, 7 December 2020, p 18.

⁹⁰ Public hearing transcript, Brisbane, 7 December 2020, p 45.

⁹¹ Public hearing transcript, Brisbane, 7 December 2020, p 46.

⁹² Public hearing transcript, Brisbane, 7 December 2020, pp 47-48.

⁹³ Public hearing transcript, Brisbane, 7 December 2020, pp 43-44.

⁹⁴ Premier and Minister for Trade, response to pre-hearing question on notice no. 4.

⁹⁵ Premier and Minister for Trade, response to pre-hearing question on notice no. 2.

⁹⁶ Premier and Minister for Trade, response to pre-hearing question on notice no. 3.

⁹⁷ Premier and Minister for Trade, response to pre-hearing question on notice no. 18.

⁹⁸ Premier and Minister for Trade, response to pre-hearing question on notice no. 19.

⁹⁹ Premier and Minister for Trade, response to pre-hearing question on notice no. 20.

- instances of misappropriation of TIQ funds¹⁰⁰
- TIQ's use of digital technology to expand trade outcomes¹⁰¹
- Queensland's candidature for the 2032 Olympic and Paralympic Games¹⁰²
- the possible extension of the Gold Coast Convention Centre¹⁰³
- investment in the protection of the environment, including the Great Barrier Reef¹⁰⁴
- investment in the Sunshine Coast and Moreton Bay regions¹⁰⁵
- the proposed hospital at Coomera¹⁰⁶
- the use of polling information.¹⁰⁷

¹⁰⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 46-47.

¹⁰¹ Public hearing transcript, Brisbane, 7 December 2020, p 48.

¹⁰² Public hearing transcript, Brisbane, 7 December 2020, pp 48-49.

¹⁰³ Public hearing transcript, Brisbane, 7 December 2020, p 45.

¹⁰⁴ Public hearing transcript, Brisbane, 7 December 2020, p 43.

¹⁰⁵ Public hearing transcript, Brisbane, 7 December 2020, p 49.

¹⁰⁶ Public hearing transcript, Brisbane, 7 December 2020, pp 40-41.

¹⁰⁷ Public hearing transcript, Brisbane, 7 December 2020, p 39-40.

4 Treasurer and Minister for Investment

The Hon Cameron Dick MP, Treasurer and Minister for Investment (Treasurer), has responsibility for:

- Queensland Treasury
- the Motor Accident Insurance Commission (MAIC)/Nominal Defendant
- the Queensland Productivity Commission (QPC).¹⁰⁸

In addition, the Treasurer is responsible for the administration of the: *Government Owned Corporations Act 1993*, *National Injury Insurance Scheme (Queensland) Act 2016*, *Queensland Competition Authority Act 1997*, *Queensland Investment Corporation Act 1991*, *Queensland Rail Transit Authority Act 2013*, *Queensland Treasury Corporation Act 1998*, *South East Queensland Water (Restructuring) Act 2007*,¹⁰⁹ and *Trade and Investment Queensland Act 2013* (except to the extent administered by the Minister for Tourism Industry Development and Innovation and Minister for Sport). This legislation governs the the operations of:

- the National Injury Insurance Agency, Queensland (NIISQ Agency)
- the Queensland Competition Authority (QCA)
- Trade and Investment Queensland (TIQ)
- QIC Limited, Queensland Treasury Corporation (QTC), and all government owned corporations (GOCs)¹¹⁰ (for which the Treasurer is a shareholding Minister)
- two statutory entities with commercial interests – that is, Queensland Rail and the Queensland Bulk Water Supply Authority (Seqwater).¹¹¹

In keeping with the requirements of Schedule 7 of the Standing Orders, the chief executives of each of these entities were present at the hearing on 7 December 2020 to assist the committee with its consideration of the portfolio estimates.¹¹²

4.1 Queensland Treasury

As part of the machinery-of-government changes (effective 12 November):

- some of the former Department of State Development, Tourism and Innovation’s functions were transferred to Queensland Treasury
- some functions were transferred from Queensland Treasury to the Department of State Development, Infrastructure, Local Government and Planning.¹¹³

¹⁰⁸ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 73.

¹⁰⁹ *Administrative Arrangements Order (No. 2) 2020*.

¹¹⁰ This includes CS Energy Ltd, CleanCo Queensland Ltd, Energy Queensland Ltd, Queensland Electricity Transmission Corporation Ltd (Powerlink), Stanwell Corporation Ltd, Gladstone Ports Corporation Ltd, North Queensland Bulk Ports Corporation Ltd, Port of Townsville Ltd, Far North Queensland Ports Corporation Ltd and Sunwater Ltd. See: Queensland Treasury, *Government Owned Corporations*, website, last updated 27 May 2020, <https://www.treasury.qld.gov.au/queenslands-economy/government-owned-corporations/>.

¹¹¹ Queensland Treasury monitors the performance of all government-owned corporations and the two statutory bodies with commercial operations on behalf of the Treasurer. See: Queensland Treasury, *Government Owned Corporations*, website, last updated 27 May 2020, <https://www.treasury.qld.gov.au/queenslands-economy/government-owned-corporations/>.

¹¹² Where a relevant chief executive was unable to attend, they were represented by another senior officer of the organisation, ensuring compliance with Schedule 7 responsibilities.

¹¹³ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 74.

The machinery-of-government changes were the primary reason for a reduction in full-time equivalent staff for Queensland Treasury in the 2020-21 budget compared with 2019-20 actual figures.¹¹⁴

The SDS advise that Queensland Treasury will deliver the following services in 2020-21:

- inform, support and enhance the Queensland Government’s policy formulation and decision-making through expert economic and fiscal policy analysis, advice, and forecasts, including economic, revenue and regulatory leadership to complement the specialist knowledge and capability within line agencies
- prepare the Queensland Budget
- support economic recovery and growth in Queensland by providing robust financial and commercial advice to the Queensland Government on commercial and strategic investments
- support economic recovery in Queensland through best practice revenue collection, grants management and penalty debt management
- attract and facilitate investment opportunities in Queensland that provide enduring economic benefit.¹¹⁵

4.1.1 Appropriation

The following table shows the cash appropriation for Queensland Treasury for 2020-21, compared to the budgeted and actual cash appropriations for 2019-20.

Appropriations	Budget 2019-20 \$'000	Actual 2019-20 \$'000	Vote 2020-21 \$'000
<i>Controlled Items</i>			
departmental services	255,353	254,276	371,772
equity adjustment	15,900	16,329	(9,254)
<i>Administered Items</i>	6,423,073	6,642,230	8,156,408
Vote	6,694,326	6,912,835	8,518,926

Source: Appropriation (2020-2021) Bill 2020, Schedule 2.

4.1.2 Service area highlights

The 2020-21 service area highlights for Queensland Treasury include:

- working across government to develop COVID-19 response measures and the delivery of economic recovery initiatives
- providing timely and effective advice to government and line agencies on the performance and outlook for the Queensland economy, based on analysis of state, national and global economic conditions
- leading negotiations with native title holders to manage the state’s native title compensation liability by negotiated settlement and responding to native title compensation claims lodged in the Federal Court¹¹⁶

¹¹⁴ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 82.

¹¹⁵ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 74.

¹¹⁶ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 75.

- delivering and implementing the COVID-19 Fiscal and Economic Review and the 2020-21 and 2021-22 Queensland Budgets
- delivering the *2019-20 Report on State Finances* and supporting agencies to implement new accounting standards that apply from 2020-21
- supporting the State Investment Advisory Board in investing funds set aside for the State’s defined benefit obligations, and other long-term assets
- delivering the Financial Provisioning Scheme as an integrated process to manage the State’s financial risk associated with environmental authority holders and small-scale miners¹¹⁷
- providing commercial and financial advice for assessment, investment and delivery of major government projects
- collaborating on options to achieve the government’s 50% renewable energy target and on water security policy and measures¹¹⁸
- implementing specific payroll tax concessions to help stimulate business in regional Queensland
- administering COVID-19 tax relief measures for payroll tax and land tax
- enhancing an online self-service portal for State Penalties Enforcement Registry debtors to help them manage and pay their debt¹¹⁹
- supporting major private sector investment by providing tailored project facilitation services coordination across all levels of government and communication with other key project stakeholders.¹²⁰

4.1.3 Capital purchases

Queensland Treasury has a capital purchases budget of \$925,000 for 2020-21, to complete upgrades to Queensland Treasury’s S/4HANA finance system.¹²¹

4.2 Motor Accident Insurance Commission / Nominal Defendant

The MAIC regulates and improves Queensland’s compulsory third party (CTP) insurance scheme, monitors and makes recommendations for the NIISQ, and manages the Motor Accident Insurance and Nominal Defendant funds for the benefit of the Queensland community.

The Nominal Defendant compensates people injured because of the negligent driving of unidentified motor vehicles or motor vehicles with no CTP insurance, and acts as an insurer of last resort, by meeting the claim costs of any licensed insurer who may become insolvent.¹²²

There is no separate appropriation in the Appropriation (2020-2021) Bill 2020 for the MAIC and Nominal Defendant. The two entities are funded by a statutory levy payable with the CTP insurance premium, which is approved and fixed in regulation by the Treasurer on an annual basis.¹²³

¹¹⁷ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 77.

¹¹⁸ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 79.

¹¹⁹ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 80.

¹²⁰ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 81.

¹²¹ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 82.

¹²² Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 87.

¹²³ MAIC, *Motor Accident Insurance Commission*, webpage, last updated 3 December 2020, <https://maic.qld.gov.au/about/maic/>; MAIC, *Nominal Defendant*, webpage, last updated 3 December 2020, <https://maic.qld.gov.au/about/nominal-defendant/>. See also: *Motor Accident Insurance Act 1994*, s 14, 14A.

4.2.1 Service area highlights

The 2020-21 service area highlights for the MAIC and Nominal Defendant include:

- continuing to investigate the regulatory impacts of introducing automated (driverless) vehicles into Australia, with a focus on ensuring people injured or killed by an automated driving system have equal access to timely medical and rehabilitation treatment
- delivering an electronic claims process and continuing to explore opportunities for digitisation and innovation, assisting Queenslanders to access the information and support they need online.¹²⁴

4.3 Queensland Productivity Commission

The QPC provides independent economic and policy advice to the Queensland Government to enhance productivity, drive economic growth and raise living standards in Queensland.¹²⁵

4.3.1 Cash appropriation

There is no separate appropriation in the Appropriation (2020-2021) Bill 2020 for the QPC, which is financed primarily through grants and funding provided by Queensland Treasury.¹²⁶

4.3.2 Service area highlights

The 2020-21 service area highlights for the QPC are:

- undertaking in-depth reviews of complex economic, industry and regulatory issues informed by wide public consultation
- formulating policy recommendations to government to encourage stronger economic growth, improved productivity and service delivery, and higher living standards across Queensland.

In 2021, the functions and staff of the QPC will be transitioned into the Office of Productivity and Red Tape Reduction within the Economics, Fiscal and Commercial Group of Queensland Treasury.¹²⁷

4.4 Key issues raised during consideration of the budget estimates for the portfolios of Treasury and Investment

Issues considered by the committee in relation to the estimates for the portfolios of Treasury and Investment included:

- Queensland's economic performance throughout the COVID-19 pandemic,¹²⁸ including its economic growth and forecasts relative to other jurisdictions¹²⁹
- the state's net export growth and forecasts compared with other jurisdictions¹³⁰
- the impact of the pandemic on Queensland's prices and wages growth¹³¹

¹²⁴ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 87.

¹²⁵ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 91.

¹²⁶ Queensland Budget 2019-20, Service Delivery Statements – Queensland Treasury, pp 15, 42; Queensland Productivity Commission, *Annual Report 2019-20, 2020*, pp 23, 28, 36.

¹²⁷ Queensland Budget 2020-21, Service Delivery Statements, vol 1, p 91.

¹²⁸ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 1.

¹²⁹ Treasurer and Minister for Investment, response to pre-hearing question on notice nos 2, 3.

¹³⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 87-88.

¹³¹ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 5.

- Queensland’s job performance throughout the pandemic,¹³² and the employment outlook and forecasts compared to other jurisdictions¹³³
- jobs growth and support for employment in the regions¹³⁴
- household consumption growth in Queensland compared with other jurisdictions¹³⁵
- business confidence and business investment in Queensland and other jurisdictions during the COVID-19 crisis¹³⁶
- Queensland’s economic recovery from the COVID-19 pandemic and its effects¹³⁷
- Queensland’s tax competitiveness relative to other jurisdictions¹³⁸
- the contribution of the government’s capital program to Queensland’s economic recovery,¹³⁹ and the financial management of capital purchases¹⁴⁰
- the HomeBuilder program,¹⁴¹ and how the Federal Government has worked with the Queensland Government in relation to the program¹⁴²
- assistance for Queensland producers, manufacturers and other businesses¹⁴³
- support for small businesses, including the Small Business Adaptation Grants program¹⁴⁴
- the Jobs and Regional Growth Fund¹⁴⁵
- the Queensland Rural and Industry Development Authority COVID-19 Jobs Support Loans scheme¹⁴⁶
- the planned distribution of funding through the Resources Community Infrastructure Fund¹⁴⁷
- the impacts of COVID-19 on Queensland’s population growth¹⁴⁸
- investment in social housing¹⁴⁹

¹³² Public hearing transcript, Brisbane, 7 December 2020, p 58.

¹³³ Public hearing transcript, Brisbane, 7 December 2020, pp 66-67.

¹³⁴ Public hearing transcript, Brisbane, 7 December 2020, p 79.

¹³⁵ Public hearing transcript, Brisbane, 7 December 2020, pp 58-59.

¹³⁶ Public hearing transcript, Brisbane, 7 December 2020, pp 79-80.

¹³⁷ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 1; public hearing transcript, Brisbane, 7 December 2020, pp 59-60.

¹³⁸ Public hearing transcript, Brisbane, 7 December 2020, pp 84-85.

¹³⁹ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 6.

¹⁴⁰ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 18.

¹⁴¹ Public hearing transcript, Brisbane, 7 December 2020, p 81.

¹⁴² Treasurer and Minister for Investment, response to pre-hearing question on notice no. 7.

¹⁴³ Public hearing transcript, Brisbane, 7 December 2020, p 63.

¹⁴⁴ Public hearing transcript, Brisbane, 7 December 2020, pp 64, 65-66.

¹⁴⁵ Public hearing transcript, Brisbane, 7 December 2020, pp 71-72.

¹⁴⁶ Public hearing transcript, Brisbane, 7 December 2020, p 87.

¹⁴⁷ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 19.

¹⁴⁸ Public hearing transcript, Brisbane, 7 December 2020, pp 78-79.

¹⁴⁹ Public hearing transcript, Brisbane, 7 December 2020, pp 85-86.

- the preparation and delivery of the 2020-21 budget¹⁵⁰
- the provision of forward estimates of key fiscal aggregates to the Treasurer and Premier¹⁵¹
- whether briefings were sought by the Opposition during the caretaker period¹⁵²
- Queensland’s operating position compared with other jurisdictions,¹⁵³ including the value of the state’s borrowings¹⁵⁴ and the overall borrowing position¹⁵⁵
- the debt levels of Queensland’s GOCs and statutory authorities relative to other jurisdictions¹⁵⁶
- Queensland’s credit rating,¹⁵⁷ and the timing of the next Moody’s rating¹⁵⁸
- the Queensland Future Fund¹⁵⁹
- the Queensland Government’s investment growth during the pandemic¹⁶⁰
- Queensland Government interest payments¹⁶¹
- the reprioritisation target value for Queensland Government departments under the Savings and Debt Plan¹⁶²
- the productivity dividend process, including the productivity dividend from Queensland Health in 2020-21¹⁶³
- the cost of teachers and new teacher aides¹⁶⁴
- senior executive service roles¹⁶⁵
- employment and wage levels in the public service¹⁶⁶
- reductions in staffing levels at Queensland Treasury within the context of machinery-of-government changes¹⁶⁷
- the use of contractors and labour hire staff by Queensland Treasury and administered bodies¹⁶⁸

¹⁵⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 53, 54, 55.

¹⁵¹ Public hearing transcript, Brisbane, 7 December 2020, pp 53, 54-55.

¹⁵² Public hearing transcript, Brisbane, 7 December 2020, p 56.

¹⁵³ Public hearing transcript, Brisbane, 7 December 2020, pp 64-65.

¹⁵⁴ Public hearing transcript, Brisbane, 7 December 2020, pp 62-63;

¹⁵⁵ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 4.

¹⁵⁶ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 10.

¹⁵⁷ Public hearing transcript, Brisbane, 7 December 2020, pp 56-58, 85.

¹⁵⁸ Public hearing transcript, Brisbane, 7 December 2020, p 60.

¹⁵⁹ Public hearing transcript, Brisbane, 7 December 2020, pp 72, 84, 90-91.

¹⁶⁰ Public hearing transcript, Brisbane, 7 December 2020, p 72.

¹⁶¹ Public hearing transcript, Brisbane, 7 December 2020, pp 77-78.

¹⁶² Treasurer and Minister for Investment, response to pre-hearing question on notice no. 13.

¹⁶³ Public hearing transcript, Brisbane, 7 December 2020, p 55-56, 82, 93.

¹⁶⁴ Public hearing transcript, Brisbane, 7 December 2020, p 77.

¹⁶⁵ Public hearing transcript, Brisbane, 7 December 2020, pp 69-70.

¹⁶⁶ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 9.

¹⁶⁷ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 16.

¹⁶⁸ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 12.

- staff seconded to Treasury and administered statutory bodies from other Queensland Government entities¹⁶⁹
- portfolio expenditure on external consultants and on social media¹⁷⁰
- Queensland Treasury car parking¹⁷¹
- the Treasurer’s use of personal email¹⁷²
- the Queensland Treasury contract register¹⁷³
- contracts awarded to KPMG,¹⁷⁴ including the involvement of Mike Kaiser in KPMG contracts¹⁷⁵
- contracts awarded to Newgate,¹⁷⁶ including the involvement of John Lee in Newgate contracts¹⁷⁷
- the involvement of multinational software corporation SAP in Energy Queensland’s IT rollout¹⁷⁸
- employee fraud and/or misconduct investigations¹⁷⁹
- the Queensland Government’s investment in Virgin Australia¹⁸⁰
- QIC investments¹⁸¹
- QIC’s internal rate of return target¹⁸²
- QIC dividend payouts¹⁸³
- securities and derivatives trading programs undertaken by GOCs¹⁸⁴
- losses on interest and distributions held by QIC on behalf of Treasury and administered statutory bodies¹⁸⁵
- QIC employee and client functions¹⁸⁶
- QIC staff bonuses¹⁸⁷

¹⁶⁹ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 12.

¹⁷⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 70, 75-76, 92; Treasurer and Minister for Investment, response to pre-hearing question on notice no. 11.

¹⁷¹ Public hearing transcript, Brisbane, 7 December 2020, pp 62, 93.

¹⁷² Public hearing transcript, Brisbane, 7 December 2020, p 67.

¹⁷³ Public hearing transcript, Brisbane, 7 December 2020, pp 80, 92.

¹⁷⁴ Public hearing transcript, Brisbane, 7 December 2020, pp 75-76, 80-81, 92.

¹⁷⁵ Public hearing transcript, Brisbane, 7 December 2020, pp 75-76, 92.

¹⁷⁶ Public hearing transcript, Brisbane, 7 December 2020, p 76.

¹⁷⁷ Public hearing transcript, Brisbane, 7 December 2020, pp 76, 92, 94.

¹⁷⁸ Public hearing transcript, Brisbane, 7 December 2020, pp 68-69.

¹⁷⁹ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 15.

¹⁸⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 82-83, 89, 91, 94.

¹⁸¹ Public hearing transcript, Brisbane, 7 December 2020, p 62.

¹⁸² Public hearing transcript, Brisbane, 7 December 2020, p 88.

¹⁸³ Public hearing transcript, Brisbane, 7 December 2020, p 60.

¹⁸⁴ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 20.

¹⁸⁵ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 17.

¹⁸⁶ Public hearing transcript, Brisbane, 7 December 2020, pp 70-71, 73-75, 77, 94.

¹⁸⁷ Public hearing transcript, Brisbane, 7 December 2020, pp 60-61.

- non-monetary benefits paid to key QIC and QTC management personnel¹⁸⁸
- Energy Queensland’s digital office capital expenditure¹⁸⁹
- financial support to projects with climate change risks¹⁹⁰
- investment in renewable energy generation,¹⁹¹ including through the Renewable Energy Fund¹⁹²
- CleanCo’s investment approach¹⁹³
- bulk water prices¹⁹⁴
- the independence of the QPC¹⁹⁵
- the funding of the defined benefit superannuation fund¹⁹⁶
- the vested benefit index of the defined benefit scheme,¹⁹⁷ and the target buffer¹⁹⁸
- defined benefit account errors or miscalculations¹⁹⁹
- the proposed merger between QSuper and Sunsuper.²⁰⁰

¹⁸⁸ Public hearing transcript, Brisbane, 7 December 2020, pp 61-62, 93.

¹⁸⁹ Public hearing transcript, Brisbane, 7 December 2020, pp 67-69.

¹⁹⁰ Public hearing transcript, Brisbane, 7 December 2020, p 62.

¹⁹¹ Public hearing transcript, Brisbane, 7 December 2020, pp 81-82.

¹⁹² Public hearing transcript, Brisbane, 7 December 2020, pp 86-87.

¹⁹³ Public hearing transcript, Brisbane, 7 December 2020, p 82.

¹⁹⁴ Public hearing transcript, Brisbane, 7 December 2020, pp 69, 93-94.

¹⁹⁵ Public hearing transcript, Brisbane, 7 December 2020, p 81.

¹⁹⁶ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 8.

¹⁹⁷ Public hearing transcript, Brisbane, 7 December 2020, p 90.

¹⁹⁸ Public hearing transcript, Brisbane, 7 December 2020, p 91.

¹⁹⁹ Treasurer and Minister for Investment, response to pre-hearing question on notice no. 14.

²⁰⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 63-64, 92.

5 Minister for Tourism Industry Development and Innovation and Minister for Sport

The Hon Stirling Hinchcliffe MP, Minister for Tourism Industry Development and Innovation and Minister for Sport, has responsibility for:

- the Department of Tourism, Innovation and Sport (DTIS)
- Tourism and Events Queensland (TEQ).²⁰¹

In addition, the Minister is responsible for administering the *Major Sports Facilities Act 2001* and components of the *Trade and Investment Queensland Act 2013*, which govern the operations of:

- Stadiums Queensland
- TIQ (in respect of international education and training).²⁰²

In keeping with the requirements of Schedule 7 of the Standing Orders, the chief executives of TEQ, Stadiums Queensland and TIQ were present at the hearing on 7 December 2020 to assist the committee with its consideration of the portfolio estimates.

5.1 Department of Tourism, Innovation and Sport

The machinery-of-government changes (effective on 12 November 2020) resulted in the former Department of State Development, Tourism and Innovation being renamed DTIS, reflecting the:

- transfer of the State Development function out of the department (and to the new Department of State Development, Infrastructure, Local Government and Planning)
- transfer to the department of the Sport and Recreation function (from the former Department of Housing and Public Works).²⁰³

The SDS advise that the DTIS will deliver the following services in 2020-21:

- drive economic growth and job creation through innovation in Queensland’s traditional and emerging strengths, harnessing Queensland’s research strengths and entrepreneurship to encourage new industries and using new technology, new skills capital and ideas to support business and industry creation, global connections and growth
- promote long-term growth of the tourism industry by facilitating a strategic whole-of-government approach to planning and investment in the state’s tourism infrastructure, assets and products and the coordination and leveraging of key major events to generate jobs
- promote healthier, more active lifestyles for Queenslanders, through supporting and encouraging participation in sports and recreation.²⁰⁴

5.1.1 Appropriation

The following table shows the cash appropriation proposed for the DTIS (formerly the Department of State Development, Tourism and Innovation and the Department of Innovation, Tourism Industry

²⁰¹ Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 131.

²⁰² *Administrative Arrangements Order No. 2 (2020)*. The administrative arrangements specify that the Minister has responsibility for the *Trade and Investment Queensland Act 2013* to the extent that it is relevant to international education and training, with the Treasurer and Minister for Investment having responsibility for administering all other aspects of the legislation.

²⁰³ Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 132.

²⁰⁴ Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 132.

Development and the Commonwealth Games) for 2020-21, compared with the budgeted and actual appropriations for 2019-20.

	Budget 2019-20 \$'000	Actual 2019-20 \$'000	Vote 2020-21 \$'000
<i>Controlled Items</i>			
departmental services	220,036	171,369	438,853
equity adjustment	(427)	475	32,187
<i>Administered Items</i>	109,902	416,692	224,970
Vote	329,511	588,536	696,010

Source: Appropriation (2020-2021) Bill 2020, Schedule 2.

5.1.2 Service area highlights

The 2020-21 service area highlights for the DTIS include:

- supporting innovation hubs and precincts to help build the innovation economy
- establishing an Immersive Technology Hub to promote Queensland’s capabilities nationally and internationally, and assist local industry, corporate and government organisations to better understand and engage with immersive technologies
- delivering programs to connect research and technology companies with corporates to grow value and add revenue and global routes to market²⁰⁵
- progressing the \$30 million tourism infrastructure commitment under the Great Keppel Island Rejuvenation Pilot
- supporting the tourism industry’s recovery through targeted initiatives including the \$25 million Growing Tourism Infrastructure Fund 2020-21, \$25 million Queensland Tourism Icons Program and \$15 million in support for aviation²⁰⁶
- continuing delivery of the Growing Tourism, Growing Jobs Program, following COVID-19 related delays for some proponents
- leading delivery of the Minjerribah (North Stradbroke Island) Economic Transition Strategy (expected to be completed in December 2021)
- delivering the \$7 million Growing Indigenous Tourism in Queensland Grant Fund and Our Country Indigenous Tourism Development Service²⁰⁷
- delivering a Sport and Recreation COVID-19 Safe Restart Plan and Return to Play Guide
- providing support to the Queensland sport and recreation industry and Queensland communities impacted by the pandemic

²⁰⁵ Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 133.

²⁰⁶ The Capital Statement advises that the \$25 million investment in the Growing Tourism Infrastructure Fund includes capital expenditure of \$9.7 million in 2020-21 and \$15 million post-2020-21. The \$25 million Queensland Tourism Icons Program includes \$23.25 million in capital expenditure to be incurred in 2020-21. See: Queensland Budget 2020-21, Capital Statement, p 28.

²⁰⁷ Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 135.

- delivering initiatives under the *Activate! Queensland 2019-2029* and *Our Active8 2019-2022 Action Plan* which target government investment to drive the delivery of sport and active recreation opportunities for all Queenslanders to promote healthier, more active lifestyles.²⁰⁸

5.1.3 Capital purchases

The total estimated capital purchases budget for 2020-21 for the DTIS is approximately \$26.7 million.²⁰⁹ This includes:

- \$21.8 million for Queensland Active Precincts
- \$4.5 million for Wangetti Trail
- \$355,000 for Queensland Recreation Centres.²¹⁰

5.2 Tourism and Events Queensland

TEQ seeks to achieve economic and social benefits for Queensland by growing the tourism and events industry in partnership with industry and government.²¹¹

There is no separate appropriation in the Appropriation (2020-2021) Bill 2020 for TEQ, which is financed primarily by grant funding from the DTIS.²¹²

5.2.1 Service area highlights

The 2020-21 service area highlights for TEQ include:

- supporting the Year of Indigenous Tourism by delivering activities in partnership with government and industry to showcase the Aboriginal and Torres Strait Islander tourism offerings and experiences in Queensland
- delivering a high performing events calendar to maximise economic and social benefits for Queensland, and supporting the current portfolio of events and broader industry to position themselves for the post COVID-19 environment
- undertaking research and intelligence analysis into global economic impacts, market trends and consumer behaviour to identify opportunities and inform decision making – in particular, undertaking research to monitor and track consumer behaviour and attitudinal changes in the post COVID-19 environment.²¹³

5.3 Key issues raised during consideration of the budget estimates for the portfolios of Tourism Industry Development and Innovation and Sport

Issues considered by the committee in relation to the estimates for the portfolios of Tourism Industry Development and Innovation and Sport included:

- the government's election commitment to rebuild Queensland tourism²¹⁴

²⁰⁸ Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 136.

²⁰⁹ This includes capital works and plant and equipment: Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 137.

²¹⁰ Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 137.

²¹¹ Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 143.

²¹² For the 2019-20 financial year, government grants from the former Department of State Development, Tourism and Innovation accounted for approximately 92% of TEQ's income, with remaining funds sources from cooperative income and other revenue. TEQ, *Annual Report 2019-20*, p 49.

²¹³ Queensland Budget 2020-21, Service Delivery Statements, vol 2, p 143.

²¹⁴ Public hearing transcript, Brisbane, 7 December 2020, pp 97, 109.

- the Tourism Business Capability Training and Funding Program²¹⁵
- the Growing Tourism Infrastructure Fund²¹⁶
- the Queensland Tourism Icons Program²¹⁷
- the Growing Tourism, Growing Tourism Jobs Program; the Great Keppel Island Rejuvenation Pilot; and the Minjerribah (North Stradbroke Island) Economic Transition Strategy²¹⁸
- the Growing Indigenous Tourism in Queensland Grant Fund²¹⁹
- the Queensland Ecotourism Plan 2016-2020²²⁰
- the Cooloola Great Walk, the Paluma to Wallaman Falls Trail and the Thorsborne Trail²²¹
- expenditure on infrastructure for Great Keppel Island²²²
- Queensland’s World Surfing Reserves²²³
- Brisbane’s Howard Smith Wharves river terminal²²⁴
- the Marine Tourism Rebate Scheme²²⁵
- overnight visitor expenditure in Queensland relative to other jurisdictions²²⁶
- tourism marketing expenditure²²⁷
- departmental overseas related travel expenses²²⁸
- staff seconded to the DTIS and TEQ from other state government entities²²⁹

²¹⁵ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 2; public hearing transcript, Brisbane, 7 December 2020, p 109.

²¹⁶ Public hearing transcript, Brisbane, 7 December 2020, pp 110-111.

²¹⁷ Public hearing transcript, Brisbane, 7 December 2020, p 112.

²¹⁸ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 12.

²¹⁹ Public hearing transcript, Brisbane, 7 December 2020, pp 111-112.

²²⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 107.

²²¹ Public hearing transcript, Brisbane, 7 December 2020, pp 107-108.

²²² Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 4; public hearing transcript, Brisbane, 7 December 2020, pp 113, 114, 122.

²²³ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 6.

²²⁴ Public hearing transcript, Brisbane, 7 December 2020, p 112.

²²⁵ Public hearing transcript, Brisbane, 7 December 2020, p 118.

²²⁶ Public hearing transcript, Brisbane, 7 December 2020, p 115.

²²⁷ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 13; public hearing transcript, Brisbane, 7 December 2020, pp 97, 104-105.

²²⁸ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 17.

²²⁹ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 16.

- contractors and labour hire staff in the DTIS and TEQ²³⁰
- TEQ employee fraud and/or misconduct investigations²³¹
- TEQ advice to the Chief Health Officer regarding Queensland’s interstate borders²³²
- portfolio expenditure relating to conferences, workshops, catering and other hospitality²³³
- DTIS funding for events²³⁴
- the Queensland Destination Events Program²³⁵
- government support for COVID safe events²³⁶
- grants provided for events which did not proceed²³⁷
- support for Queensland’s innovation sector²³⁸
- the Advance Queensland initiative²³⁹
- hospitality, events and travel expenses for programs associated with Advance Queensland²⁴⁰
- a contract awarded to the University of South Australia through Advance Queensland²⁴¹
- COVID-19 response support for innovators²⁴²
- the regional innovation strategy²⁴³ and regional innovation hubs²⁴⁴

²³⁰ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 16.

²³¹ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 15.

²³² Public hearing transcript, Brisbane, 7 December 2020, p 120.

²³³ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 14.

²³⁴ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 11.

²³⁵ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 1.

²³⁶ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 10.

²³⁷ Public hearing transcript, Brisbane, 7 December 2020, pp 114-115.

²³⁸ Public hearing transcript, Brisbane, 7 December 2020, p 121.

²³⁹ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 18; public hearing transcript, Brisbane, 7 December 2020, pp 104, 115-117, 119, 121-122, 123.

²⁴⁰ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 19.

²⁴¹ Public hearing transcript, Brisbane, 7 December 2020, pp 119-120.

²⁴² Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 8.

²⁴³ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 9.

²⁴⁴ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 3; public hearing transcript, Brisbane, 7 December 2020, p 121.

- investments to back start-ups²⁴⁵
- the Office of the Chief Entrepreneur²⁴⁶
- the Hot DesQ program²⁴⁷
- support for businesses impacted by international border closures²⁴⁸
- the international student arrival plan²⁴⁹
- the higher education sector COVID safe plan proposal²⁵⁰
- the University of Queensland’s COVID-19 vaccine²⁵¹
- Queensland Active Precincts²⁵²
- remuneration to the Acting Director-General for chairing the Stadium Taskforce²⁵³
- probity advice given to the Acting Director-General²⁵⁴
- contracts with Newgate²⁵⁵
- the Good to Go campaign²⁵⁶
- the administration of sports grants,²⁵⁷ including the Female Facilities Program²⁵⁸
- the Give it a Go in Queensland campaign²⁵⁹
- the FairPlay voucher scheme²⁶⁰
- the Women’s National Basketball League²⁶¹
- expenditure on the Gabba, and the naming rights process²⁶²

²⁴⁵ Public hearing transcript, Brisbane, 7 December 2020, pp 116-117.

²⁴⁶ Public hearing transcript, Brisbane, 7 December 2020, p 117.

²⁴⁷ Public hearing transcript, Brisbane, 7 December 2020, pp 119, 120, 123.

²⁴⁸ Public hearing transcript, Brisbane, 7 December 2020, pp 100-101.

²⁴⁹ Public hearing transcript, Brisbane, 7 December 2020, pp 103-104.

²⁵⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 113-114, 122.

²⁵¹ Public hearing transcript, Brisbane, 7 December 2020, pp 97, 104.

²⁵² Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 20.

²⁵³ Public hearing transcript, Brisbane, 7 December 2020, p 106.

²⁵⁴ Public hearing transcript, Brisbane, 7 December 2020, pp 106-107.

²⁵⁵ Public hearing transcript, Brisbane, 7 December 2020, p 106.

²⁵⁶ Public hearing transcript, Brisbane, 7 December 2020, pp 104-105.

²⁵⁷ Public hearing transcript, Brisbane, 7 December 2020, pp 97-100, 101, 122.

²⁵⁸ Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 7; public hearing transcript, Brisbane, 7 December 2020, pp 98-100, 101.

²⁵⁹ Public hearing transcript, Brisbane, 7 December 2020, pp 102-103.

²⁶⁰ Public hearing transcript, Brisbane, 7 December 2020, pp 119, 122.

²⁶¹ Public hearing transcript, Brisbane, 7 December 2020, pp 118-119.

²⁶² Minister for Tourism Industry Development and Innovation and Minister for Sport, response to pre-hearing question on notice no. 5; public hearing transcript, Brisbane, 7 December 2020, pp 105-106, 121, 122.

- Brewers Park in Sarina²⁶³
- Sunshine Coast Stadium²⁶⁴
- Queensland's 2032 Olympic bid²⁶⁵
- the code of conduct for short-term letting.²⁶⁶

²⁶³ Public hearing transcript, Brisbane, 7 December 2020, pp 108-109.

²⁶⁴ Public hearing transcript, Brisbane, 7 December 2020, pp 109-110.

²⁶⁵ Public hearing transcript, Brisbane, 7 December 2020, pp 101-102.

²⁶⁶ Public hearing transcript, Brisbane, 7 December 2020, p 113.

NON-GOVERNMENT STATEMENT OF RESERVATION

The Non-Government Members of the Economic and Governance Committee wish to make the following Statement of Reservations and concerns regarding the 2020/21 Budget Estimates Appropriation Bills 2020/21.

As Queenslanders deal with the impacts of COVID-19, the 2020/21 Budget was the time for the Palaszczuk Government to respond.

Instead, the third-term Labor Government claimed businesses are back on their feet and all jobs lost because of COVID-19 have been regained – claims woefully out of touch with reality.

The more than 200,000 Queenslanders who are currently out of work were relying on the Labor Government to get this Budget right. But for them it is simply pages of broken promises and dreams.

All Labor has delivered Queensland in this budget is \$28 billion in new debt to simply keep the lights on, and an infrastructure spend that is both billions less than southern states and is also being delivered years into the never never.

In its third term all the Labor Government can manage as an economic plan is a 41-page glossy brochure and an unemployment rate 13 percent higher than Victoria and nearly 25 percent higher than New South Wales.

Committee operation

As is prudent, the Opposition agrees with passing the budget. However, there are some reservations that should be noted.

As mentioned above, this budget outlines unemployment figures into the forwards confirming Queensland will have the worst unemployment figures in the country. Despite this, the government has not communicated any plans to fast-track projects to stimulate the economy and create jobs for Queenslanders.

By holding off the budget until after the election, the Government had a responsibility to be completely transparent about debt levels. Instead they outlined \$4 billion worth of debt before the election only to reveal the actual increase in debt would be seven times that amount at \$28 billion. While the opposition understands the need to borrow funds to build the roads, dams and other job creating projects; we are extremely concerned about the revelations in the budget which show the massive increase in debt has yielded only a tiny increase in the State's net worth. This is in stark contrast to results in other states who have used increased borrowings to fund large infrastructure building programs.

Finally, the structure of the whole budget process is fundamentally broken. With a vastly truncated estimates process, the Government had a responsibility to ensure it was completely transparent. Given the circumstances, it was more important than ever that a full and frank examination of Ministers and their portfolios occurred. Instead, the Queensland public was served up a dysfunctional sideshow of obfuscation and protection assisted by highly politicised conduct of the Estimates hearings.

The LNP proposes a complete reimagining of the Estimates process, starting with the appointment of non-Government Chairs during estimates – an initiative that we would implement in Government.

LEGISLATIVE ASSEMBLY AND PARLIAMENTARY SERVICES

The Speaker highlighted the need for more investment in the aging facilities of the Queensland Parliamentary precinct. There are reasonable concerns that ongoing maintenance of aging equipment and materials is not sufficient to efficiently achieve a reasonable standard. Clearly the upkeep of the Parliamentary precinct including the Annexe is not a priority of the government and this will likely exacerbate the current issues plaguing the precinct's ageing facilities and equipment.

Despite a significant investment of time and resources into providing an alternative virtual parliament solution for 2020, the Labor Government chose instead to ignore this solution and shut down Queensland's democracy to impose a heavily cut sitting schedule. This led to a significant waste of time and money. The virtual Parliament was ready and should have been utilised.

The government has now imposed significant budget reprioritisation target on the hardworking men and women of the Queensland Parliamentary Service.

PREMIER AND CABINET

The hearing revealed that an email was sent from Minister Mark Bailey's private email account to stacia1@bigpond.com in 2015. Of concern, the email, which was then tabled by the Opposition, discusses whether an incoming Director-General's "ideological perspective is contra to ours ... and our platform".

This statement is at odds with the Premier's repeated claim that Directors-General were appointed on merit.

The Premier would not comment on whether the email was authentic or whether she replied to it. Even more concerning was that the CCC was not aware the email had been sent from Minister Bailey's *Mangocube* private email account to stacia1@bigpond.com throughout the investigation into Minister Bailey's deleted private email account.

The use of private email for public purpose strikes at the heart of integrity in government and credibility.

The hearing also brought to light the practice of lobbyists consulting during an election campaign. Questions were directed to the Premier on whether lobbyists Evan Moorhead and Cameron Milner were involved in the Premier's election strategy. Both Moorhead and Milner were working on the Premier's floor. Of issue was whether these lobbyists were directing government employees, which was rebutted on the grounds that the lobbyists are aware of their obligations as lobbyists.

When asked whether the Integrity Commissioner supported a review of lobbying, the Integrity Commissioner referred to the next strategic review into the functions of the Integrity Commissioner (with the strategic reviewer to be appointed by February 2021) and welcomed the opportunity to review all of the functions of the Integrity Commissioner and to make recommendations to the committee.

TREASURY AND INVESTMENT; FINANCE

The failure to deliver a full state budget before the 2020 state election was a concern raised by many Queenslanders.

There were particular concerns with respect to the government's lack of financial transparency and their poor economic response to COVID-19, which was the biggest economic crisis in almost a century.

One of the biggest revelations of the 2020/21 state budget was that Queensland debt would increase to \$130 billion over the next four years, an increase of \$28 billion on the \$102 billion figure announced in September. That is despite the Government seeking a mandate for only \$4 billion in additional debt on repeated occasions both in the lead up to and during the recent state election campaign.

The LNP remains concerned about the Government's inability to explain the correlation between its Debt and Savings Plan, the 2% Queensland Health productivity dividend (or around \$270 million) and what that means for the ongoing resourcing of frontline health services, particularly in the midst of a global pandemic.

TOURISM INDUSTRY DEVELOPMENT, INNOVATION AND SPORT

Tourism

Once again, we heard from the Palaszczuk Labor Government through Minister Hinchliffe in the hearing that Queensland's Ecotourism Plan 2016-2020 had completely stalled. In fact, it became apparent in the hearing that all ecotourism operations had stalled.

Former Minister Jones had previously stated that the Cooloola Great Walk would be completed in late 2020, however in the hearing it was delayed again to mid-2022.

Former Minister Jones also committed to completing the business case for Paluma to Wallaman by late 2020, however these too remain outstanding.

The LNP members of the committee reject the excuse provided by government that COVID-19 was enough of a disrupter to delay some of these long overdue projects to be delivered by as much as two years.

These failures to deliver of Queensland's ecotourism opportunities continue to hurt our tourism industry and the regional communities that rely on the jobs these projects generate.

Central Queenslanders were once again reminded on the broken election commitments around the Palaszczuk Labor Government's 2017 \$25 million to deliver infrastructure to the beleaguered Great Keppel Island in the hearing. While money appears to be allocated in the 2020-21 budget, locals have seen this year on year since 2017 with out any action.

As such the LNP members of the committee will continue to hold this government to account on its recidivist broken election promise so Central Queensland can get on with restoring Great Keppel Island back to its once held tourism icon status.

In 2018 the Palaszczuk Labor Government again through former Minister Jones committed to a Code of Conduct to govern the behaviour of hosts and guests of short-term letting arrangements after the LGAQ moved a motion at its 2017 convention requesting action. Disappointingly, but unsurprisingly in the hearing it was confirmed that this process had completely broken down and had stalled.

The Palaszczuk Labor Government's failures in delivering ecotourism opportunities in Queensland as well as the botched Great Keppel Island restoration and failure to deliver a short-term letting code of conduct is part of a broader problem that has developed under Labor's watch even before COVID-19, the decline of our once great tourism sector.

Queensland used to be the jewel in the crown of Australia's tourism, seen as a state of great tourism potential.

Before coronavirus other states and territories powered ahead and experienced a tourism boom, while Queensland failed to keep pace in the race for valuable tourist dollars, costing jobs.

Official tourism data shows that before coronavirus, Queensland had lost domestic market share of visitors, visitor nights and visitor spend and had the second lowest growth in domestic visitor numbers and domestic visitor spend in the nation, only out-ranking Tasmania.

Under Labor, Queensland slipped from being the second most visited state in the nation for international tourists to now being a distant third after New South Wales and Victoria.

The LNP will continue to hold the Palaszczuk Labor Government to account on its array of broken election commitments within the tourism sector as it firmly believes that as a state we can and deserve better.

Labor's Sports Rorts

Poor record keeping of sports grants decision making and giving grants against advice, commonly called sports rorts, by the former Sports Minister is more proof of the lack of integrity and accountability at the heart of the Labor Government.

The current Sports Minister seemed to be more interested in debating standing orders, than addressing and dealing with this issue.

It is clear the Labor Government only acted because they were caught out by the Auditor-General.

The Minister was unapologetic about any bias in the allocation of grants. This was not addressed by the Minister and the committee should note the serious issues around allocating grants arbitrarily to suit the party of the government of the day.

Gabba naming rights process

Despite a 21-month process with involvement of numerous groups and consultants, the Gabba naming rights process was a failure. Taxpayers have been slugged a whopping \$134,075 for this failed process and still Taxpayers continue to subsidise and invest in aging infrastructure including turnstiles and facilities.

Given the now Acting Director-General led the Taskforce that kicked off this process, he should be very clear with Queenslanders about the causes of his failed recommendation and the outcomes.

It's also concerning the Acting Director-General was unable to recall how much he pocketed for leading the Stadiums Taskforce only two years ago.

Acting Director-General integrity

The integrity of Directors-General, including Acting Directors-General should be, and be seen to be, above reproach.

The failure of the Acting Director-General to give straightforward and clear answers to reasonable questions about his remuneration for the Stadlums Taskforce, and his involvement with Newgate Communications – a lobbyist and government supplier – while he has the significant powers of Director General, warrants further investigation.

It's not sufficient for the Acting Director-General to be simply "on leave" from Newgate Communications, rather than having severed his pecuniary interests there for the duration of his acting appointment.

Queensland needs a new approach to get the economy going and Queenslanders back to work.

The LNP calls for infrastructure spending to be brought forward and rolled out now to help those 200,000 Queenslanders re-enter the workforce.

The LNP will unleash economic growth by:

- Encouraging those with entrepreneurial spirit to invest their own money in job creating ventures;
- Valuing the Public Service by empowering them to make decisions which drop barriers to growth;
- Unshackling the mining industry and tourism industries through world's best practice environmental protections which both preserve our natural environment and utilise it to create jobs;
- Placing significant investment in agriculture research and development with output increased through world's best practice education, training and support for our producers; and
- Building the water infrastructure Queensland needs.

The LNP's approach will return Queensland to the rightful position as the nation's economic powerhouse and create a better Queensland for us, our children, and generations to come.



Ray Stevens
Deputy Chair of Economics and
Governance Committee
State Member for Mermald Beach



Michael Crandon
Member for Coomera



Dan Purdie
Member for Ninderry

