

Estimates Committee A 2002

Report No. 2 To The Legislative Assembly

Introduction

1. Estimates Committee A was appointed by the Legislative Assembly on 18 April 2002 to examine and report on the proposed expenditures contained in the *Appropriation Bill 2002* and the *Appropriation (Parliament) Bill 2002*. In accordance with the sessional orders adopted by the Assembly, the following organisational units were specifically allocated to the committee:

Office of the Governor

Legislative Assembly

Queensland Audit Office

Ombudsman

Crime and Misconduct Commission

Commissioner for Children and Young People

Public Service Commissioner

- 2. In addition, the sessional orders allocated all other organisational units within the portfolios of the Premier and Minister for Trade, the Deputy Premier, Treasurer and Minister for Sport and the Minister for State Development.
- 3. In accordance with sessional order 31(2), the committee will report separately on the proposed expenditures for the Legislative Assembly.
- 4. A public hearing was held on 9 July 2002 to take oral evidence from the Premier and Minister for Trade, the Deputy Premier, Treasurer and Minister for Sport and the Minister for State Development. A verbatim transcript of the committee's hearing can be accessed on the Internet at:

http://www.parliament.qld.gov.au/Hansard/

5. Prior to the public hearing, the committee put 20 questions on notice to each minister. Responses to all the questions were received.

- 6. The committee has considered the estimates referred to it by examining the various budget documents; answers to pre-hearing questions on notice; oral evidence taken at the hearing; and answers to questions taken on notice at the hearing.
- 7. Answers to questions on notice and questions taken on notice at the hearing together with minutes of the committee's meetings are included in a volume of additional information tabled with this report.

Premier and Minister for Trade

Office of the Governor

8. The Office of the Governor provides personal, administrative and logistic support to the Governor and acts as custodian of the Government House estate. The following table sets out details of the appropriation for 2002-03 compared to the previous financial year.

	2001-02 \$'000	2002-03 \$'000
Departmental Outputs	3,229	3,322
Equity Adjustment	(114)	(114)
Vote Total	3,115	3,208

- 9. Key highlights in the Budget include:
 - undertaking a tour to Gallipoli in 2003 to represent Queensland at the Anzac Cove dawn service and visiting Her Majesty The Queen
 - rectifying a number of workplace safety concerns and reviewing the Government House Conservation Plan
- 10. The committee did not have any questions about this agency's estimates at the hearing.

Queensland Audit Office

11. The Queensland Audit Office provides public sector auditing services and reporting. These services include the financial and compliance audits of some 712 public sector entities together with performance management systems audits, special investigations and the annual audit of the whole of government consolidated financial statements. The following table sets out details of the appropriation for 2002-03 compared to the previous financial year.

	2001-02 \$'000	2002-03 \$'000
Departmental Outputs	3,975	4,028
Equity Adjustment	(113)	(92)
Vote Total	3,862	3,936

- 12. The estimated expenditure for 2002-03 is \$21.503M (2002: \$20.798M)¹ and this will be funded by audit fee revenue of \$17.475M and the output appropriation of \$4.028M.
- 13. Matters raised at the hearing include:
 - action taken to address emerging issues identified in audit reports
 - audit methodology
 - measures to safeguard the independence of the Auditor-General
 - impact the earlier reporting timeframes have on the completion of financial statement audits
 - collection of outstanding audit fees
 - audit review of performance bonuses.

Ombudsman

- 14. The Offices of the Ombudsman and Information Commissioner provides an independent review of complaints and appeals about government administration. The committee notes that Mr David Bevan was appointed Ombudsman in September 2001.
- 15. The following table sets out details of the appropriation for 2002-03 compared to the previous financial year.

	2001-02 \$'000	2002-03 \$'000
Departmental Outputs	5,540	5,852
Equity Adjustment	(60)	247
Vote Total	5,480	\$6,099

- 16. Key priorities in the Budget include:
 - finalising implementation of the *Catalyst* case and records management system
 - working with major agencies to develop effective internal complaints management processes
 - improving prisoners access to the office's complaint service.
- 17. Issues addressed at the hearing include:
 - procurement of a new complaints management system
 - ongoing monitoring of responses to investigative reports and implementation of Ombudsman recommendations
 - visits to regional areas and correctional centres.

Crime and Misconduct Commission

- 18. The Crime and Misconduct Commission (CMC) was established on 1 January, 2002 with the merger of the Criminal Justice Commission and the Queensland Crime Commission. The CMC is an independent body that focuses on fighting and preventing major crime, reducing serious misconduct and promoting high standards of integrity in the public sector and protecting witnesses.
- 19. The CMC is a non-departmental output of the Department of the Premier and Cabinet. The following table summarises the commission's revenues and expenses from ordinary activities.

	2001-02 Est Actual \$'000	2002-03 Estimate \$'000
Total Revenues	30,566	30,501
Total Expenses	29,809	30,720
Total Surplus(Deficit)	757	(219)

¹ Estimated actual for 2001-02, *Premier and Minister for Trade Ministerial Portfolio Statement 2002-03*:10-9

- 20. The major revenue source is grant funding administered by the Department of the Premier and Cabinet.
- 21. Issues raised at the hearing include:
 - performance targets for tactical operations and research, prevention and intelligence projects
 - devolution of responsibility to Units of Public Administration to prevent and deal with misconduct
 - confiscation of criminal assets
 - reduction in complaint handling times.

Commissioner for Children and Young People

- 22. The Commission for Children and Young People is an independent statutory body established to promote and protect the rights, interests and well being of all children and young people in Queensland.
- 23. The commission is a non-departmental output of the Department of the Premier and Cabinet. The following table summarises the commission's revenues and expenses from ordinary activities.

	2001-02 Estimate \$'000	2002-03 Estimate \$'000
Total Revenues	4,951	4,956
Total Expenses	4,911	4,956
Total Surplus(Deficit)	40	0

24. The major revenue source is grant funding administered by the Department of the Premier and Cabinet.

Public Service Commissioner

25. The Office of the Public Service Commissioner (OPSC) commenced operations as an independent office on 1 July, 2002. (The office previously operated as the Office of the Public Service Merit and Equity and was an output delivered by the Department of the Premier and Cabinet.) The office carries out legislative and regulatory functions with respect to the administration, management and employment of Queensland public service employees. 26. The following table sets out details of the appropriation for 2002-03 compared to the previous financial year.

	2001-02 \$'000	2002-03 \$'000
Departmental Outputs	5,323	4,108
Equity Adjustment	0	0
Vote Total	5,323	4,108

- 27. Key priorities in the Budget include:
 - developing strategies to address recommendations from the taskforce into workplace bullying
 - implementing a revised deployment directive designed to strengthen deployment processes and strategies across the Queensland public service.

Department of the Premier and Cabinet

- 28. The department is responsible for providing professional advice and services to the Premier on constitutional, legislative and intergovernmental matters and support and advice to Cabinet.
- 29. The following table sets out details of the appropriation for 2002-03 compared to the previous financial year.

	2001-02 \$'000	2002-03 \$'000
Departmental Outputs	92,391	78,444
Equity Adjustment	446	(486)
Administered Items	94,125	84,158
Vote Total	186,962	162,116

30. The estimated expenditure for departmental outputs in 2002-03 compared to estimated actual expenditure for the prior year is detailed in the following table.

Departmental Output	2001-02 Est Actual \$'000	2002-03 Estimate \$'000
Policy Advice, Co- Ordination and Cabinet Support	19,656	17,323
Government and Executive Services	29,547	29,139
Community Engagement	25,555	22,835
Events, Protocol and Communication Services	41,034	8,712
Legislative Drafting, Advisory and Information Services	6,645	7,238
Administration of the Public Service and the Management and Employment of Public Service Employees ²	7,053	0
Total	129,490	85,247

Source: State Budget 2002-03, Premier and Minister for Trade Ministerial Portfolio Statement, Output Operating Statements

- 31. The Premier and Minister for Trade portfolio also includes the departmental output titled *International Trade Development*. This output is delivered through the trade division of the Department of State Development. Estimated output expenditure for 2002-03 is \$21.483M (2002: \$22.659M)³ and is mainly funded by the Department of State Development appropriation.
- 32. In 2002-03 the department will:
 - instigate community engagement grants strategy to act as an overarching mechanism to highlight, support and improve current community engagement initiatives and to assist in development of future initiatives
 - initiate an integrated justice information system
 - facilitate the inaugural regional sitting of Parliament in Townsville
 - launch a sustainable environment management network (joint project with the Smithsonian Institution)

- implement e-democracy initiatives including broadcasting Parliamentary proceedings over the internet, a mechanism to allow petitions to be signed and lodged electronically and a website providing Queenslanders with the opportunity to input into policy issues
- develop a community crime prevention strategy.
- 33. The organisational units of the Commissioner for Children and Young People, Public Service Commissioner and Department of Premier and Cabinet (including Interenational Trade Development) were examined together at the hearing. Issues canvassed include:
 - staffing levels within the public service
 - review of corporate service provision across government and the aligning services and priorities initiative (ASAP)
 - initiatives implemented by the Commission for Children and Young People such as the working with children checks
 - development of IT based learning programs for public servants
 - public sector equal employment opportunity best practice strategy
 - task force into work and family issues
 - senior executive and senior officer mobility program
 - departmental publication costs
 - CEO performance bonuses
 - staffing levels within the Department of the Premier and Cabinet
 - promotion of indigenous art in Queensland
 - Queensland's export performance and initiatives for the future
 - grants and subsidies by the Queensland Events Corporation
 - risk management training and education packages developed by the liability insurance task force
 - education and training export strategy
 - capital works undertaken at the South Bank parklands precinct
 - expenses for trade and investment offices
 - staffing and funding for the Office of Women

²Transferred to the Office of the Public Service Commissioner in 2002-03

³ Estimated Actual for 2001-02, Premier and Minister for Trade Ministerial Portfolio Statement 2002-03:6-8

- ministerial staff numbers
- Science in Parliament Day initiative.

Deputy Premier, Treasurer and Minister for Sport

Treasury Department

- 34. The department provides financial and economic advice to the government. It is also responsible for energy policy, overseeing public sector superannuation, gaming regulation, personal motor accident insurance, statistical research and monitoring the State's Government Owned Corporations (GOC's).
- 35. The following table sets out details of the appropriation for 2002-03 compared to the previous financial year.

	2001-02 \$'000	2002-03 \$'000
Departmental Outputs	110,107	109,810
Equity Adjustment	205	4,500
Administered Items	1,134,723	762,575
Vote Total	1,245,035	876,885

36. The estimated expenditure for departmental outputs in 2002-03 compared to estimated actual expenditure for the prior year is detailed in the following table.

Departmental Output	2000-01 Est Actual \$'000	2002-03 Estimate \$'000
Fiscal and Economic Policy	41,278	41,785
GOC Performance and Governance	2,523	2,380
Energy	16,873	14,032
Economic and Statistical Research	12,510	11,441
Taxation	37,738	37,232
Gambling	23,298	26,595
Superannuation	36,811	45,911
Total	171,031	179,376

- 37. Key priorities for 2002-03 include:
 - coordinating the government's response to public liability insurance issues and

maintaining the provision of insurance to government bodies through the Queensland Government Insurance Fund (QGIF)

- encouraging further development of competitive energy markets and supply systems to deliver reliable and competitively priced energy supplies to domestic, business and industrial customers in Queensland
- improving the collection of revenue and payment of subsidies through the strategic use of information technology
- working with the state's GOCs to ensure an appropriate return to taxpayers
- implementing a scheme for re-allocating gaming machines in hotels as a result of introducing a state-wide cap on the number of gaming machines in hotels.
- 38. Issues covered at the hearing include:
 - Queensland Investment Corporation investment returns and asset allocations
 - coordination of the Government's response to public liability and medical insurance issues
 - establishment of the group insurance scheme for not-for-profit community organisations
 - achievement of fiscal principles in the Charter of Social and Fiscal Responsibility
 - GST payments from the Commonwealth
 - Queensland's credit rating
 - implementation of the energy policy
 - GOCs performance, returns and investment policy
 - performance bonuses paid to GOC executives
 - capital works funding
 - sale of Dalrymple Bay lease
 - governance arrangements in the national electricity market
 - superannuation fund returns
 - payroll tax and land tax systems
 - community service obligation arrangements for electricity GOCs
 - allocations for enterprise bargaining agreement negotiation
 - stamp duty relief on insurance premiums

- regional based statistical services
- implementation of the *Taxation and Administration Act 2001* and the *Duties Act 2001*.
- fuel subsidy scheme
- business assistance scheme for clubs.
- impact of reforms to the CTP insurance scheme
- operation of the government debt pool.
- promotion of responsible gambling practices.

Sport and Recreation Queensland

- 39. The Deputy Premier, Treasurer and Minister for Sport portfolio also includes the departmental output titled *Services, Infrastructure and Facilities to Queensland.* This output is delivered through the Department of Innovation and Information Economy, Sport and Recreation Queensland (DIIESRQ). Estimated expenditure for 2002-03 is \$132.206M (2002: \$99.571M)⁴ and is predominantly funded by the DIIESRQ appropriation.
- 40. Budget highlights for 2002-03 include:
 - assisting Queensland elite athletes prepare for the Manchester 2002 Commonwealth Games
 - progressing the redevelopment of the Tallebudgera Outdoor Recreation Centre as an aquatic centre of excellence
 - monitoring the completion of the redevelopment of Suncorp Metway Stadium as a world class sports venue
 - assisting with the establishment of the Major Sports Facilities Authority.
 - facilitating the staging of the Rugby World Cup in 2003 as an opportunity to generate significant economic and social returns for Queensland.
- 41. Issues addressed at the hearing include:
 - the transfer of facilities to the Major Sports Facilities Authority
 - sports facilities in rural and regional areas
 - allocations for Police Citizens Youth Clubs

- recognition for volunteers
- assistance to local governments
- funding for the Clubs Development Program and the State Development Program
- drug testing program
- athlete assistance for the 2002 Commonwealth Games.

Minister for State Development

Department of State Development

- 42. The role of the department is to support sustainable economic and regional development and foster a positive business environment that will secure growth and employment for the State. It also pursues partnerships with key industry sectors to assist the State's future development.
- 43. The following table sets out details of the appropriation for 2002-03 compared to the previous financial year.

	2001-02 \$'000	2002-03 \$'000
Departmental Outputs	154,284	173,898
Equity Adjustment	1,411	29,839
Administered Items	66,211	49,230
Vote Total	221,906	252,967

44. The following table compares estimated expenditure for departmental outputs in 2002-03 to estimated actuals for the prior year.

Departmental Output	2001-02 Est Actual \$'000	2002-03 Estimate \$'000
Business and Market Development Services	154,453	143,397
Infrastructure and Project Facilitation	24,655	27,175
International trade	22,659	21,483

⁴ Estimated Actual for 2001-02, Deputy Premier, Treasurer and Minister for Sport Ministerial Portfolio Statements 2002-03:3-8

Departmental Output	2001-02 Est Actual \$'000	2002-03 Estimate \$'000
development		
Total	201,767	192,055

Source: State Budget 2002-03, Minister for State Development Ministerial Portfolio Statement, Output Operating Statements

- 45. Key priorities for 2002-03 include:
 - establishing Smart State, World Class Manufacturing which will provide support to Queensland's manufacturing sector
 - providing ongoing support of aviation, biotechnology, information and communication technologies and mineral processing industries and regional service centres
 - implementing the Brisbane City and South East Queensland Telecommunications/ Infrastructure Strategy
 - developing the Infrastructure Plan and implementation of Public Private Partnerships for infrastructure delivery
 - advancing the Burnett Water Infrastructure Development project
 - constructing the Gold Coast Convention and Exhibition Centre
 - analysing development proposals for the Brisbane cruise terminal.
- 46. Issues covered at the hearing include:
 - consultancy services
 - business and market development services and infrastructure and project facilitation funding
 - Queensland Investment Incentive Scheme (QIIS) grants and eligibility criteria
 - marine industries
 - financial assistance to Berri Ltd and achievement of performance milestones
 - achievements in the area of regional, rural and remote communities development
 - Burnett River infrastructure development project
 - Gladstone business action plan
 - staffing in Business and Market Development Services.
 - strategies for tourism in the Cairns region

- Brisbane cruise ship terminal
- small business initiatives
- funding support for the AMC project and light metals strategy
- growth funding in the Gladstone-Calliope region
- industry development achievements.

Recommendation

47. The committee recommends that the proposed expenditure, as detailed in the *Appropriation Bill* 2002 for the organisational units in the portfolios referred to it, be agreed to by the Legislative Assembly without amendment.

Margaret Keech MP Chair July 2002

Committee Members

Margaret Keech MP (Chair) Mike Horan MP (Deputy Chair) Michael Choi MP Liz Cunningham MP Vaughan Johnson MP Ronan Lee MP Kerry Shine MP

Secretariat

Leanne Clare (Research Director) Deborah Jeffrey (Research Officer) Lynn Knowles (Executive Assistant)

Statement of Reservation

Estimates Committee A – Report No. 2

submitted by

Mr Mike Horan MP Leader of the Opposition Member for Toowoomba South

July 2002

The 2002-2003 Budget breaks the terms of the Charter of Fiscal and Social Responsibility set up by the Beattie Government. It breaks its own rules, a practice that is becoming commonplace. Further, in relation to the Charter, it is clear from Estimates examination that the Government and the Treasurer simply want to brazen out their breach.

There is a substantial and cumulative deficit, greater than the previous year's on a whole of government basis, and no clear plan. Apparently we are all supposed to depend on hope to return the Budget to balance in 2002-2003.

It is all very well to blame this situation on circumstances outside the Queensland Government's control; but there was no evidence from the Treasurer, at the Estimates hearing, that he has yet fully grasped the financial situation.

In particular, he was unable to explain why his optimistic statements of Queensland Investment Corporation returns at mid-year were not borne out by the facts at the end of the financial year. Since the run on the budget began in the previous budget year (2001-2002) and the Australian financial picture was already in poor shape within weeks of the 2001-2002 budget, there seems little justification for the Treasurer preferring to regard himself and the Government as having been caught unawares.

Queensland Investment Corporation returns:

The crucial place of the Queensland Investment Corporation in the State's finances makes it imperative that the Treasurer provide accurate and up to date information to the public and financial markets. This Government has delivered exactly the opposite: smokescreens and spin.

The forecast return on QIC investments at the start of the 2001-2002 budget year was 8 per cent. In February this year, the Treasurer said he expected returns on QIC investments would fall to a low of 5 per cent.

Only a month later, Treasury figures showed that the year-to-date earnings for QIC were in fact 2.4 per cent. Then three months later, the Treasurer had to admit that QIC returns were looking more like 0 per cent.

Through the Estimates process, the public learned that at no time during the year had QIC investments reached anywhere near the 5 per cent mark the Treasurer specified in February.

Seven questions were taken on notice at the hearing on 9 July 2002.

On one question in particular, relating to the extent of the Treasurer's knowledge of the investment portfolio held on the Government's behalf by QIC, and the issue of what changes were proposed to turn around the zero or negative return in 2001-2002, there was still an unsatisfactory answer.

It would surely surprise no one to hear that financial market sectors "exhibit a cyclical nature with respect to returns". To rely on this observation in the circumstances, as did the Treasurer, is to evade the issue. The funds in question are public sector superannuation savings – the retirement money of thousands of Queenslanders – and the Government cannot hide from its responsibility to ensure these funds are maximised in all circumstances.

On the related issue of QSuper product returns to members in the accumulation plan, the Treasurer provided figures that show "High Growth" funds returning a negative 11.98 per cent as at 30 June 2002. The Treasurer notes that this performance is lower than in the past, but that negative returns are expected from time to time in all investment choices except cash. Cash funds in the accumulation plan returned 3.65 per cent, but the "balanced" plan – a mix of investments including cash holdings – was a negative 4.15 per cent. Investors should have the utmost confidence that QSuper and its investment manager, QIC, are well placed to respond to changing demands and to achieve a competitive return for members. But that confidence can be placed at risk in terms of perception by the Government's evasive response to the bad news that the 2001-2002 result represents.

Public Sector CEO bonuses:

Once again, the Treasurer would not provide details of the number of executives of Government Owned Corporations (GOCs) who were paid a performance bonus, or the amount of the performance bonuses paid. Yet the Premier had already announced that performance bonuses would be discontinued for departmental heads as contracts of employment matured, asserting that the bonus scheme had done its job (of making departmental heads do theirs). There is no broad public support for the idea of paying additional bonuses to highly paid public employees. The position of the GOCs is slightly different, since they operate in a commercial environment, but at the same time they are public sector entities and it would have been helpful to hear the Treasurer confirm that they should adhere to the general rules governing public enterprise.

Capital Works Spending:

The Government has continued to slash capital works spending, which for 2002-2003 is forecast to be the lowest (at 24 per cent of outlays) in 19 years. The Treasurer was unmoved by this statistic, saying that recurrent spending had to rise and that new rules – for public private partnerships (PPP) and the like – would over time lead to a rise in capital spending. Yet the Government is still producing its final preferred PPP rule-book; and judging from the experience of the business community waiting for the Government to deliver on a range of promises, PPP and other mixed-source-funded infrastructure is unlikely to be growth area for some time. In a development-oriented State such as Queensland, that is bad news.

In the past three years the Government has cut about \$600M from the capital works program. In 2000-2001 the Government budgeted to spend \$5.285B on capital works but underspent by \$278M — that's 5.3 per cent or more than \$5 in every \$100. In 2001-2002 the Government budgeted to spend \$5.1B on capital works but — as revealed in the Budget — underspent by \$346M or 6.8 per cent – nearly \$7 in every \$100.

For 2002-2003, the Government has allocated \$4.7B for capital works in Queensland, but the Treasurer told the Estimates hearing he could not commit to spending the entire allocation.

This is the first time in 16 years that any Queensland government has cut its capital works budget two years running. But in the mid-1980s capital works budget represented around 42 per cent of the State Budget. In 2001/2002, the allocation represented only 26 per cent and — as noted above — for 2002-2003 only 24 per cent. Capital works spending is heading south in every sense of the term. It must be placed on record that there is grave concern that the Government is negatively impacting on the long-term growth potential of Queensland.

Operating deficit:

For the second year running, the Government has delivered a substantial operating deficit. What is particularly worrying is that the Queensland Budget has not been in deficit since the late 1970s. The Beattie Government has set Queensland on a dangerous course.

When questioned during the Estimates hearing, the Treasurer gave no assurances that he had any succinct plan to turn around the financial position of the state.

Net Worth of the State:

Reference is made to the declining real per capita net worth of Queenslanders. The worrying aspect is that the Government's budget figures show that in the out years per capita net worth will continue to decline.

This raises the serious issue of a continuing reduction in State net worth in later years. In this respect the Government is in danger of breaching another limb of the Charter of Fiscal and Social Responsibility.

Sport:

The Major Sports Facilities Authority, which took over the QEII Sports Complex, Sleeman Sports Complex and the Brisbane Entertainment Centre on 30 June 2002, faces a difficult time in terms of the financial performance of these three venues, formerly operated by Brisbane City Council.

Figures provided to the Committee showed rising deficits from the operations of all three venues out to 2004-2005 – for QEII, \$4,929,513 in that year, \$2,217,961 for Brisbane Entertainment Centre, and \$3,258,665 for Sleeman. The Treasurer noted that the Lord Mayor of Brisbane had acknowledged that these facilities would be more efficiently managed by the State Government than they had been by the BCC and that the figures he had provided were based on the venues operating under the BCC service delivery model. Once again, Queenslanders are being told that things will be better in the future, but are not being given any data on which to base such optimism.

Public Service Numbers:

The Estimates process reveal that the government had contracted PriceWaterhouseCoopers to review corporate service provision in the public service. Page 23 of the PWC report identifies some 15,800 full-time equivalent government employees involved in corporate services. While the Premier was keen to outline that the review was to improve the cost effectiveness of corporate service delivery, under questioning the Premier would not reveal how many public servants would be sacked as the government engaged in rounds of restructure and reorganisation which were the trademarks of the Goss Labor Government's administration.

Prior to the Estimates Committee public hearing, it was publicly revealed that the government desired to reduce public service numbers by approximately 1,000 positions, but the PriceWaterhouseCoopers report shows it has more public service jobs in its sights to cover-up the wasteful spending on government propaganda and pet projects.

Under questioning the Premier was unable to advise the Committee of any formal analysis of public service numbers. As no assessment of public service numbers has been made to ascertain if the public service was inflated beyond need, and as there appears to be no formal plan to shed numbers, the Committee had no information available to assess this drastic loss of employment opportunities.

It appears the proposed shedding of large numbers of public service positions is caused by the government's urgent need to address its operating budget deficit without proper assessment of procedures, practices and service delivery.

Community Engagement Division:

The Community Engagement Division — otherwise known as the Premier's Propaganda Unit — in the Department of the Premier and Cabinet has increased from 170 to 180, with Events, Protocol and Communications also increasing from 46 to 52 positions.

The Division's stated role is to establish partnerships with community stakeholders, and encourage improved community participation in the development and implementation of policy. At the time of the public hearing, the government was under constant and serious criticism caused by its lack of consultation and communication with the community, organisations and individuals. The charter of the Community Engagement Division had clearly failed because of its real charter of dispatch of propaganda.

It is a major concern that the worthiness and impartiality of this public sector unit is in doubt, and it would appear that the government is engaging in crass politicisation of the public service.

Commission for Children and Young People:

At the 2001 Estimates Committee A public hearing, it was revealed that 2000 plus high-priority child abuse cases were unassessed by the Department of Families. It was an appalling indication that the Department of Families was clearly not functioning or being administered properly.

During the Estimates process, it was revealed that departmental documents showed dramatic increases in notification levels. Some 4607 protection assessments were outstanding as at March 31, including 1080 priority one assessments of children considered to be in immediate danger and at high risk of harm.

April and May figures released to the Opposition by the Families Minister showed the number of initial assessments awaiting finalisation had continued to increase at 5329 and 5511 respectively.

Last year, the Commission for Children and Young People distanced itself from the alarming figures by declaring it was not a "service provider". However, the continued growth of these figures, in conjunction with the disturbing report of the Ombudsman into the death of Brooke Brennan which revealed numerous instances of maladministration, no longer allows the Commission or the government to be divorced from children suffering this misery.

As stated previously, it is clearly evident that the Commission's monitoring role has totally failed.

It has failed its charter to protect these vulnerable children and to alert the government and public to these appalling waiting lists and lack of protection of children.

Mike Horan MP Deputy Chair – Estimates Committee A Leader of the Opposition Member for Toowoomba South