

## WEDNESDAY, 25 JULY 2018

---

### ESTIMATES—STATE DEVELOPMENT, NATURAL RESOURCES AND AGRICULTURAL INDUSTRY COMMITTEE—FISHERIES AND AGRICULTURAL INDUSTRY DEVELOPMENT

#### Estimate Committee Members

Mr CG Whiting (Chair)  
Mr PT Weir  
Mr DJ Batt  
Mr JE Madden  
Mr BA Mickelberg  
Ms JC Pugh

---

#### Members in Attendance

Mr AJ Perrett  
Ms SL Bolton  
Mr AC Powell  
Mr MC Berkman  
Mr DR Last  
Mr MJ Hart

---

#### In Attendance

Hon. ML Furner, Minister for Agricultural Industry Development and Fisheries  
Mr B Murphy, Chief of Staff

#### Department of Agriculture and Fisheries

Dr E Woods, Director-General  
Mr S Spencer, Deputy Director-General, Fisheries and Forestry  
Ms F Trenear, Acting Executive Director, Finance and Asset Management

#### Biosecurity Queensland

Mr M Letts, Acting Chief Biosecurity Officer

---

#### The committee met at 9.00 am.



**CHAIR:** Good morning. I declare this hearing on the estimates for the State Development, Natural Resources and Agricultural Industry Development Committee open. I would like to introduce the members of the committee. I am Chris Whiting, the member for Bancroft and chair of the committee. Mr Pat Weir, the member for Condamine, is the deputy chair. The other committee members are Mr David Batt, member for Bundaberg; Mr Jim Madden, member for Ipswich West; Mr Brent Mickelberg, member for Buderim; and Ms Jess Pugh, member for Mount Ommaney. The committee has granted leave for non-committee members to ask questions at the hearing today, so other members may be present over the course of the proceedings.

Today the committee will consider the Appropriation Bill 2018 and the estimates for the committee's area of responsibility. I remind everyone present that any person may be excluded from the proceedings at my discretion as chair or by order of the committee. The committee has authorised its hearing to be broadcast live, televised and photographed. Copies of the committee's conditions for broadcast of proceedings are available from the secretariat. I ask that mobile phones or other electronic devices be turned off or switched to silent mode. Also, I remind you that food and drink are not permitted in the chamber.

The committee intends to examine the portfolio areas in the following order: fisheries from 9 am to 10 am; agricultural industry development from 10 am to 11.30 am; state development and manufacturing from 12 pm to 1.15 pm; infrastructure and planning from 2.15 pm to 3.30 pm; natural resources from 4 pm to 5 pm; mines from 5 pm to 6 pm; and energy from 6 pm to 7 pm.

The committee will now examine the proposed expenditure in the Appropriation Bill 2018 for the portfolio areas of the Minister for Agricultural Industry Development and Fisheries. The committee will first examine the minister's portfolio area of fisheries and then the portfolio area of agricultural industry development.

The visiting members present are Mr Tony Perrett, the member for Gympie; and Ms Sandy Bolton, the member for Noosa. I remind those present today that the committee's proceedings are proceedings of the Queensland parliament and are subject to the standing rules and orders of the parliament. It is important that questions and answers remain relevant and succinct. The same rules for questions that apply in parliament also apply in this hearing. I refer to standing orders 112 and 115 in this regard. Questions should be brief, relate to one issue and not contain lengthy or subjective preambles, arguments or opinions. I intend to guide proceedings today so that relevant issues can be explored fully and to ensure there is adequate opportunity to address questions from government and non-government members of the committee.

On behalf of the committee I welcome the minister, the director-general, executives, departmental officers and members of the public to the hearing. For the benefit of Hansard, I ask all officers to identify themselves the first time they answer a question referred to them by the minister or the director-general. I now declare the proposed expenditure for the portfolio areas of agricultural industry development and fisheries open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, if you wish, you may make an opening statement of no more than five minutes.

**Mr FURNER:** Thank you, Chair, and good morning to everyone. Today I will be answering questions relating to the Agriculture and Fisheries budget and my portfolio of Agricultural Industry Development and Fisheries. I am joined at the table today by Dr Elizabeth Woods, the Director-General of the Department of Agriculture and Fisheries; and my chief of staff, Brett Murphy. To assist the committee, Cameron Macmillan, the CEO of QRIDA, and Alexander Baker, the Acting CEO of Safe Food Production Queensland, are here to answer any questions you may have of them. I am also joined by other senior members of the department: Scott Spencer, Bernadette Ditchfield, Malcolm Letts and Sinead McCarthy.

When I took over this portfolio last year following the re-election of the Palaszczuk Labor government I made it my priority to immediately hit the road and get out into regional and rural Queensland to meet as many farmers, stakeholders and industry leaders as possible. Since then I have travelled over 31,000 kilometres, visiting 42 towns and cities. I have sat around the table with graziers in Cloncurry. I have met with wool producers in a shed near Barcaldine. I have also spent time with banana farmers in Tully, prawn farmers in Ayr, cane farmers in Proserpine, cotton farmers in Emerald, citrus growers in Bundaberg, meatworkers in Gympie and leading agricultural researchers in Nambour. These people are the heart and soul of the industry. Each and every one of them I encounter across the state informs and educates decisions that are made around the cabinet table here in Brisbane—important decisions such as the allocation of \$10 million over three years for rural economic development grants, outlined in media reports this morning; the establishment of the Agricultural Ministerial Advisory Council, which will provide a regular and direct line for industry groups to take their ideas of developing the sector directly to the government; and \$3 million over three years for the Queensland Agriculture Workforce Network, an initiative backed by industry to provide jobs and skills for farm workers across the state.

One thing I quickly learned is that the title of agricultural industry development and fisheries minister does not come close to outlining how diverse this portfolio is. From biosecurity to animal welfare and from exhibited animals to the state's vast forestry network, there is a lot of ground to cover. I take my responsibilities as minister overseeing the state's fisheries and forestry resources very seriously.

The forestry and fisheries industries have a longstanding and historical footprint in Queensland. Recreational fishing is one of our greatest and most iconic pastimes. I am committed to working with our regional cities, towns and industries to drive economic development across the state, whether it is on the water, in a control room or on a plantation. There are challenges—we can discuss some of them today—but I want to promote the industry's leadership and success stories, whether it is delivering jobs, new products or new markets.

Our Sustainable Fisheries Strategy is continuing to reform one of Queensland's most important assets: our marine environment and seafood sectors. We are spending an additional \$2.1 million over four years and an additional \$731,000 per annum ongoing to meet the growing costs of the Shark Control Program. This will take the total funding of the program to \$16.1 million over four years. This is important work and our government is getting it done.

Given recent reports in the media from the member for Gympie, I want to tackle the issue of staffing head-on. There are no cuts to any staff in this budget. I remind those opposite that their record in government is nothing to be proud of. Staff and funding cuts ripped the heart out of communities in regional Queensland. I contrast that with the Palaszczuk government's record. It could not be greater. I am happy to answer any questions directed to me or to my director-general.

**CHAIR:** Minister, I believe you have additional information about an officer who may or may not be here.

**Mr FURNER:** I do. I wish to advise the committee that, unfortunately, the acting CEO of Queensland Agricultural Training Colleges is ill and will not be taking part in today's hearing. I seek leave to table an email from the acting CEO, received this morning, informing us of this absence. I understand that he will also be able to submit a medical certificate in due course if required.

**CHAIR:** Do you have sufficient copies of that email?

**Mr FURNER:** I do.

**CHAIR:** Thank you. I move that that be accepted.

**Mr WEIR:** I second that.

**CHAIR:** All those in favour? Against? That is carried. We will now commence questions. I hand over to the member for Condamine.

**Mr WEIR:** I defer to the member for Gympie.

**Mr PERRETT:** Thank you. My first question is to the director-general. Welcome, Dr Woods. In a letter to the editor of the Bundaberg *NewsMail* on 3 July 2018 the minister stated that the current level of staffing in the Department of Agriculture and Fisheries was equivalent to 2,033 FTE, 135 fewer staff than outlined in the 2014-15 budget papers, yet page 17 of the SDS states that there are 2,128 full-time equivalents in the department in 2018-19. I have those documents to table.

**CHAIR:** Do you have sufficient copies?

**Mr PERRETT:** Yes.

**CHAIR:** I remind the member to watch the length of preamble. You can probably go straight to the question.

**Mr PERRETT:** Director-General, what is the current level of full-time-equivalent staff within DAF?

**Dr Woods:** I thank the member for the question. Without having yet seen the press release, let me refer to the figure that you identified in the SDS, which is 2,128. As is the norm in SDS papers, that refers to the FTE cap, the maximum number of full-time-equivalent appointees that can be appointed by this department within the budget that has been allocated to the department. That is a nominal threshold. It is an increase of 42 FTEs between the 2017-18 budget of 2,089 and the 2017-18 estimated actual of 2,131. The increase is due to additional staff and funding approved for the National Red Imported Fire Ant Eradication Program, which you will remember is a funding package in excess of \$400 million for that program over 10 years and involves significant additional staff, as well as the transfer of some corporate staff from other departments associated with change to the business and corporate partnership arrangements resulting from the machinery-of-government changes following the last election.

There is a decrease of three FTEs between the 2017-18 estimated actual of 2,131 and the 2018-19 budget of 2,128 due to a reduction in the staffing requirements associated with the implementation of the biosecurity capability review. The 2018-19 budgeted staff threshold of 2,128 FTEs includes 936 FTEs in Agriculture, 617 FTEs in Biosecurity Queensland and 352 FTEs in Fisheries and Forestry. There are 223 FTEs in the business and corporate partnership providing services to other departments but substantively located in DAF. Corporate staff providing services to DAF are, as follows normal SDS conventions, allocated across the DAF services. DAF's 2018-19 budgeted staff threshold, as I have just outlined, does include staff who provide services to other departments as a result of the business and corporate partnership arrangements. That is principally IT staff and IT services.

In terms of actual active FTEs on any given day, that will obviously fluctuate as individual projects and activities come and go. We do put on additional staff when we have a response to either a biosecurity outbreak or a natural disaster—those are the two most common events that cause significant ups or downs in staff—but we have a rolling program of R and D projects which mean that in any given year roughly a third of the projects are concluding and a third of the projects are starting. That will normally reflect external funding and changes in the staffing profile. We have a maximum and then a day-to-day variation.

**Mr PERRETT:** A follow-up question—

**CHAIR:** One moment. Are you still on the issue of full-time equivalents, member for Gympie?

**Mr PERRETT:** Yes.

**CHAIR:** I see. Obviously, you are referring to a particular part of the SDS as well?

**Mr PERRETT:** Absolutely. I have referenced that.

**CHAIR:** I am just clarifying that this question is on that same reference to the SDS.

**Mr PERRETT:** Absolutely.

**CHAIR:** If the member for Gympie could continue.

**Mr PERRETT:** Director-General, thank you for confirming those figures in the SDS. Has the department started reducing staff since the budget was released?

**Dr Woods:** The department at the moment is not reducing staff in any way. As the minister outlined, we do not have any redundancies or retrenchments planned. What we are talking about is how we will shift staff to meet the priorities in the new projects and programs that are beginning either as a result of external funding coming into the department or of new initiatives which have been funded under the budget.

**CHAIR:** Do you have any further questions, member for Gympie?

**Mr PERRETT:** Absolutely.

**CHAIR:** Before we get there, we do have to move the acceptance of these documents. Is everyone happy to accept those?

**Mr MADDEN:** Chair, I did not get a copy of the media release. I only got a copy of the other one. Could I have a copy of the media release as well?

**CHAIR:** Yes, it is a letter to the editor.

**Mr FURNER:** Chair, before we proceed it would certainly be helpful for myself and my director-general to have a copy of the media article the member for Gympie was referring to as well.

**CHAIR:** Yes. I point out that if we are distributing documents to be tabled we need a copy for the front table, a copy for all of us and a copy for the minister's table as well. I will just let you have a look quickly at that one first.

**Ms PUGH:** Chair, I do not have a copy of the staffing levels.

**Mr MICKELBERG:** Mr Chair, can we move to a vote on this? This is getting ridiculous.

**CHAIR:** The minister has asked for a copy of this particular—

**Mr MICKELBERG:** The minister referenced this in his opening statement. He is clearly aware of it. Can we move to the vote in relation to tabling the document?

**CHAIR:** As I said, we are about to make sure that these documents can be tabled. Minister, you do have a copy of that one?

**Mr FURNER:** Not yet, Chair.

**CHAIR:** Can we please give the minister a copy of this particular one? All those in favour? Those against? The motion is carried. Member for Gympie.

**Mr PERRETT:** My question is now to the minister. He now has a copy of those tabled documents. Minister, are you making up staffing levels and why are you misleading the public on the staffing levels within your department?

**Ms PUGH:** I raise a point of order. There is an imputation there and I would ask for the chair's ruling on whether or not that question is in order.

**CHAIR:** Absolutely. Members are aware about questions containing inferences, imputations and opinions. You know the rules for 112 and 115. I will give the member an opportunity to rephrase the question without breaching standing orders 112 or 115.

**Mr PERRETT:** Thank you, Chair. I refer the minister to the tabled documents where he claimed there were 2,033 full-time equivalents when the SDS clearly indicates there is not. It is 2,128. Minister, are you making up the numbers as you go along?

**CHAIR:** Before the minister answers that, again you have just repeated those same hypotheticals and imputations. You know the rules. Did you want to ask that question in a way that does not breach those standing orders?

**Mr BATT:** I raise a point of order, Mr Chair.

**CHAIR:** First of all, point of order from the member for Bundaberg.

**Mr BATT:** What is the imputation?

**CHAIR:** There certainly was in that second half of the question. Would the member like to rephrase the question or say the question again at the end?

**Mr BATT:** Point of order, Mr Chair: I would like to know what the imputation is that you have said.

**Ms PUGH:** It is misleading.

**Mr BATT:** Both you and the member for Mount Ommaney have said there is an imputation. What is it?

**Ms PUGH:** That it is misleading.

**CHAIR:** Thank you very much.

**Mr BATT:** What is misleading about it?

**CHAIR:** Excuse me. The chair is speaking. Clearly the last part of the statement—and I am not going to repeat it—contained a hypothetical. It contained—

**Mr MICKELBERG:** I raise a point of order, Mr Chair.

**CHAIR:** I am finishing this point of order. I have ruled on that that it is currently out of order. I am giving you another chance to ask that. Member for Buderim, what is your point of order?

**Mr MICKELBERG:** Mr Chair, the Speaker has previously ruled a number of times that where there is an imputation or an inference and it is alleged that it has been made by a member you are required, in bringing your point of order, to identify specifically what that imputation or inference is.

**CHAIR:** I would be quite happy to do that.

**Mr MICKELBERG:** I have the floor, Mr Chair. The second part of that question is not sufficient to identify that. What word was an imputation or inference?

**CHAIR:** Thank you for your opinion, member for Buderim. If the member for Gympie would like to repeat that last part of the question, I will identify precisely where that is breaching standing orders.

**Mr PERRETT:** Mr Chair, I will do that, but this will be the third time and you have already indicated that I have done it so you have obviously heard what I have just said. I refer the minister to the tabled documents where in the Bundaberg *NewsMail* he claimed that the current staffing level within the department is 2,033 which is contrary to the SDS. I am asking the minister: is he making those numbers up?

**CHAIR:** And there we have it in that second part of the question, member for Gympie, claiming that he is making it up. That includes a hypothetical and I have so ruled. Could you please rephrase your question or I will rule it out of order and go to the next one?

**Mr PERRETT:** I ask the minister: did he get that figure in the *NewsMail* wrong?

**CHAIR:** Thank you. Minister—we finally got there—would you like to answer that question?

**Mr FURNER:** Thank you, Chair. Firstly before I defer to my director-general, it appears the exhibit that has been tabled does not refer to any news article, so I would like to see an original. Notwithstanding that, I understand there might be a need to have some understanding of the actual FTE, so I will defer to my director-general just to correct the record. Thank you.

**Dr Woods:** I am unable to determine the actual date on which this was published, but—

**Mr PERRETT:** 3 July, Director-General.

**Dr Woods:** If you look at the other document which you have tabled, which is a page out of an earlier SDS, that is not relevant. What is relevant is page 17 out of this year's SDS. If you run your eye down the 2017-18 budget column and then look at the 2017-18 estimated actual you will notice that for most business groups the numbers are virtually identical. In Agriculture at the beginning of the year we started with 932 FTEs and there was an adjustment through the year which took that to 936. In Biosecurity we had the big movement, which I referred to previously, which took it from 584 to 620 and in Fisheries and Forestry we went from 351 to 352, so there was one additional position approved, meaning that across the whole of the department the total during the year moved from 2,089 to 2,131. There is movement through the year which means that the actual cap is adjusted in real time through the year as additional activities are approved.

The article that has been tabled refers to after a term of the Palaszczuk government, so I am assuming that is around election time around October. There will be interim movements both in the cap and, as I described, there will also be interim movements in the actual bodies on the ground as various sums of money and programs start and finish. It is absolutely likely that the figure of 2,033 reflects, I think, that movement. It is not possible easily in these documents to track the day-to-day movement, but that does occur regularly throughout the year and, as I highlighted, the biggest movement is in fact in the FTEs for Biosecurity.

**CHAIR:** Thank you very much. We will now go to government members for questions. Before we do that, I just point out to members that what we have here is two documents that have been tabled. Very little—

**Mr BATT:** I raise a point of order, Mr Chair.

**CHAIR:** No, excuse me. I am in control here. We have two documents here—

**Mr BATT:** I have a point of order, Mr Chair.

**CHAIR:** Yes. I am speaking. I will get to your point of order in a moment. We need them to be attributed. We have documents here. We need when and where they come from. What is the point of order?

**Mr BATT:** We have only done 13½ minutes out of the 15 minutes so far.

**CHAIR:** I point out that there is no point of order, but certainly thank you for bringing that to my attention. You have time for one quick question.

**Mr PERRETT:** Thank you. My question is again to the director-general. Why would that vary so quickly—those bodies on the ground—from what was quoted in the SDS at the budget, which was in June, and showed 2,131? Why would that vary to 2,033 by 3 July?

**Mr MADDEN:** I raise a point of order.

**CHAIR:** We have a point of order from the member for Ipswich West.

**Mr MADDEN:** My friend said 'quoted in the SDS'. I would ask him to identify the page that he is referring to so I can follow what he is talking about.

**Mr PERRETT:** Page 17. Page 17 indicates there is 2,131 actual at the budget in June. Why would it vary to 2,033 within a few days?

**Dr Woods:** Let me just highlight again that the figures that are shown in the SDS are the cap figures, so the cap that was approved in the 2017-18 budget at budget time in June 2017 was 2,089. The figure that you are reading as estimated actual is the change in the cap, so the actual cap by the end of 2017-18 had moved from 2,089 up to 2,131 because of the approval by the Commonwealth government, by other jurisdictions and by the Queensland government of the funding for the fire ant program. There were other minor movements in other programs, but the figures that you are looking at in the budget papers are the cap. They are not warm bodies on the ground. They are the cap that the department has approved under the budget to appoint and are likely to vary as the year goes through when different activities have been approved. When we, for example, get approval to put people on through funding being provided for fire ants, we go to Treasury and we say, 'We are now going to have

additional staff for fire ants. We cannot afford as a department to reduce that ability to be able to put people on if we have a short-term emergency, so we need additional FTE figures in the budget in our cap to be able to ensure that we can provide the normal service that the department's required to provide.' As I said, as a general rule we will be somewhere in the order of 60 to 100 people below the actual cap and that is about the number that we are likely to put on very quickly in a surge situation where we have a crisis of some sort.

I am talking here in round figures, but if I think back to the white spot incident which occurred just prior to Christmas 2016 we put on roughly 100 people very quickly to be able to respond to that crisis. Some of those would have come from within the department, but there would have been a significant increase in people because we needed people on the ground to do a range of tasks as part of that response. It is an important part of our agility as a department to be able to get best value for money by being able to put people on when we need to be able to mount a response.

**CHAIR:** Thank you, Dr Woods.

**Mr FURNER:** Mr Chair, before we go to questions from government members, I want to indicate, like I have done in the past for the member for Gympie, that I am more than prepared to arrange a briefing for him or any other non-government member to educate them in the difference between the SDS and capped numbers.

**CHAIR:** Thank you, Minister; I appreciate that. I certainly know that that offer has been open. We will go now to questions from government members. Minister, I refer to page 9 of the SDS which refers to the Sustainable Fisheries Strategy and ask the minister: will the minister advise the committee of the progress of the Sustainable Fisheries Strategy?

**Mr FURNER:** I thank you for that question. It is a very important question. Delivering on the Sustainable Fisheries Strategy is a key election commitment of our government. We made the commitment a reality during the last term of government and we are continuing to deliver on this decade-long promise. The plan of the sector is charging ahead at full steam. Members may recall the previous budget provided additional funding of \$20.9 million over three years to ensure that fisheries resources are managed in a sustainable and responsible manner that recognises the interests of all Queenslanders.

I am pleased to report to the committee that excellent progress has been made. One-third of the strategy's actions have already been completed in the first 12 months in that 11 actions have been delivered. This includes the employment of 20 new compliance officers and the reopening of the Gladstone Boating and Fisheries Patrol office, establishing a new fishery working group and an expert panel and rolling out new biological monitoring. Discussion papers outlining the management reform options for the priority of fisheries was released in March 2018 for public comment. The working groups have had significant input into the development of the papers and are now seeking broader feedback of the options.

The government also released a discussion paper on amendments to the Fisheries Act 1994 and proposed reforms to modernise Queensland's fisheries laws to include stronger compliance powers and penalties for serious offences such as seafood black marketing. The strategy also commits to having vessel tracking units installed on all commercial boats by 2020, with a priority to install them on net line and crab boats by the end of 2018. DAF has released the final policy and guidelines following feedback on drafts earlier in the year and a rebate scheme to assist industry with costs will soon be released. In short, there is a lot going on. What does this mean for Queenslanders? What this means for Queenslanders is better science, better evidence, better communication, better education and better ability to drive compliance.

It is our hope that we will drive a better outcome for our fisheries in the long term and the businesses and communities that fishing supports. It is not just about changing the rules and equipment on the water; it is about getting people out there as well. Queenslanders can be proud of our Sustainable Fisheries Strategy and world-class fisheries that we want to create and preserve.

A couple of months ago I was fortunate to be in Hervey Bay and go out on patrol with a couple of those officers and see firsthand the good work that they do in protecting our waterways and keeping up a sustainable fisheries industry for our Queensland recreational fishers and everyone else involved in the fisheries sector.

**Mr MADDEN:** My question also relates to the Sustainable Fishing Strategy. I refer the minister to page 9 of the SDS. Can the minister update the committee on the role of monitoring and research within the Sustainable Fisheries Strategy?

**Mr FURNER:** I thank the member for his question. You would all appreciate that, in modern government, the operation and management of public resources requires good data. We need to understand the context in which our industries operate. Nowhere is this truer than in fisheries. The future of profitable commercial and enjoyable recreational fishers relies on natural resources being used in a sustainable way. This requires keeping a close eye on fish stocks and the performance management of each fishery. We want accurate, timely data to be the foundation of sustainable fisheries management. This is something that our stakeholders across Queensland have supported through the consultation on our strategy. By routinely collecting information from commercial and recreational fishers using a range of monitoring programs and assessing that information, we can make objective decisions to ensure the future of our resources.

This is where we believe we can do more. That is why the Queensland government is investing over \$5.8 million over three years in additional monitoring through the Sustainable Fisheries Strategy. This funding will be used to improve monitoring and research information that will underpin good fisheries management decisions. The monitoring and research plan, released in October 2017, sets the priorities for monitoring and research to help researchers concentrate efforts and limit resources in areas that are high priorities for our fisheries. The collection of additional data is being undertaken in partnership with commercial, recreational and Indigenous fishers for reef fish, other species and shark. Independent fishery surveys also have been rolled out to collect additional biological data for scallops, eastern king prawns, blue swimmer crab and juvenile snapper.

Planning has commenced to undertake another statewide recreational fishing survey beginning in 2018-19. The last statewide recreational fishing survey was five years ago. Planning for the collection of the economic and social data of fisheries is well underway. Engagement with fishers—commercial, recreational and Indigenous—regarding economic and social surveys will be ongoing. I encourage members to take an interest in this critical area of natural resource management as we work together to achieve our aim of world-class fisheries in Queensland.

**Ms PUGH:** I refer to page 9 of the SDS, which refers to the Sustainable Fisheries Strategy. Can the minister inform the committee of any changes to the fisheries regulation that have occurred and are currently occurring under the Sustainable Fisheries Strategy? As a former restaurant manager I know how popular our Queensland fish are. I am very interested to hear what we are doing in this space.

**Mr FURNER:** I thank the member for Mount Ommaney for her question. I acknowledge her interest in this area and her long-term engagement in the restaurant industry and fisheries. The government is currently working through legislation and regulatory amendments to give effect to the Sustainable Fisheries Strategy. This is part of our long-term vision of the portfolio: to provide certainty, delivery, sustainability and stability for our primary industry sectors.

For fisheries management and users it will deliver a more responsive, evidence based approach to fisheries management. The proposal will also bring the Fisheries Act in line with other jurisdictions and other Queensland legislation, particularly related to compliance powers and penalties. To deliver upon the commitments made under the Sustainable Fisheries Strategy, a number of changes are proposed in the Fisheries Act. I emphasise that word 'proposed'. These changes are aimed to modernise the objectives of the Fisheries Act; recognise the interests of the key stakeholder groups; clarify the role of the minister who has responsibility for fisheries and of the chief executive in the management of the state fisheries and to allow for more responsive decision-making through using harvest strategies; strengthen the enforcement powers of fisheries inspectors and penalties under the Fisheries Act to address serious fisheries offences, such as black marketing; and make a number of administrative amendments to the Fisheries Act to reduce complexity and remove redundant provisions. The proposed changes will not impact upon the majority of recreational, commercial, charter or Indigenous fishers. People convicted of repeated offences under the Fisheries Act or black marketing will face harsher penalties. However, this is unlikely to affect the majority of people fishing in Queensland.

A discussion paper outlining the proposed changes closed for consultation on 20 May 2018, with 230 people completing the online survey. Feedback showed that there is widespread support for the key changes. For example, almost 90 per cent of respondents agreed or strongly agreed that enforcement powers of fisheries inspectors should be strengthened and penalties increased to address serious fishery offences such as black marketing.

The department would not be able to make random decisions on possession limits outside the harvest strategy. That would still be a matter for the government to consider. The responsible minister would also have the option under the proposed act amendments to direct DAF to make a different



decision. This would be similar to a call-in power. If the committee were extremely concerned about a declaration made by the chief executive, the minister could make a different decision and publish a reason for that different decision.

The proposed amendments to the Fisheries Act are currently being drafted. It is anticipated that a bill outlining the proposed changes to the Fisheries Act will be presented to parliament for consideration before the end of this year. I thank those members of the fishing community who have had their say and I look forward to working further with them. Once again, I had that opportunity to engage with those members of the Queensland Boating and Fisheries Patrol and hear firsthand their concerns about their day-to-day activities and engagement with fishers on the water. I commend them for the work they do. That particular day out in Hervey Bay was pretty rough, but we got back safely. We heard firsthand their experiences of what they do, particularly in the black marketing area.

**CHAIR:** I refer to page 9 of the SDS, which refers to the Shark Control Program. Can you update the committee on the government's investment in the Shark Control Program?

**Mr FURNER:** Sure. I thank the chair for his question. Since 1962, the Shark Control Program has played an important role in swimmer safety across Queensland. The Palaszczuk government is committed to maintaining the Shark Control Program. In the most recent budget there was an allocation of an additional \$2.1 million over four years—an additional \$731,000 per annum ongoing—to be spent to meet the growing cost of the Shark Control Program. This allocation will take the total funding of the program to \$16.1 million over four years and \$4.2 million per annum ongoing. The current evidence indicates that traditional capture methods remain the most effective measures to reduce the risk of shark attack. If new technologies were shown to be effective in preventing non-target marine life fatalities, they would be considered as part of the program. DAF continues to monitor the progress of alternative shark deterrent technology trials being conducted in New South Wales.

Releasing entangled whales is a program priority. Fully trained marine animal release teams located in Mackay, the Sunshine Coast and the Gold Coast are at the forefront in the safe release techniques of these animals. As everyone would know, the 2018 whale migration season is fully underway. Volunteer whale observers who reside in selected high-rise residential buildings along the Gold Coast and Sunshine Coast beaches continue to report the entanglement of whales in Shark Control Program equipment. The program continues research into minimising the incidental capture of species such as whales and dolphins. New-generation acoustic alarms, called pingers, fitted to shark nets appear to be reducing the incidental capture of humpback whales and dolphins. There is also a toll-free number, 1800806891, in place for reporting sightings of trapped marine animals. This system has worked effectively since 1994.

The Shark Control Program also continues research into improving shark gear effectiveness. Seventeen surveillance cameras, strategically positioned adjacent to shark nets at the Gold Coast, Sunshine Coast and Rainbow Beach, will continue during the 2018 whale migration season. These cameras have proven to be an effective monitoring tool for the early detection of entangled whales. In February 2017, two shark nets at Bucasia Beach in Mackay were permanently removed and replaced with six additional drum lines. These nets were removed to address ongoing service issues and to reduce incidents of catching non-target species. The removal of these nets has resulted in the Great Barrier Reef Marine Park now being free of shark nets. Six drum lines have been introduced at south Lamberts Beach, Mackay and three drum lines off Flinders Beach, North Stradbroke Island. The list of target species is also being refined through consultations by the program's Great Barrier Reef scientific advisory panel. While swimmer safety will always be a No. 1 priority, we must remain conscious of our marine wildlife, environmental balance and available best practices.

**CHAIR:** Thank you, Minister. I appreciate that. We will go to the non-government members for 10 minutes and ourselves for 10 minutes.

**Mr PERRETT:** Page 18 of the SDS, under the heading 'Departmental income statement' cites that there will be a significant decrease in expenses beyond 2018-19 to address biosecurity issues such as white spot disease, Panama TR4 and other weed and pest initiatives. Given that the battle against white spot is not over, with recent revelations of further detections in Moreton Bay, and the confirmed detection of Panama TR4 in the Tully region, why is funding from Biosecurity being decreased?

**CHAIR:** Before the minister answers that question, I notice that this reflects one of the questions on notice that you had previously. Are you elaborating on that question on notice, or is this a new question?

**Mr PERRETT:** No, this is a new question.

**Mr FURNER:** I thank the member for Gympie for his question. When I took over this portfolio, one of my first roles was to travel to Tully to assist those farmers through Panama TR4 disease, complementing the additional funding that we had provided prior to that. The member for Gympie would be aware that there has been another identification determined by the department of a fourth example of Panama TR4.

This government goes on resolute in its protection on biosecurity matters. That is why, in this budget of \$481.7 million, there is an increase of \$11.2 million for the estimated actual. The increase is largely due to the additional funding for projects under the Driving Queensland Agriculture and Rural Jobs Growth initiative. The shark control program and the restoration activities—

**CHAIR:** Could I point out that we have the opportunity to put these questions on notice if need be as well. I know that the opposition will avail themselves of that opportunity if need be.

**Mr FURNER:** Once again, biosecurity is a matter we take seriously. As we have done in the past, we have also offered briefings to the shadow minister or members of the opposition to assist in this area. Also I would consider it to be a bipartisan matter and that we should treat it in that way. That is why we have actually offered briefings to those members in respect to white spot.

I find the comments from the shadow minister earlier this month unhelpful, misleading and also plain wrong. The shadow minister claimed that 'the Palaszczuk Labor government has cut Queensland biosecurity staff and prematurely wound back the response to end white spot disease in prawns.' If the member for Gympie wanted to get the facts of the matter he could have approached my office and we would have been able to brief him, as we have done previously in other matters. There have been additional positive results found in Moreton Bay early this year.

To clarify for the committee, the government's white spot response follows the national agreed Aquavetplan. The response was overseen by the Commonwealth and other jurisdictions and the testing was carried out in the Commonwealth labs. It seems on first base that the member for Gympie would rather slight the Queensland government and Biosecurity Queensland for no other reason than political expediency. If the member for Gympie was truly concerned about white spot he would have been more vocal on why the Commonwealth had been aware of white spot entering Australia before the outbreak in December of 2016 and refused to inform the Queensland government at that particular time.

I must say, Chair, I continually lobby the Commonwealth government. I would encourage the member for Gympie to join me in doing this as well to stop the importation of foreign prawns or prawn meat into this country and this state to protect our waterways and our critical prawn industry. It certainly is clear that if the member for Gympie watched *Four Corners* he certainly did not understand the concerns from the industry. This is real and live, the concerns of this particular industry, and the member for Gympie refuses to accept that the LNP cut 26 per cent out of biosecurity—

**Mr MICKELBERG:** Point of order, Mr Chair.

**CHAIR:** Just a moment, Minister. We have a point of order from the member for Buderim.

**Mr MICKELBERG:** Under standing order 118: relevance. We are here to examine this budget, not one from four years ago. I would ask the minister to come back to this budget and the SDS section which was referenced in the question.

**CHAIR:** Thank you. I have your point of order. It is regarding relevance. I understand the minister has talked about TR4 in bananas and has also talked about white spot as well, which answers the question that was raised by the member for Gympie. I know the minister is quite well aware, being a former chair, of the standing order with regard to relevance and I know that the minister will be keeping his answer relevant to the question that has been asked.

**Mr MICKELBERG:** Point of order, Mr Chair. With respect, it is not relevant.

**CHAIR:** The point of order is not taken on that. You have another point of order?

**Mr MICKELBERG:** Mr Chair, he is not relevant to this point of order because he is not speaking to this budget. He is speaking historically to budgets that were laid down four years ago.

**CHAIR:** Thank you. Your point of order is about relevance to the budget. This is going to come up a few times today.

**Mr MICKELBERG:** It will, because you are intent on wasting time.

**CHAIR:** Member for Buderim, the chair is talking. There will be comparisons to former budgets that will be littered throughout today. Clearly the opposition will make cases sometimes of former SDSs being relevant to this one here. There is a degree of latitude with regard to comparisons. What the minister is doing here is talking about the budget that we have now. I do find that relevant. As I said

before, there will be some comparison when we are talking about budgets. The ministers know quite well how to keep this relevant to the budget we are examining now. The minister is clearly coming to the end of his answer so we will just allow him to finish.

**Mr FURNER:** To be clear, through you, Chair, the Palaszczuk government has spent more than \$15.029 million on the response certainly to white spot. A further \$3.1 million is estimated to be invested in the response in 2018-19. But to complement that I might hand you to my director-general to add any additional information to this particular area.

**Dr Woods:** Thank you, Minister. Following on from the point that the minister just made—

**Mr WEIR:** Point of order.

**CHAIR:** Point of order, member for Gympie?

**Mr WEIR:** We will probably be happy, in the interests of time, to have the rest of that tabled and move on to the next question.

**CHAIR:** That would be good. Do you want that on notice or tabled?

**Mr WEIR:** Tabled.

**CHAIR:** We will examine that at one of the next breaks. Next question from the non-government members.

**Mr PERRETT:** In relation to that SDS, it clearly says there is a decrease in the forward estimates. I would like to know what those figures actually are?

**Ms PUGH:** Which part of the SDS?

**Mr MICKELBERG:** Point of order, Mr Chair. The Clerk made it very clear that there is no requirement to reference the SDS in his testimony yesterday.

**CHAIR:** Can I remind members to not talk over the chair. What is your point of order, member for Buderim?

**Mr MICKELBERG:** The Clerk made it very clear in his testimony yesterday that there is no requirement to reference the SDS in a question. If we are going to do this all day, wasting time deliberately to avoid scrutiny—

**CHAIR:** Member for Buderim, you are getting towards disorderly here. If other members of the committee do need that reference to the SDS to determine that this is relevant to the budget they are entitled to ask on that. Let me make that clear. We have just done that. Have we established which part of the SDS this is relevant to?

**Mr PERRETT:** I am happy to clarify this again, as I did in my question on this—page 18 of the SDS. That is what I referenced, for the member's benefit.

**CHAIR:** We have established that.

**Mr PERRETT:** The minister's answer seems to be in contradiction, and I want clarity on the exact figures between 2018-19 in the forward estimates to 2021-22.

**CHAIR:** Minister?

**Mr FURNER:** Thank you, Chair. Once again there is an increase of \$11.2 million from the 2017-18 estimated actual to the 2018-19 budget. The 2017-18 estimated actual is not the 2017-18 budget, but what was expected to be spent in 2017-18 at the time the 2018-19 budget was developed. The increase is largely due to additional funding for projects under the Driving Queensland Agriculture and Rural Jobs Growth initiative and the shark control program and an equity to revenue swap for capital grants to Paws and Claws. The decrease in expenses beyond 2018-19 is primarily due to the scheduled finalisation of funding arrangements for various departmental limited-life initiatives and a reduction in funding of contracted research and development projects from the external funding bodies.

Those opposite must realise that there are no areas of service delivery that will suffer as a consequence of those budget adjustments. We will continue to deliver for rural and regional Queensland and the agriculture, fisheries and forestry sector.

**CHAIR:** Thank you, Minister. We will now go to questions from the government members. Member for Ipswich West, do you have a question?

**Mr MADDEN:** Thank you very much, Chair. My question relates to vessel tracking. I refer the minister to page 9 of the Service Delivery Statement which refers to vessel tracking of commercial fishery vessels. The question I have for the minister is, can the minister inform the committee of the role of vessel tracking within the Sustainable Fisheries Strategy and what measures have been taken to roll out its implementation?

**Mr FURNER:** I thank the member for Ipswich West for his question. Queensland's Sustainable Fisheries Strategy commits to having vessel tracking units installed on all commercial vessels by 2020 with a priority to install units on net, line and crab vessels by the end of 2018. Under these new arrangements all net, line and crab boats will be required to have a vessel tracking unit installed and operational from 1 January of 2019.

The trawl fishery has had vessel tracking for 15 years now. I understand many commercial fishers recognise the importance of vessel tracking, stating that the technology helps them demonstrate the sustainability of their fishery, particularly when operating in World Heritage areas.

The future use of this technology will help modernise fisheries management in Queensland, leading to more informed and responsive decision-making to protect our fish stocks. DAF has been working with innovators over the past six months to ensure more compact and robust vessel monitoring units are available for smaller inshore boats. Following extensive industry consultation this year, DAF has recently finalised its vessel tracking policy and guidelines to ensure they are practical in all fisheries and this includes providing fishers with flexibility should units malfunction.

DAF has worked with the Great Barrier Reef Marine Park Authority to pool \$3 million in funding to help subsidise initial set-up costs. As part of the rollout, licence holders have been provided with a list of approved units for each fishery from which they may select, purchase and have installed. Subsidies will be provided through a reimbursement process administered by the Queensland Rural and Industry Development Authority.

One of the main concerns raised by individual commercial fishers and some sectors of the industry has been around information and privacy. I recognise this and that in our current age the protection of personal or corporate information can be important to business as well. This was a concern that was raised by some fishermen who were engaged by the department as part of the consultation of this reform. There is also an obligation on government to regulate effectively and that requires information. That is why DAF has engaged PricewaterhouseCoopers to review the safeguards in place to protect fishers' private data. It is an important reform and one that will help guide and rollout the Sustainable Fisheries Strategy going forward.

**CHAIR:** Member for Mount Ommaney?

**Ms PUGH:** Thank you, Chair. I refer to page 9 of the SDS which refers to the government commitments and I ask the minister: will the minister advise the committee on the progress of the net-free zones and any partnerships the government is undertaking to promote recreational fishing within them?

**Mr FURNER:** I thank the member for Mount Ommaney for her question. We spoke earlier about visiting North Queensland. One of my first tasks in that visitation was to go to Cairns and Trinity Inlet and talk to fishers up there. I am pleased I have had that opportunity and I have returned on several occasions. The net-free zones have been a highly popular initiative with recreational fishers and well received in their respective communities across Central and Northern Queensland. Members would recall that net-free fishing zones were implemented in Cairns, Mackay and also the Capricornia Coast on 1 November 2015. That structured assistance scheme included a buyback of commercial fishing boat licences which was undertaken in 2015 and 2016.

A key part of the net-free zone commitment is working with local communities to promote local recreational fishing opportunities. That is why I am pleased that the three councils involved in the net-free zone commitment have stepped up to the plate to provide unique promotions for each of these areas. We are delivering the funding to help make that happen. The three matched funding partnerships of \$100,000 each were allocated to the Cairns, Mackay and Rockhampton regional councils to support recreational fishing in the net-free zones through promotion, signage or infrastructure. It has been great to see district regional ideas about how to promote a net-free zone emerge. I am pleased to see some of the results up close, as are members in this House. During my visit to Mackay earlier this year I visited the local net-free zone with several local anglers who were instrumental in the successful delivery of this election commitment. I have also seen the enthusiastic take up in Cairns.

**CHAIR:** Minister, just a moment. We have a point of order.

**Mr MICKELBERG:** Mr Chair, if the minister is simply going to read his answer I move that the document he is reading off be tabled.

**CHAIR:** Thank you very much. The point of order is not taken. This is going to be a long day, member for Buderim. We are nearly out of the agricultural section. We will let the minister finish his answer.

**Mr FURNER:** Thank you, Chair. In Cairns the net-free zones complement the existing tourism trade industry around the reef and local waterways. Those recreational fishers are ecstatic over the changes that have been made. I am sure that the member for Buderim would realise, given his background in the Sunshine Coast, the importance of tourism. You can see that as a result of the net-free zones in Cairns.

I have also heard excellent reports about Rockhampton's net-free zones. The Fitzroy River was recently featured as the only Australian fishing destination in what I am advised was the world's first 24-hour international fishing live stream. I understand that a key element of being featured in that event was the local emphasis on sustainable fishing. Fishing in Rocky is going global. With the bite on the big barra being what it is, why shouldn't it, especially as you can be on a boat and on the water within an hour of arriving at the airport? I know the members for Rockhampton and Keppel have been preaching Rocky's good form as well. I encourage all members to visit those areas for themselves.

Last financial year two grants of \$20,000 each were allocated to Infofish and the Australian National Sportsfishing Association Queensland for improved monitoring services around the net-free zones. That emphasis on local improvement complements the ethos of our Sustainable Fisheries Strategy and our commitment to working with Queenslanders.

**CHAIR:** The committee will now conclude its questioning on the portfolio area of Fisheries. We move to our examination of the portfolio area of Agricultural Industry Development. Member for Condamine, do you have a question?

**Mr WEIR:** I defer to the member for Gympie.

**Mr PERRETT:** I refer to page 1 of the SDS regarding ministerial portfolio responsibilities that task you with the responsibility of agricultural development, which is listed on page 3 of the SDS. Minister, given your role for agricultural industry development, what effect will the new unfair vegetation management laws have on the industry?

**Ms PUGH:** Point of order. Clearly an opinion is stated in that question.

**CHAIR:** Yes, you are asking for an opinion. I will give the member a chance to rephrase the second half of that question to ensure it meets standing orders.

**Mr PERRETT:** Minister, given your role for agricultural industry development, what effect will the new vegetation management laws have on the industry?

**Mr FURNER:** Firstly, vegetation management is a matter for the Minister for Natural Resources, Mines and Energy. The member for Gympie would know that very well. This matter has already been the subject of discussion and legislation has passed through the House. It has been decided by the Queensland parliament. Producers need certainty on vegetation management and the LNP's politics on this are doing no service to our rural communities either. The Palaszczuk government has been up-front with producers and industry on vegetation management and we were up-front in the 2015 and 2017 elections also.

I have read recent media reports. I must commend the department of natural resources for their involvement in running field days in the communities with farmers. I refer to comments in the media. Unlike the member, I will refer to the relevant parts. In the *Burdekin Advocate* of 11 July 2018, Leanne O'Sullivan from Glenalpine Station in Bowen indicated that the workshop cleared up the myths and assumptions bandied about in the media in recent months. She said that to have access to factual information on recent legislation changes without the emotional interpretation while the information was being conveyed was excellent. She commended NQ Dry Tropics for holding that information day. Mick Comerford from Exmoor Station near Collinsville said that the workshop dispelled his initial reservations about the laws. He said that the day provided clarity on the new laws and showed that there are ways to work within the laws to be able to undertake maintenance clearing as well as be able to develop the country. As you can see, there are people on the land who understand that, under the Vegetation Management Act that was passed, landholders still can perform the functions that they do on a day-to-day basis.

**Mr PERRETT:** Minister, given that in *Queensland Country Life* on 8 February 2018 you said, 'I have a lot of empathy for people in the regions and I will exercise my voice'—and I table that article from *Queensland Country Life*—

**Mr MADDEN:** If my colleague can assist me, what page of the SDS is he referring to?

**Mr PERRETT:** SDS pages 1 and 3. Minister, when did you exercise your voice and was it only when you spoke on and voted for the unfair laws?

**CHAIR:** Member for Gympie, this is clearly not relevant to the consideration of the budget before us.

**Mr WEIR:** Point of order, Mr Chair.

**CHAIR:** Let me finish: I will give you a chance to rephrase. I point out that the vegetation management laws come under Minister Lynham and you will have an opportunity to question the minister later today. If you are going to ask about the vegetation management laws, I ask you to keep it very relevant to the SDS and the expenditure of the budget before us now. Member for Condamine?

**Mr WEIR:** Mr Chair, I take you to page 4 of the SDS, where under 'Service performance' it states, 'To lift the productivity of Queensland's food and fibre businesses'. It also refers to the sustainability of Queensland's food and fibre, to 'improve the competitiveness of rural business', 'create long term jobs' and on and on. It is very relevant to this portfolio.

**CHAIR:** Thank you very much. I believe it is your opinion that these particular laws affect this one here. May I point out that, if you are going to go down the vegetation management laws route, you have the opportunity to ask the minister later today. I do not think that what you have pointed out there is going to be relevant to the expenditure in the budget here. Will the member for Gympie ask the question again, bearing in mind that if it is not relevant to the expenditure that we have before us today I will ask you to move on to a different question.

**Mr PERRETT:** I will repeat the question, because I believe it is relevant: when did you exercise your voice? Was it only when you spoke on and voted for the unfair laws?

**CHAIR:** I will rule that out of order. I ask you to go on to your next question.


**Mr MICKELBERG:** Point of order, Mr Chair. With respect, page 1 of the SDS, which lists ministerial and portfolio responsibilities—

**CHAIR:** I have ruled it out of order, member for Buderim. I have asked the member to go on to the next question.

**Mr MICKELBERG:** Mr Chair, I give notice of dissent in your ruling.

**CHAIR:** We will have a quick break.

**Proceedings suspended from 10.04 am to 10.22 am.**

 **CHAIR:** The hearing is resumed. During our private meeting downstairs, the member for Buderim's motion of dissent against my ruling was defeated so my ruling stands. The question is out of order. I will ask again: does the member for Gympie have a question?

**Mr PERRETT:** Yes. How much time is left?

**CHAIR:** We will go 15 minutes and 15 minutes.

**Mr PERRETT:** I table a copy of a tweet from the Wilderness Society on 24 November 2017 in which there is a picture of the minister signing a pledge to implement the unfair vegetation management laws within the first 100 days of government if elected. Why did you again mislead farmers when you said that you would exercise your voice on vegetation laws when you always supported imposing these unfair and damaging laws on farmers?

**Mr MADDEN:** Point of order, Mr Chair.

**CHAIR:** I do not know where to begin with that question—there are imputations and inferences. You breach standing orders 102 and 115 here. We have had some discussions but we have not actually decided whether or not we will accept the tabling of this. I am giving you another chance to ask a question before I ask you to move on to another question. I will give you another chance before I potentially rule it out of order.

**Mr PERRETT:** I will move on to the next question. Minister, given that you are charged with responsibility for agricultural industry development, did you seek a briefing from your department on the impact vegetation management laws would have on the agricultural industry in this state?

**Mr FURNER:** I will answer that question, but before I respond I indicate that I have a document that was sought by opposition members with respect to the decrease in expenses beyond 2018-19 in relation to white spot and Panama disease. I seek to table that document.

**CHAIR:** Member for Gympie, did you still want to table the tweet?

**Mr PERRETT:** Yes, Mr Chair.

**CHAIR:** My advice from the secretariat is that we can table copies of social media posts. We have the social media post to be tabled and we have the document on the decrease in expenses to be tabled. Is this document from you, Minister?

**Mr FURNER:** That is from the department; that is right.

**CHAIR:** I also have here the tabling from the *Queensland Country Life*. We will accept the tabling of those three documents.

**Mr FURNER:** Chair, it would be beneficial if I could sight copies of the *Queensland Country Life* tabling and also the tweet that the member for Gympie referred to.

**CHAIR:** Can we make sure that copies go to the minister as well?

**Mr PERRETT:** There were enough provided, Mr Chair.

**Mr WEIR:** Point of order, Mr Chair: those documents are not relevant to the question that the member just asked and that the minister was going to answer.

**CHAIR:** I take your point there. That particular document related to a question that was ruled out of order previously, Minister.

**Mr FURNER:** If I understand the question correctly, it related to whether I had any briefing from my department with respect to the Vegetation Management Act.

**Mr PERRETT:** And the impact on rural Queensland.

**Mr FURNER:** Yes, I did have briefings from my department on the legislation. It might be worthwhile if I defer to my director-general on that matter.

**Dr Woods:** It is normal practice for departments to brief ministers in relation to incoming legislation. It is also normal for departments to work with other departments, particularly around the issues of the workability of the legislation as it was proposed. A particular issue that we were concerned about in relation to the way in which this legislation would impact primary producers was in relation to drought and current drought feeding needs. That was a particular focus of the briefing that was provided to the minister.

It is also the case that we obviously briefed the minister on a range of other programs. Our conclusion was that the vast majority of those programs will continue to be taken up in the context of the government's legislation. As a particular example of that, I would refer to the current uptake of the PIPES loans through QRIDA, which is in the order of \$100 million this year. Again the uptake of loans for New Start producers and for sustainability purposes in terms of developing properties has been strong regardless of both the difficult conditions that many producers face with the ongoing drought and the introduction of the new legislation.

**Mr PERRETT:** I will move on from that particular matter. I want to focus on drought, particularly given what we see on the front page of the *Courier-Mail* today. There is some serious concern in rural and regional Queensland around the impact this ongoing drought is having.

**Mr FURNER:** Is the member for Gympie seeking to table the document?

**CHAIR:** Can the member for Gympie start the question again; I was consulting with the secretariat.

**Mr PERRETT:** I referred to a *Courier-Mail* article today and the ongoing issues in Queensland around drought. This is highlighted on the front page of the *Courier-Mail* today. It is a serious issue for many people in this state.

**CHAIR:** Once again, if you are going to table that article, you have to provide copies—

**Mr MICKELBERG:** We have not requested to table it.

**CHAIR:** You are referring to it so in that case it is a prop. If you are going to use it you will need to table it.

**Mr PERRETT:** I will move on. I refer to page 3 of the SDS which outlines the budget commitment to drought funding. You said in the *Rural Weekly* on 5 June—and I table the article for the committee and minister's benefit—that \$34.6 million in drought assistance funding, which is the same as last year, was effectively an increase because eight regions were recently removed from the drought declaration list. How is no change in the funding an increase?

**CHAIR:** Just before the minister answers, what you are referring to is a media article, is that correct?

**Mr PERRETT:** That is correct.

**CHAIR:** You know what I am going to say here. How are you tying this in with the examination of the expenditure in front of us? Can you help us with that?

**Mr PERRETT:** It is drought funding. We have also had the minister's comments and the press release issued by the minister. I would imagine that the minister would be keen to talk about drought and the ongoing problems for rural and regional Queenslanders.

**CHAIR:** Clearly. To help out committee members, you have talked about drought funding, is that an item in the SDS?

**Mr PERRETT:** Absolutely.

**CHAIR:** Can someone help me with that? Where is it?

**Mr PERRETT:** It is at page 3 of the SDS.

**CHAIR:** This question refers to drought relief funding.

**Mr FURNER:** I am sure that the member for Gympie and other non-government members would concur with my view on this particular drought. Some of those areas that we have travelled to are in their fifth year of drought. I never will understand the resilience that the farmers on the land have with respect to going through these difficult times. Despite the El Nino conditions, the recent summer wet season that we had earlier this year was really disappointing. There was below average rainfall and higher than average temperatures across most of the state.

Much of Western Queensland is now, as we know, in its fifth year of drought. As of May 2018, 57.4 per cent of the state is now drought declared. Those decisions are made by the LDCs, or local drought committees. That 57.4 per cent was reduced from 66.27 per cent. In light of those conditions, the Palaszczuk government has maintained its existing drought assistance program. The drought assistance package, budgeted at \$34.6 million in 2018-19, is delivered by a number of government agencies. I might ask my director-general to refer to a number of those so there is no confusion about the delivery of the essential and important aspects of the package.

**Dr Woods:** Just to outline the breakdown of the \$34.6 million, it is \$20 million for the Drought Relief Assistance Scheme, which provides freight subsidies for fodder and water during drought, freight rebates on the movement of livestock after drought revocation and a rebate on the purchase of emergency water infrastructure for welfare purposes for livestock; \$4.2 million for land rent rebates and water licence waivers which are administered by the Department of Natural Resources, Mines and Energy; and \$10.4 million for the Drought Relief from Electricity Charges Scheme, which provides fee relief to irrigators impacted by low water availability. It is managed by DNRME and represents forgone revenue from Ergon's community service obligation.

To come specifically to the point that was raised in the question, the 2017-18 budget for the drought assistance package was \$34.55 million but expenditure was \$31.09 million. This was attributable to a reduction in demand for—

**Mr WEIR:** Chair, the director-general might like to table that document, in the interests of time.

**CHAIR:** Would you like the rest of that referred to in answer to a question on notice perhaps?

**Dr Woods:** Chairman, I think we could provide the detail. The thrust of it is that no stock means no demand. There is no demand for the emergency water infrastructure rebate, which is for welfare purposes of providing water, if people have significantly destocked because there are not as many stock to provide either water or feed for. As has happened in previous droughts, when you get to the fifth year of drought demand actually reduces. We would expect demand to go up again as the drought finishes in various areas and people move to restock.

**CHAIR:** We are going to go to the member for Noosa for her question. First of all, are we all happy to table this document? There being no objection, it is so tabled.

**Ms BOLTON:** I refer to page 4 of the SDS. Minister, what funds are being made available for increased monitoring of our waterways and catchments given that the Healthy Waterways testing is restrictive and does not include testing for specific chemicals of growing concern in our communities?

**CHAIR:** Member for Noosa, I understand that that is in regard to chemical monitoring of chemical run-off in your area?

**Ms BOLTON:** Yes. That is correct.

**CHAIR:** I am trying to recall the SDS that relates to specific programs regarding agricultural chemicals.



**Mr FURNER:** I am fine to answer this question. I thank the member for Noosa for her question. I really appreciate, particularly in the part of the world where you live, the importance you place on the environment and the waterways in your community. I understand that this question relates to matters raised in 2008. They were comprehensively investigated from 2009 and concluded via a systematic report and testing in 2011 and also 2012. The implementation of this report was a policy matter for the governments and the agency of the day. My office has been engaged with you on this, as I understand. I am happy to discuss this matter further with you or provide further briefings and assistance should you wish. Certainly the questions regarding river water quality are better directed to the Minister for Environment. If you do not mind, I might ask Malcolm Letts to complement this response on this important area.

**Mr Letts:** Biosecurity Queensland has been in discussions with the Noosa council recently in relation to some concerns that have been raised in relation to specifically pesticide levels within the Noosa catchment. I have asked one of my expert officers associated with pesticides to meet with the environmental manager of the Noosa Shire Council to have further discussions in relation to that matter. That meeting, I understand, is being planned for the next week or so.

**CHAIR:** We will now go to questions from government members.

**Ms PUGH:** Minister, I refer to page 3 of the SDS where it states, 'A solid reputation for safe, quality food and fibre and reliable supply is key to maintaining, securing and growing markets.' Will the minister advise the committee of the current status of Growing Queensland's Food Exports program and how agricultural businesses can be involved so we can share their magnificent bounty not just with Queensland restaurants but with the entire world?

**Mr FURNER:** I thank the Mount Ommaney for her question and, once again, acknowledge her background in the restaurant business. I am sure you will understand the importance of this answer. This morning we have been fortunate enough to be able to gift the committee with a basket of fresh produce sourced directly from the market.

**Mr PERRETT:** Is that a prop?

**Mr FURNER:** We are actually providing it.

**Mr MICKELBERG:** Do you have nine of those?

**CHAIR:** We need copies of that for everyone! That is very clearly a prop. We are going to have to confiscate all of those. 'Confiscate' is perhaps not the best word there. Would members of the committee be open to making sure that those props are left in the care of the committee and we will deal with those after lunch or during lunch?

**Mr BATT:** Maybe they could be gifted to a community group.

**CHAIR:** Yes. Bring them up here. I am not letting them out of my sight. What we have there is obviously Queensland produce.

**Mr FURNER:** You will find in the basket products from local providers and also producers. There is Capilano honey. There are peanuts from Kingaroy in the electorate of Nanango. Certainly there are excellent products in that basket for the committee or others who wish to partake. Of particular note is the range of Majans healthy snacks, which were developed in conjunction with DAF and produced in Sumner Park. As the committee would be aware, these products are among thousands of others from around Queensland that benefit from close access to a number of growing international markets.

To assist our food producers to take advantage of those opportunities, the Palaszczuk government has allocated \$1.3 million over two years to the Growing Queensland's Food Exports pilot program. The program supports Queensland food businesses by providing grants of matched funding up to \$100,000 over two years to build the capability of their business to take advantage of export opportunities. I am forever encouraged by the uptake of this program. There are a multitude of people I visit around the state who wish to access this program.

The program aims to enhance trade opportunities and outcomes in current and new markets by investing with businesses in export development activities. The Growing Queensland's Food Exports program supports activities such as market development, supply chain facilitation, post-harvest quality and market research. This program focuses on food value chains that have strong market opportunities. In 2016-17, Queensland was Australia's largest producer of vegetables, estimated to be \$1.24 billion, and the second largest producer of fruits and nuts, estimated to be \$1.79 billion. In recognition of this, the pilot program is focused primarily but not exclusively on horticulture to enable Queensland food businesses to capitalise on this export potential.

The Palaszczuk government is committed to supporting rural economic growth and creating sustainable jobs by increasing Queensland's food exports. Six projects throughout the state have been funded in the first year of Growing Queensland's Food Exports pilot program. These include Manbulloo Ltd, which is wanting to capitalise on new opportunities to expand its mango exports from North Queensland to Japan, Hong Kong, New Zealand and Singapore—once again, another location I have been fortunate to visit and see their business firsthand. Bundaberg's Macadamias Australia is developing exports for retail-ready macadamia products. The Lockyer Valley Mulgowie Fresh Pty Ltd is looking to capitalise on packaged sweet corn consumer traceability. E & A Coco and Sons Pty Ltd based at Elimbah near Caboolture, not far from your electorate, Chair—

**CHAIR:** The heart of strawberry country.

**Mr FURNER:**—also wishes to capitalise on market access to export Queensland strawberries to Hong Kong and Indonesia. They have been collaborating with other Sunshine Coast strawberry businesses Ashbern Farms and Berry Patch, as well as the Queensland Strawberry Growers Association. SunPork Fresh Foods Pty Ltd is developing pork products at its Kingaroy and Murrarie plants for the high-end Asian market. Burdekin's VFPlus Pty Ltd is developing exports of high-quality melons out of North Queensland to Japan and Singapore.

Grant money of \$546,800 will be leveraged, with \$3.297 million in cash and in-kind contributions for the project proponents. Round 2 opened on 1 July 2018 and will close on 1 August. I encourage committee members to ensure that businesses in their area are aware of the wonderful program. If their constituents need application forms they can contact DAF on 132523.

**CHAIR:** Minister, with regard to props, bear in mind that we usually do not encourage the tabling of props. If there are any more props like that to be tabled, we will confiscate them as well.

**Mr MADDEN:** My question relates to rural debt surveys. I refer you to page 40 of the Service Delivery Statements which refers to the administration of rural debt surveys in Queensland in accordance with prescribed legislation and the national data collection. Will the minister advise the committee what work has been done in the rural section by QRIDA regarding debt?

**Mr FURNER:** I thank the member for Ipswich West for his question and his ongoing support and interest in agriculture and its ancillary industries. Queensland has been following with interest what has been happening with the banking royal commission as well as the revelations that have come from some witnesses. That is why it is important that there are accurate numbers available to the government on the levels of debt in the agriculture sector.

I would like to acknowledge my predecessor, Bill Byrne, and the then shadow minister, Dale Last, on the bipartisan work that they did on the farm business debt mediation legislation that passed the House last year. It is an excellent piece of legislation. That legislation re-established the biennial Queensland rural debt survey. For the benefit of the committee, I table the *Queensland Rural Debt Survey 2017: an overview*. That overview highlights the first rural debt survey for Queensland since 2011. The report is a comprehensive report. I applaud QRIDA and the Queensland Government Statistician's Office, which worked in collaboration and with the support of all major rural lenders in Queensland to finalise this report.

The key findings of the report show that the total rural debt in Queensland as at 31 December last year is \$17.2 billion, which is up 1.6 per cent since 2011. This is a marginal increase in overall rural debt and probably reflects the strong returns of beef and winter crops such as chickpeas in 2016-17. From the 18,335 borrowers surveyed, the average debt per borrower is down 12 per cent from 2011 to just under \$1 million.

The report also finds that 95 per cent of the total value of rural debt—up from 86 per cent since 2011—is rated as viable or potentially long-term viable and is A and B-plus rated. These figures demonstrate the resilience of our primary producers. Even in the midst of drought, some producers have taken advantage of high prices to help pay down debt. It should be noted that debt is not static and that changes to export markets, interest rates and weather impacts like drought all play a part in the debt held by primary producers. In terms of industry, it is no surprise that the beef industry as the largest agricultural commodity in Queensland carries the highest debt of \$9.4 billion which represents 54 per cent of rural debt in Queensland. Cotton debt levels are at \$1.3 billion; sugar is at \$1.1 billion; and grains are at \$0.93 billion.

The benefit of this report is that government is able to ascertain rural debt by region. The Western Downs and Central Highlands region represent \$5.5 billion of total rural debt in Queensland, followed by the southern coastal Curtis to Moreton region of \$4 billion and the eastern Darling Downs region by \$2.5 billion. It should be noted that for certain areas and industries the data cannot be magnified in the report due to privacy concerns.

The Farm Business Debt Mediation Act requires QRIDA to undertake the Queensland rural debt survey every two years unless an equivalent national rural debt survey is available which, sadly, still seems unlikely. The next Queensland rural debt survey is scheduled for December 2019, and I expect to update the committee on those results at the 2020 estimates. I will be meeting with stakeholders, bankers and agricultural businesses to discuss the survey after this session, and I invite the committee to attend also if available.

**CHAIR:** Are there any objections to that document being tabled? There being no objection, it is so tabled. Minister, I refer to page 4 of the SDS which refers to promoting agricultural industry development and jobs in rural communities, and I ask: what is the status of the Rural Economic Development Grants Program?

**Mr FURNER:** I am pleased to inform the committee that it is anticipated that the Rural Economic Development Grants Program will be open for applications from August. Once again, interested applicants will be able to apply for up to \$250,000 with a requirement of matching contributions for the applicant. The Rural Economic Development Grants Program will be open to rural and regional businesses that work in agriculture or the agriculture supply chain and that have projects which will directly lead to employment. Examples of such projects may include adding value to agriculture products including developing new markets for value adding product, business development and expansion, achieving economies of scale in implementing collaborative business structures, improving energy use efficiencies including the transition to renewable energy sources, and improving productivity such as technologies that improve internet connectivity.

The Palaszczuk government knows that there are many within the industry who will appreciate the support that these grants will provide in boosting their businesses. The Palaszczuk government made an election commitment to provide \$10 million over three years to the Rural Economic Development Grants Program to strengthen the agricultural sector and bolster rural communities. This aligns more broadly with the Palaszczuk government's priorities of supporting the agriculture supply chain development and employment growth, particularly in rural Queensland.

My department and the Queensland Rural and Industry Development Authority have developed guidelines for this scheme as well. QRIDA will administer this scheme. My department is currently working with the Office of the Queensland Parliamentary Counsel on the necessary regulatory amendments to allow QRIDA to administer this scheme. From my travels around the state I have seen a lot of businesses and producers which are keen to progress their business to the next stage, and this scheme will assist producers in that way. I will inform the committee when the rural economic development scheme is open.

**CHAIR:** We will now go to questions from non-government members.

**Mr WEIR:** Minister, why was the Western Downs removed from the drought list? It would appear, given the seasonal conditions that I have observed in that area, that you may have been given some incorrect advice for that district.

**Mr FURNER:** I thank the member for Condamine for the question. I have been in your area in the past and seen firsthand the conditions of the drought and the conditions that affect primary producers on the land. As we discussed earlier, we did have a late start to the wet season. Notwithstanding that, it did not go as far as normal. Those decisions made by local drought committees are decisions that I receive, and in many cases, particularly the last decisions that were handed down by the LDCs, I questioned a number of those closely to identify how thorough the LDCs were in their declarations and determinations to consider their decisions on those outcomes.

Once again, they are matters for the local drought committees. They meet and make those recommendations to me. Whether conditions in those regions are drought declared or not is a matter that I listen to and take advantage of. Notwithstanding that, any producer who is affected by the current drought can still make independent applications for assistance through the DRAS, and they can contact the department on 132523 to take up those applications as well. I encourage any producers, whether they be in Condamine or anywhere else throughout the state that is drought declared, if they have a need or a requirement to access those applications to please contact the department and we will assist them.

**Mr WEIR:** I noticed in the Queensland rural debt survey that the Western Downs features very prominently. Minister, I would urge you to urgently look at overturning the drought declaration for the Western Downs.

**CHAIR:** That is more of a request than a question.

**Mr PERRETT:** Minister, in reference to page 7 of the SDS which outlines the department's biosecurity service delivery, your predecessor promised Queensland graziers that the government would conduct a review of Queensland's cattle tick line two years ago. I table those documents. That deadline has now come and gone. When will graziers get the review they were promised?

**CHAIR:** Bear with us a moment. You have identified where this is in the budget.

**Mr PERRETT:** Mr Chair, it is a very important part of what the department does and also the role of biosecurity.

**CHAIR:** But there is a specific program within the budget relating to this?

**Mr PERRETT:** Absolutely.

**CHAIR:** Are we happy for that to be tabled? There being no objection, that document is tabled.

**Mr FURNER:** I thank the member for his question. It was beneficial that I had a conversation—which I regularly do—with the president of AgForce this morning about this matter. I am well informed of some of the concerns in the industry about this matter. I do appreciate the relationship that I have with the president of AgForce. It is great to be able to either contact him or in many cases he will contact me. We both have each other's phone numbers and are able to discuss any matters affecting my portfolio.

The new cattle tick management framework was introduced, as the member for Gympie would probably realise, with the Biosecurity Act 2014 which commenced on 1 July 2016. It is providing more flexible and cost-effective ways for producers to meet their obligations when moving stock between cattle tick zones. Anyone involved in agriculture would be aware that it is a matter of biosecurity. It is a matter for everyone. It is not housed in any one particular location in respect to governance. The new approach offers a number of benefits to producers including reduced costs through more flexible inspection arrangements and reduced handling of stock during transit and delivers better animal welfare outcomes as well.

There are authorised accredited certifier businesses across Queensland with people available to producers for the inspection, treatment and certification of stock for movement as well. Those accredited certifiers are available in many locations across Queensland. They provide alternative options when moving stock, including the option of having stock inspected and treated on a property of origin. I do recognise that there are still producers that are unsure or they might be hesitant of the new arrangements. Biosecurity Queensland will continue to provide industry with this.

I advise the committee that to be an accredited certifier a person must successfully complete the Biosecurity Queensland cattle tick accredited certifier course and have a field competency assessment before making application for accreditation. Accredited certifiers are providing significant benefits to producers by reducing costs, allowing more effective and efficient transport arrangements and improving animal welfare when moving stock. Accredited certifiers are subject to regular audits to ensure they operate in accordance with the Biosecurity Act and its regulations as well.

There are ongoing checks and audits and, where necessary, audits to investigate possible nonconformance by certifiers. A cattle tick surveillance program has been authorised under the act. Biosecurity Queensland has been undertaking surveillance in cattle tick free zones to monitor compliance with the act and its regulations. Surveillance activities include the monitoring of saleyards and events and measures taken to minimise the risk of cattle ticks in the free zone, confirming the presence or absence of cattle ticks, and tracing the movements of cattle that may impose biosecurity risks of new infestations. Surveillance activities indicate high compliance by producers. Biosecurity Queensland will continue to work with industry to ensure a high level of awareness of the obligations under the new framework.

If Queensland was about ticks in the tick line review, my predecessor indicated at the time that there would be an opportunity to review the cattle tick line in two years time. That was from 2016 to now. Biosecurity Queensland has just completed the second season of cattle tick eradication programs. Producers that have successfully completed this program and may wish to have their properties removed from the restricted places register should apply to the department. Following a full assessment of the second season of the cattle tick eradication program, Biosecurity Queensland will begin gathering

information from relevant producers. This will be done through a travelling roadshow starting in August, partnering with AgForce to engage directly with producers along the tick line, with the eventual aim of conducting a fact based review of the tick line. I might hand to—

**Mr PERRETT:** Minister, I am happy with that response. As a grazier within the ticky area, I certainly understand all of those issues and difficulties in getting it across. This travelling roadshow—

**CHAIR:** Do you have a further question, member for Gympie?

**Mr PERRETT:** I have another question. Minister, the travelling roadshow is the commencement of the review; is that correct?

**Mr FURNER:** That is what I indicated.

**CHAIR:** Do we have a further question from any of the non-government members?

**Mr PERRETT:** Absolutely. With reference to page 9 of the SDS, given that logging is to be phased out by 2024 on significant tracts of state owned land, which is financially affecting industry confidence and investment, how does the minister propose to support the growth and development of the forest and timber industry?

**CHAIR:** Thank you for that. Obviously we have moved on to the forestry section and that is what we are doing now.

**Mr PERRETT:** Yes, Mr Chair. You picked that up very well.

**CHAIR:** Can I just thank the member for Gympie for that and remind him not to reflect on the chair. It will make life easier for us then.

**Mr PERRETT:** I am pleased that you understood my question, Mr Chair.

**Mr FURNER:** I might add some information for the committee's benefit with respect to logging in Queensland. As we know, state owned native timber resources are there to help support Queensland's regionally based timber processing industry. State owned resources supply about 40 per cent of the processing sector's annual native hardwood requirements and about 95 per cent of its annual native cypress requirements. I have been fortunate enough to travel as far west as Tambo to see cypress and up at HQPlantations, which is not far from your area, member for Gympie.

DAF allocates and sells the state owned native timber through sale permits issued under the Forestry Act 1959. A range of short- and long-term sale permits are in place across Queensland, including South-East Queensland, where long-term sale permits for native hardwood sawlogs expire on 31 December 2024. The future supply of native timber resources is the key issue facing the native timber industry in Queensland. I am currently developing a policy about the future of timber production in state owned native forests, which is a delivery priority in my charter letter from the Premier.

People would be aware that the industry has an annual turnover of \$3.8 billion. That includes the growing, the processing, the timber production and the manufacturing, pulp and paper sectors. It directly employs a large number of employees—8,800 people—and provides significant employment in the Gympie, Fraser Coast, South Burnett, North Burnett and Maranoa local government areas. Since 2012, the Queensland government has been working with the industry to deliver actions to help achieve the industry's vision of innovation and sustained business growth.

Important progress has been made which is delivering benefits. They include: a workforce developed plan that has extended low-cost training to the forest and timber industry and promoted the industry as a career and worked through training providers to address the skills needed; a private native forestry extension program providing practical advice to landholders to better manage their forests for both environment and timber; products, outcomes and research that has been characterised as the softwood plantation resources to know where the best wood is located to assist with harvest scheduling; a targeted campaign to improve workforce health and safety practices in the timber processing sector, including updated compliance tools and guidance; and QTimber, which is a digital version of the building performance guide for construction timbers in Queensland, which helps designers and builders choose the correct timber for a project. There is plenty of work being done in this space. It is an important part of the industry that our government is committed to and supporting.

**CHAIR:** There is time for one last quick question from the opposition members.

**Mr PERRETT:** Minister, with reference to page 9 of the SDS, given that state owned plantations were sold for \$600 million by Labor to HQPlantations—and you mentioned that before—how does the minister propose to oversee the plantation licence?

**CHAIR:** Member for Gympie, you know what I am going to say here. You have obviously talked about a program of overseeing. If you could help out the committee by pointing out where this relates to the current expenditure.

**Mr PERRETT:** Page 9, it is very clearly there. It is very clear on page 9, Mr Chair.

**CHAIR:** Member for Gympie, if you are talking about programs, we like to know specifically where they are.

**Mr PERRETT:** I mentioned that, Chair.

**Mr FURNER:** HQPlantations produces, as the member for Gympie would know, approximately 80 per cent of Queensland's log supply. DAF works comprehensively with HQPlantations as well as other agencies, such as the Department of Environment and Science, on a range of operational, compliance and other issues. To complement my response, I will call on Scott Spencer to respond to your specific question in regard to this matter.

**Mr Spencer:** Under the arrangements of the sale the government signed deeds with HQPlantations, and those deeds set out the responsibilities and obligations of each group. We meet regularly with HQPlantations to ensure that those requirements are met. Fundamentally, it is about making sure that they are operating within the parameters of the Forestry Act, meeting the requirements of our colleagues at the Department of Environment and Science and of course delivering on the timber requirements that they have, as well as dealing with matters like roading et cetera. Unfortunately, plantations are used to dispose of a lot of trash, as I am sure the honourable member knows. That is a constant issue, so we work with that organisation to work with local governments and other departments to make sure those plantations continue to function.

**CHAIR:** I will now go to government members for questions and I will start. Minister, I refer to page 40 of the SDS, which refers to the delivery of Natural Disaster Relief and Recovery Arrangements assistance for primary producers, small businesses and non-profit organisations. Will you advise the committee of the QRIDA assistance as part of the NDRRA activations?

**Mr FURNER:** I thank you for your question. As you and every other member on the committee would know, having seen the aftermath of ex-Tropical Cyclone Debbie and its effects, it is always good to speak to the men and women on the land in regards to how they manage the ongoing situations as a result of those terrible natural disasters. The Queensland Rural and Industry Development Authority, QRIDA, is a longstanding delivery partner of joint state and federal government funded Natural Disaster Relief and Recovery Arrangements assistance to primary producers, business owners and non-profit organisations.

During 2017-18, QRIDA approved a total of 2,311 NDRRA recovery grants and loan applicants for assistance totalling \$25.95 million across all loan and grant schemes. This included the aftermath of Tropical Cyclone Debbie in South-East Queensland which occurred from 28 March to 6 April 2017. That assistance in that period totalled 1,983 recovery grant approvals, for \$19.8 million, and 20 loan approvals, for \$2.4 million. Assistance for this disaster event has been distributed to the following areas: South-East Queensland 374 applicants, for \$4.6 million; Central Queensland 147 applicants, for \$2.1 million; and Mackay-Whitsundays, 1,482 applicants, for \$15.6 million. No doubt there was a greater exposure of applicants there due to the eye of the cyclone passing that region. The closing date for recovery grant applications for this event was 12 January 2018. The opportunities remained open for affected primary producers, small business owners and non-profit organisations to apply for loans.

During the 2017-18 period, QRIDA commenced the delivery of recovery grant and loan assistance for the Central Queensland severe weather event which occurred from 16 to 19 October 2017. This Central Queensland severe weather assistance for 2017-18 totalled 301 grant approvals, for \$2.29 million, and seven loan approvals, for \$1.46 million. The assistance for this disaster has been distributed to the following areas: Bundaberg, \$1.38 million in grants and \$500,000 in loans; and North Burnett, \$910,000 in grants and \$960,000 in loans. As of 30 June 2018, 99 per cent of recovery grant and loan applications were processed within QRIDA's standard response indicators of 15 and 30 business days respectively.

Additional disaster events occurred during 2017-18 resulting in the activation of NDRRA loan assistance. These events were: North and North-West Queensland low and associated rainfall and flooding on 24 February to 8 March 2018; North Queensland flooding on 6 to 10 March 2018; and severe Tropical Cyclone Nora and associated flooding on 24 to 29 March 2018. A total of two loan applications have been received from these three events and both were ineligible. Opportunities remain open for affected primary producers and businesses to apply for these loans.

In addition to processing recovery grants and loan applications, QRIDA has been active in providing on-the-ground support to affected businesses through this regional network in Bundaberg, Cloncurry and Innisfail and establishing temporary offices in badly affected regions such as Monto, Ingham, Croydon and Normanton. As the committee would appreciate, it is not feasible to deal with what NDRRA assistance will be available in the 2018-19 year, but I can assure the committee that, whatever event requires activation, QRIDA will be there to assist.

**CHAIR:** We are now going to questions from the member for Ipswich West.

**Mr MADDEN:** My question relates to farm business debt mediation. I refer the minister to page 40 of the Service Delivery Statement, which refers to the management of the compulsory Farm Business Debt Mediation program. Will the minister advise the committee of the current status of the program, the number of producers experiencing financial difficulties and QRIDA involvement in the program?

**Mr FURNER:** In light of the allegations aired during the royal commission around farm finance, I wish to highlight these three initiatives established by the Palaszczuk government to support primary producers facing financial difficulties. I do want to say first up that if there are producers out there struggling with debt there are options. In the first instance primary producers with financial difficulties should contact their bank or their financial institution, seek professional advice or contact the Rural Financial Counselling Service, which receives state and Commonwealth funding for assistance.

The legislation enacting the Farm Business Debt Mediation program received bipartisan support in the House. Once again, I encourage the community to make use of the provision if required. The program prevents lenders from foreclosing on farm properties without first offering the farmers an opportunity to request formal mediation. It provides a fair and transparent pathway to helping resolve farm debt disputes. Costs for the mediation are shared equally between the farmer and the lender and QRIDA oversees the process including the current panel of 41 accredited mediators that farmers and lenders are able to access.

Since July 2017, 72 mediation cases have been initiated, representing a broad cross-section of farming industries and local government areas, with 27 cases finalised or withdrawn and 45 cases still in the process. Earlier this year it was great to be out in Roma with the Premier where I announced the second farm debt initiative to establish a dedicated office to allow Queensland farmers experiencing financial distress access to free expert independent financial analysis and advice. The Farm Debt Restructure Office provides eligible primary producers with a free, no-obligation assessment of their business and financial position to help them make informed decisions on the future of their enterprise. QRIDA oversees the office including the panel of approved rural finance professionals which undertake the farm business analysis, including options around restructuring of the farm debt that could assist in the future viability of the business. I can report that in its first six months seven applications for farm business analysis assistance have been received with four reports delivered for primary producers.

A third farm debt initiative of the Palaszczuk government has been to extend our farm debt grant scheme's eligibility activities beyond farm succession planning to include professional advice that supports primary producers with an undertaking of mediation. The new initiative approved last month will see eligible primary producers contacted by QRIDA following mediation about the need to access a rebate of up to \$2½ thousand for professional advice. That directly supports the primary producer following the finalisation of the farm debt mediation process. The Palaszczuk government is supporting primary producers facing financial difficulties through this range of farm debt services overseen by QRIDA.

**Ms PUGH:** Minister, I refer to page 3 of the SDS, which refers to DAF delivering an extensive network of regional services to support rural economic development. I ask: will the minister advise the committee what assistance is being provided to the Queensland Country Women's Association for hall improvements? The minister may be interested to know that I have two thriving branches of the CWA in the electorate of Mount Ommaney.

**Mr FURNER:** How lucky you are. Unfortunately, through the redistribution I lost my only branch of the Queensland Country Women's Association at Samford to the Pine Rivers electorate. I do support your view of the Queensland Country Women's Association. It is a great organisation that does excellent work in the rural and remote areas of our wonderful state.

I am pleased to inform the committee that the Palaszczuk government is supporting the Queensland Country Women's Association through the provision of funding to refurbish regional QCWA halls. The CWA has played a key role in bringing together and supporting Queensland communities since 1922. They have often been active in highlighting the great produce growth in Queensland. It was just last month on a regional trip—one of many—that I had the opportunity to visit the first completed

project of this program—the first round of funding at the QCWA hall at Biggenden. It was quite an achievement of the local QCWA branch and I was pleased to see it well utilised the day I visited. Not only was there a local community craft session at the hall on that Wednesday but also being the QCWA, there were some refreshments on offer. I neglected to ask whether the recipes were out of the renewed cookbooks. Nevertheless, we will see more of that as we travel around the QCWA halls.

It was at the Ekka last year when the Premier and my predecessor announced \$1 million over two years to assist the CWA to upgrade their halls. The QCWA are well known for their tearoom at the Ekka. Their scones are still a crowd-pleaser. I encourage everyone to make use of that and to visit that amazing organisation at the Ekka this year and assist them in their support.

The work on the halls is being overseen by the department's rural and economic development section. I must add that the results can be clearly seen on the ground as well, as I saw on that day at Biggenden with the refurbished floor and the varnish they put over the top. It really picked up the hall's character and was inviting to anyone coming to that location.

In my visits throughout Queensland it is clear QCWA is still a linchpin for regional Queensland and the halls are still a key part of local infrastructure. The state president of the QCWA had this to say about the funding, 'Our association is very much appreciative of the grant provided by the government through DAF,' as no doubt are all the communities where restoration work has been carried out. I certainly look forward—and I am sure all the committee members do as well—to seeing more restored halls in the future. I am sure the committee in its travels will have an opportunity to visit some of these halls which showcase the ongoing support shown by the QCWA in regional and remote Queensland.

**Ms PUGH:** I have a question about the RSPCA. I refer to page 7 of the SDS, which refers to animal welfare and ethics including exhibited animals. I ask the minister as a member whose community has a close connection with the RSPCA: will the minister advise the committee what involvement Biosecurity Queensland has with the RSPCA, who do such a wonderful job caring for animals great and small?

**Mr FURNER:** I do note your involvement. It was certainly brought home to us in our visit out there recently. I forget what animal they indicated you had acquired.

**Ms PUGH:** I adopted a turtle from the RSPCA. His name is Raphael.

**Mr FURNER:** Lovely. Once again, I do acknowledge and respect your involvement with the RSPCA having visited their site at Wacol and seen firsthand the dedication of the inspectorate and the care of those vets for injured animals. I am sure the RSPCA is held in high regard by all Queenslanders for the good work they do.

In Queensland, Biosecurity Queensland and the RSPCA jointly enforce the Animal Care and Protection Act 2001. An agreement signed by both parties outlines the enforceability policies and procedures and areas of responsibilities including media management as well. RSPCA inspectors have primary enforcement responsibility in relation to companion animals, wildlife, zoos, riding schools, pet shops and rodeos within a two-hour geographical location of an inspector's office location. Within RSPCA areas DAF inspectors have primary enforcement responsibility in relation to animals used in commercial livestock production and for feral animals as well. In more remote locations where the RSPCA is not represented, DAF takes primary responsibility for enforcement. However, the Queensland Police Service may also enforce animal welfare laws as well.

As part of the agreement, the Queensland government provides an annual grant of \$500,000 to support the RSPCA in enforcement activities. This was increased by the Palaszczuk government from the previous grant amount of approximately half that amount. This has helped RSPCA inspectors crack down on puppy farms and breeders who they believe had direct links to dog fighting as well. It has been a great success. I am advised by the RSPCA that a number of properties were raided and a number of animals were seized as well. One Glenarbor breeder had up to 215 animal welfare charges, and 81 dogs were seized. The RSPCA now has a specific task force that deals with dogs and cock fighting also. The government is committed to animal welfare and will continue to support the vital work of the RSPCA. As an aside, the RSPCA advises that here in Queensland it adopts and saves more animal lives than any other organisation in the Southern Hemisphere.

**Ms PUGH:** That is correct.

**Mr FURNER:** They are doing great work. In 2016 a one-off capital grant of \$3 million over three years was approved to assist upgrading the RSPCA's animal shelters in Townsville and Cairns. While the refurbishment of the Cairns facility is almost complete, the Townsville refurbishment has been put on hold until a new facility is sought closer to the Townsville CBD. The capital works grant provided the



RSPCA with access to a significant funding pool which would not otherwise have been available to them. In a collaborative approach, the planned upgrades also contributed to the state's capability to house large numbers of companion animals in built-for-purpose shelters in the event of a disaster management response. This funding demonstrates the Palaszczuk government's commitment to animal welfare and to increasing the standards of animal welfare for all animals in Queensland.

**CHAIR:** We are fast approaching the time for the end of this session. Thank you, Minister, Director-General, executives and departmental officers for your attendance. The minister may wish to make a short statement at the end.

**Mr FURNER:** I do, but I would like to refer to my director-general for a slight correction to something from today's proceedings.

**Dr Woods:** I have available the material that the deputy chair requested be tabled in relation to drought assistance matters. I also would like to add to, rather than correct, a figure provided by the minister earlier in relation to the amount spent on the white spot response. The minister quoted a figure of \$15.025 million that had been spent. I can update that figure now with a finalised figure for June 2018, which is \$15.7 million.

**CHAIR:** Thank you very much. Do you have a sufficient number of copies of this information?

**Dr Woods:** I think there are enough copies.

**CHAIR:** Thank you very much for that, Director-General. Minister, would you like to make a closing statement?

**Mr FURNER:** I will. Can I check to make sure there is nothing on notice that has been sought by the committee today and clarify that?

**CHAIR:** I believe not.

**Mr FURNER:** I do thank the committee for their ongoing work today and their ongoing work as an exciting and vibrant committee. It is always positive to come before estimates here. I do acknowledge the ongoing support for the agriculture sector in Queensland. In particular, I would like to thank you, Chair, for your due diligence throughout today's proceedings and also the non-government members. I wish you luck for the ongoing support in this vibrant sector.

I would also like to support and acknowledge my departmental staff—my director-general, my deputy directors-general, all the senior staff—for their tireless days and the hours they put into preparing for these proceedings this morning. I can say with some certainty that we had more difficulty with the practice hearings than today's proceedings for some reason.

I would like to thank my staff also, from my chief of staff, Brett Murphy, down to my policy advisers and each and every one of my staff, for the long hours they put in as well. I also thank Hansard. It is always great to acknowledge them because they do excellent work in making the volumes of Hansard legible. I also thank the parliamentary staff for preparing for estimates today as well. I understand my director-general might have one more slight correction before I finish there.

**Dr Woods:** The minister stated a figure of 2,311 applications to QRIDA for NDRRA assistance in 2017-18. Again, I can now provide an updated figure with year end finalised data: 2,352 NDRRA recovery grant and loan applications for assistance totalling \$26.38 million across all loan and grant schemes.

**CHAIR:** Thank you very much. Before we finish we have a copy of this document here. Are we all happy with that? It is tabled. Thank you very much. The committee will now adjourn for a break. I thank the minister and staff. The hearing will resume at 12 pm with the examination of the estimates for the portfolio of the Minister for State Development, Manufacturing, Infrastructure and Planning.

**Proceedings suspended from 11.30 am to 12.00 pm.**

**ESTIMATES—STATE DEVELOPMENT, NATURAL RESOURCES AND  
AGRICULTURAL INDUSTRY COMMITTEE—STATE DEVELOPMENT,  
MANUFACTURING, INFRASTRUCTURE AND PLANNING****In Attendance**

Hon. CR Dick, Minister for State Development, Manufacturing, Infrastructure and Planning

Mr B Kerdel, Chief of Staff


**Department of State Development, Manufacturing, Infrastructure and Planning**

Ms R Hunter, Director-General

Mr M McKee, Deputy Director-General, Business Solutions and Partnerships

Ms J Wu, Principal Project Officer, Industry Partnerships

---

 **CHAIR:** The committee will now examine the proposed expenditure in the Appropriation Bill 2018 for the portfolio areas of the Minister for State Development, Manufacturing, Infrastructure and Planning. The committee intends to examine the minister's portfolio areas in the following order: state development and manufacturing from 12 pm to 1.15 pm, and infrastructure and planning from 2.15 pm to 3.30 pm. Please be aware that the committee has resolved to be fulsome and flexible in the examination of ministers and their portfolio areas within these allocated times. The visiting member is Andrew Powell MP, the member for Glass House.

I remind those present this afternoon that the committee's proceedings are proceedings of the Queensland parliament and are subject to the standing rules and orders of the parliament. It is important that questions and answers remain relevant and succinct. The same rules for questions that apply in parliament also apply in this hearing. I refer to standing orders 112 and 115 in this regard. Questions should be brief and relate to one issue and should not contain lengthy or subjective preambles, arguments or opinions. I intend to guide proceedings today so that relevant issues can be explored fully and to ensure there is adequate opportunity to address questions from government and non-government members of the committee.

On behalf of the committee I welcome the minister, director-general, executive officers, departmental officers and members of the public to the hearing. For the benefit of Hansard I ask all officers to identify themselves the first time they answer a question referred to them by the minister or director-general. I now declare the proposed expenditure for the portfolio areas of state development, manufacturing, infrastructure and planning open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, if you wish you may make an opening statement of no more than five minutes.

**Mr DICK:** Good afternoon to you, Mr Chairman, members of the committee and the parliamentary staff, who do such a terrific job supporting the estimates committee process.

Mr Chairman, when the Palaszczuk government was first elected we promised to deliver a different kind of government to the one we replaced: a government that was focused on investing, building and growing rather than cutting, sacking and selling. Nothing tells the story of the grim, miserable years of the Newman government with greater clarity than the objective economic facts. When we came to office, trend unemployment stood at 6.6 per cent; it is now 6.1 per cent. Queensland exports in the past year delivered \$73.7 billion to the Queensland economy, up from \$44.1 billion in the final year of the Newman government, which is an increase of 67 per cent. Trend employment rose a robust 2.6 per cent over the year to June 2018 compared to an anaemic 0.1 per cent in the final year of the Newman government. Trend machinery and equipment acquisitions rose 4.8 per cent to the March quarter 2018, compared to a fall of 2.6 per cent in the final year of the Newman government.

We said there was a better way and we are demonstrating that. In my own portfolio of State Development, Manufacturing, Infrastructure and Planning, we have continued to make a significant contribution to the Queensland economy. Our \$105 million Advance Queensland Industry Attraction Fund is designed to bring jobs to Queensland, and that is what it is doing. Ten projects have received assistance, with an investment of \$30.306 million which has delivered 820 direct jobs and leveraged more than \$300 million in additional capital expenditure.

Round 1 of our Made in Queensland initiative was massively oversubscribed, with 662 applications for the available matched funding of \$20 million. Fifty-three companies received grants, with an anticipated 532 jobs created. Our Jobs and Regional Growth Fund, our Building our Regions initiative and our Maturing the Infrastructure Pipeline Program reinforce our commitment to govern for all Queenslanders and to deliver economic opportunities for people who live in remote and regional Queensland in particular—like the \$14.3 million the state government is investing in four Building our Regions projects in Condamine which will deliver 94 jobs and the \$15 million Sunshine Coast international broadband submarine cable which will deliver improved internet connection not just for the people of the Sunshine Coast but also other parts of Queensland.

Our success is not accidental but the result of careful planning and strategic investment. We have developed 10-year road maps for advanced manufacturing for METS—the mining equipment, technology and services sector—aerospace for defence and for biomedical and Queensland's bio-futures industries. We have released a strategy for growing our state's superyacht industry, and we are working on a strategy for the Queensland craft brewing industry. Labor built the LNG industry, and our policies are driving the development of new industries now in hydrogen, recycling and waste to energy. There is a boom underway in investment in renewable energy—a \$20 billion pipeline of committed and prospective projects—because of our government's decision to set a meaningful target.

Of course, on 14 March this year Rheinmetall won the Land400 contract to build the new generation Boxer combat reconnaissance vehicle at Ipswich. Make no mistake: Rheinmetall won the contract because it had the Boxer, but it is being built here in Queensland because the Palaszczuk government got Rheinmetall. That is just the beginning of our defence manufacturing journey as we continue to position our state to win further contracts under the Commonwealth's \$195 billion defence capability framework and the additional maintenance and logistics work that will come with it.

When they were in power the LNP built a two-gear economy in Queensland: idle and reverse. Two electoral defeats later, they continue to demonstrate they have learned very little. Thankfully, the Queensland economy, which was derailed under the LNP wrecking ball, is once again back on track, chugging along and carrying the aspirations of Queenslanders with it. At the last election Queenslanders endorsed Labor's positive plan for the future and rejected the toxic, xenophobic, job-destroying and confidence-draining agenda of the LNP-One Nation alliance. On 25 November last year Queenslanders chose hope over cuts, vision over austerity and optimism and opportunity over chaos and dysfunction, and the data backs the wisdom of that choice. Thank you, Mr Chair.

**CHAIR:** Thank you very much, Minister. We will now open the questioning. Member for Condamine, over to you.

**Mr WEIR:** I will pass to the member for Glass House.

**Mr POWELL:** My first question is to the director-general. I refer to page 8 of Budget Paper No. 3, which states—

Of this, the program has allocated almost \$225 million across 174 projects, with a further \$70 million available under Round 4.

This refers to the Building our Regions program. Director-General, of the 174 projects how many have been completed?

**Ms Hunter:** Thank you for your question. In relation to the Building our Regions project you are talking about round 4, I understand?

**Mr POWELL:** Of the 174 projects.

**Ms Hunter:** Of the 174 projects, a number of projects are currently in delivery. The Building our Regions program, as you have said, has approved 174 critical infrastructure projects but, importantly, across 62 local government areas. This \$225 million program has leveraged a further \$353.5 million in financial co-contributions from local governments, the Commonwealth government, industry and others to create a total value of capital expenditure of \$580.5 million. This means that for every Building our Regions dollar invested another \$1.56 has been leveraged—

**Mr POWELL:** My apologies, Director-General. I have a point of order. The question was very specific: how many have been completed?

**CHAIR:** We have understood that, and the director-general indicates that that question is being answered.

**Ms Hunter:** Thank you for the question. Of the 174 approved projects, 58 are now complete with seven in design or tender phase and 109 under construction, which means that over 95 per cent of approved projects are either complete or under construction.

**Mr POWELL:** Again referring to page 8 of Budget Paper No. 3, of those completed projects how many, Director-General, were completed on schedule and on budget?

**Ms Hunter:** In terms of the approved projects, I can tell you that program expenditure in 2017-18 doubled compared to last year, with over 45 per cent of approved funds expended. In 2017-18 actual expenditure was \$82.2 million, up from \$37.3 million on the previous year and \$6.3 million in 2015-16.

**Mr POWELL:** Mr Chair, I draw your attention to the fact that that answer did not actually answer the question. The question was: how many were completed on schedule and on budget?

**CHAIR:** There is an opportunity here for a question on notice to be lodged through this process. You can avail yourself of that opportunity.

**Mr POWELL:** I am very happy for the director-general to take that on notice.

**Mr DICK:** We will try and get the information for the committee. That has always been my practice. If we can get the answer by the end of the hearing we will do that, and if we cannot then I will consider taking the question on notice. I am happy to have a look at that. Clearly we are getting 95 per cent of the money out the door for the projects we have committed to.

**CHAIR:** At the end we will have five minutes where we will be able to cover all of those issues that have not been dealt with.

**Mr POWELL:** Director-General, on page 8 of Budget Paper No. 3—page 4 of the SDS—you make reference to delivering a further \$70 million under round 4. Is on-time project completion a key attribute to what defines a successfully delivered project?

**CHAIR:** Can I just clarify that with this question we are talking about KPIs? I am sorry, I cannot hear you. You may need to speak up a bit.

**Mr POWELL:** Mr Chair, I am seeking to understand whether on-time completion is something that the department considers important for determining whether a project has been delivered successfully or not.

**CHAIR:** You used the word 'consider', so that is obviously asking for an opinion. Perhaps you can rephrase that in a different way, member for Glass House.

**Mr POWELL:** Does the department look for on-time completion as an indicator of successful completion of a project?

**Ms Hunter:** Thank you for your question. Clearly on-time completion is something that all project contributors would look to achieve, understanding that a project is subject to agreement between parties and co-contribution, and a number of projects can be affected by matters such as unforeseen weather circumstances. I think that completion is always subject to the collaboration that is required to deliver these projects.

**Mr WEIR:** My question is to the director-general and it relates to the Yowah Water Security Project. Documents show this project was announced on 7 July last year for completion in February this year—

**Mr DICK:** I am sorry, member for Condamine, what was the project name? I did not hear it.

**Mr WEIR:** The Yowah Water Security Project.

**Mr DICK:** My apologies.

**Mr WEIR:** The Western Queensland residents of Yowah are in the midst of a vicious and crippling drought. Why is this three-month water security project being delivered 12 months late?

**CHAIR:** Before you answer that question, Director-General, I will allow that question. There are no imputations or inferences in that question, so we will allow that question to the director-general.

**Ms Hunter:** Thank you for your question. I can advise that on advice this is a late project. Funding agreements are executed for each approved project and delivery and milestone payment dates are aligned with the project's implementation plan so that the project can be completed within an effective and realistic time frame. The department certainly does commit to adopting a very proactive approach to manage the program in order to provide sufficient flexibility of a project delivery while maintaining appropriate program governance.

**CHAIR:** Do you have further questions, member for Glass House?

**Mr POWELL:** Furthermore, again referring to Building our Regions program funding—

**Mr DICK:** Sorry, but who is the question to please?

**Mr POWELL:** To the director-general, Minister. At various stages the department's website has shown the following for Karumba's Les Wilson Barramundi Discovery Centre: at one point it showed a completion date of October 2017, it then showed a completion date of June 2018, and now shows an expected completion date of August 2018. It is a \$9.7 million project. Director-General, will it cost any more than that because of the delays incurred and can you please explain why there has been a now nine-month delay in the delivery of that project?

**CHAIR:** Member for Glass House, you have two questions there. Which one did you want to ask?

**Mr POWELL:** We will start, Mr Chair, with will there be any additional cost incurred because of the delay?

**Ms Hunter:** Thank you again for your question. It is a question I will take on notice and I will endeavour to provide advice before the closure of the hearing.

**Mr POWELL:** Mr Chair, if I may, the second part of that question is as to why it is now nine months overdue.

**Ms Hunter:** Likewise, I will take that on notice and endeavour to provide the answer by the end of the hearing.

**Mr POWELL:** Thank you.

**Mr DICK:** Technically it is not on notice. I take questions on notice, so we will get the information. We have a break. We will be able to do our best to get the information for the committee before the conclusion of the hearing.

**CHAIR:** The minister is correct. I just remind everyone that it is only the minister who takes questions on notice and there may be more information that will be able to come back on a variety of these questions at the end of this session. Non-government members, do you have a question? Member for Bundaberg.

**Mr BATT:** Thank you, Mr Chair. To the director-general in relation to Building our Regions, again on your website in relation to the \$6.7 million Howard sewerage project, which is in the Fraser Coast Regional Council, there are screenshots on the department's website showing construction will start in May 2017 and would finish five months ago. Another one has then shown that construction will actually start nearly a year later in June 2018 and will finish nearly two years later in November and a third one confirms that it is all still to be confirmed. Director-General, this \$6.7 million project announced by your predecessor in January 2017 is for the benefit of Maryborough residents. Can you please tell the committee when this project will actually be delivered?

**CHAIR:** Before we start on that one, that was a pretty lengthy preamble. I know that you are providing a lot of context, but I certainly ask the director-general to answer that question.

**Ms Hunter:** I thank you for your question. Again, that is a matter we will come back to you on before the close of the hearing.

**Mr BATT:** Thank you.

**CHAIR:** Member for Glass House.

**Mr POWELL:** This question is to the minister. Following the fact that we have not been able to ascertain a response at this stage to those last three questions with regard to Building our Regions program projects in Yowah, Karumba and Maryborough: Minister, out of the 174 projects outlined on page 8 of Budget Paper No. 3, how many have stuck to their originally published construction time frames?

**Mr DICK:** What I will say is Building our Regions, as an introductory comment, is an important program for regional Queensland subject to very significant governance. Before I answer the question, we work with councils. Our partners in the delivery of this program are councils and we will work with councils and we will work through any issues that come from that. This is in very stark contrast to the Royalties for Regions program which was found by the Auditor-General to be a program that did not have effective governance. The then minister, the deputy premier, authorised projects—

**Mr POWELL:** I raise a point of order.

**Mr DICK:** There is governance around it and I wanted to make it clear the—

**CHAIR:** One moment, Minister.

**Mr DICK:**—difference between the governance under our government and the governance under the LNP.

**CHAIR:** One moment, Minister. We have a point of order.

**Mr POWELL:** That is all well and good, Mr Chair, if the question was about governance. The actual question was about completion on time.

**CHAIR:** The minister has just started to answer the question and I certainly think that he is quite well aware of relevance. There is no point of order at this point, so I will ask the minister to keep moving on.

**Mr DICK:** We do know that the former deputy premier approved three airstrip improvements in his own electorate. It was found by the Auditor-General to be without appropriate governance and we have acted to address that as a government. What we do is we work with councils and we work with issues as they arise and we deliver the projects in as timely a fashion as we can. The director-general has indicated that we will take advice from the appropriate deputy director-general responsible for the delivery of that project and we will come back to the committee. What we will do is give as much information to the committee as possible at the end of the hearing, but I do not make any apologies for having appropriate governance about Building our Regions in clear contrast to the rorted Royalties for Regions program under the LNP.

**CHAIR:** Member for Glass House, do you have a further question to the minister?

**Mr POWELL:** Thank you, Mr Chair. Still on Building our Regions program in Budget Paper No. 3 at page 8, Director-General, on 11 July this year did the department change over 40 Building our Regions website project pages to change project completion dates? Yes or no?

**CHAIR:** Before we start on that, you have asked a question. I do not like where you say 'yes or no' as an answer. Did the minister have anything to add on that?

**Mr DICK:** We will take advice on that.

**Mr POWELL:** The question is to the director-general.

**Mr DICK:** We will take advice on that.

**Ms Hunter:** We will take advice.

**CHAIR:** We will get back to you on that one.

**Mr POWELL:** Thank you, Mr Chair. Again on the Building our Regions program, Minister, in terms of priorities within your portfolio, what ranks higher—actually delivering projects or the media release opportunities announcing them?

**Ms PUGH:** I raise a point of order.

**Mr DICK:** No, I am happy to take the question—

**CHAIR:** All right. There has been a point of order raised. We will go to the minister.

**Mr DICK:**—because I think it is a good opportunity to demonstrate to the members of the committee how this program is delivering for Queensland and in particular I would remind the member—

**Mr POWELL:** We have not established that it actually is, Minister.

**CHAIR:** Member for Glass House, I could have pulled you up on a point of order there, but the minister is answering this so we are going to give him a bit of latitude on this one.

**Mr DICK:** The member for Bundaberg may be interested to know that a strong example of the outcomes delivered for regional Queensland from the Building our Regions program is demonstrated in his electorate where I think, as he knows, unemployment is running at around 9.3 per cent. Building our Regions has provided \$20.3 million for his electorate for five projects in Bundaberg and that has leveraged a further \$79.1 million for a total infrastructure investment of \$99 million. So from an investment of the government of \$20 million we have leveraged four times as much effectively—another \$80 million for his community—generating 300 jobs for his community.

Under the Royalties for Regions program, his electorate received \$3.4 million. That was when the LNP was in government. When the LNP was in government he received \$3.4 million. He has received more than six times as much from the Labor government. There were three projects funded under that and they only leveraged \$2.4 million. For every dollar we have expended in his community, we have leveraged another \$4. He got less than \$1 for every dollar obtained under the LNP and only 18 jobs were generated. We have generated 15 times or 1,500 per cent more jobs in his electorate from this program. If the LNP do not want Building our Regions programs delivered in their communities, they can let me know because—

**Mr POWELL:** No, they actually just want them delivered.

**Mr DICK:**—we are oversubscribed.

**CHAIR:** Thank you, member for Glass House. Please do not interrupt.

**Mr POWELL:** At this rate we have not established—

**CHAIR:** Member for Glass House, please.

**Mr DICK:** The truth of the matter is that it is a very effective program for regional Queensland and we will continue to support that into the future because the people of regional Queensland know the value of this program.

**CHAIR:** Thank you very much. We will now go to questions from government members. Minister, I refer to page 5 of the SDS and I see today that the government has appointed an adviser on cyberwarfare. Could the minister please advise the committee on the role of that adviser and the possibilities for new jobs?

**Mr DICK:** Thank you, Mr Chairman. We want to develop and grow, as you know, Mr Chairman, our defence industry in Queensland because growth in the defence industry means jobs. Some 6,500 Queenslanders have jobs that depend on the defence industry and we want to grow that. Our plan over the next 10 years is to grow that to 10,000, so a significant increase. Land 400 will move us towards that goal, but cyberspace defence already has an important role to play. The internet has facilitated great human advancement and it has also driven a doubling of human knowledge, it is estimated, every 13 months. With capability, however, comes dependence and with dependence comes vulnerability. The silent and invisible battle between the builders of the firewalls and the hackers who assail them are fought out daily and any nation that ignores that threat posed to its defence systems by cyber attack is being negligent in its duty. Perhaps more than at any time in our history the price of liberty is vigilance.

The national defence capability framework sets out a program to strengthen our cyberwarfare capability and the Palaszczuk Labor government is keen to ensure that we have the capability to deliver a significant proportion of it here in Queensland. We have already demonstrated our prowess in the field, including through Boeing's decision to locate its Cooperative Research Centre for Trusted Autonomous Systems here in Brisbane. In addition, Brisbane based companies like Elbit are continuing to enhance our cybersecurity capability. The C4ISREW program—which stands for Command, Control, Communications, Computers, Intelligence, Surveillance, Reconnaissance and Electronic Warfare—represents one of the new frontiers of our nation's defence and we are eager to bring the work of the nation's front line to Queensland.

That is why I am delighted to welcome Major General Stephen Day as the government's defence adviser for cyberspace. Major General Day will join General Peter Leahy, our land adviser; Rear Admiral Simon Cullen, our sea advisor; and Air Vice Marshall Neil Hart, our air adviser and aerospace adviser, as the key defence advisers to the Queensland government. Major General Day will develop and maintain strong and effective working relationships with key stakeholders through all stages of the development of cybersecurity projects. He is widely recognised as one of the country's foremost experts on cyberwarfare and has served with distinction in the defence of his country and its allies. From 2013 to 2015 Major General Day was the senior executive responsible for the establishment and leadership of Australia's national cyber centre as well as the Australian government's most sophisticated cyberwarfare capabilities.

Major General Day served in the Australian Army for 35 years in Africa, East Timor, Iraq and Afghanistan before leaving the Army in 2015 as a major general. He is currently a senior executive adviser with professional services firm PwC on cybersecurity and leadership. The appointment follows on from those other strategic advisers I have mentioned and each of the four advisers are engaged on a part-time basis and will play a role on our new defence boards. All four appointments support our defence and aerospace 10-year industry road maps which I released last month. Major General Day and all of our defence advisers have a clear remit to help win defence contracts for Queensland companies and deliver defence jobs. Their record of military service and their knowledge of what Canberra is looking for will greatly assist Queensland and greatly assist Queensland companies, particularly small and medium sized enterprise, to secure the contracts they need to grow both as companies but also to grow jobs in our state.

**Ms PUGH:** Minister, I refer to page 5 of the SDS. Can the minister please advise the committee what action the government is taking to promote advanced manufacturing in Queensland? The minister would be aware that there are many wonderful manufacturing businesses in and around my electorate of Mount Ommaney.

**Mr DICK:** Thanks, member for Mount Ommaney, for your question, and you are right, particularly in the defence space with a lot of manufacturing companies involved in supporting our defence supply chain. I know the member for Mount Ommaney is a strong supporter of manufacturing, particularly the

transition from traditional manufacturing to advanced manufacturing. We have a clear and positive vision of where we want to go. That is why we released, again, another road map and action plan for advanced manufacturing supported through our election commitment of \$30 million to create regional manufacturing hubs and also \$20 million in further funding for Made in Queensland grants. The range of initiatives being pursued by the Palaszczuk government will ensure that the manufacturing sector continues to deliver jobs for Queensland.

Manufacturing is one of the most innovative sectors of the economy, generating better than average productivity, highly skilled jobs and high-value exports moving with the great technology change driven by Industry 4.0, otherwise known as the fourth industrial revolution. The manufacturing sector has continually and consistently contributed around \$20 billion per year to the economy over the last decade. The sector has grown by more than \$6 billion over the last two decades in gross value added terms. Manufacturing is Queensland's sixth largest employing industry which, as at the June quarter 2018, employs approximately 170,400 people. Very significantly, 85 per cent of those employees in manufacturing hold full-time jobs. That is so important not just for our economy, for manufacturing, but also for families. To have a wage earner who has a full-time job is critical to those families and to our economy.

I would also like to advise the committee that data calculated from the Australian Industry Group's Performance of Manufacturing Index averaged across the 12 months to April 2018 shows that Queensland has a score of 60.1 points. That is above the national average. The national average is 56.8 points. It is well above New South Wales, at 57.3 points, and Victoria, at 56.7 points, on the overall index. Those states are seen as traditional manufacturing states, but Queensland is ahead of the average and ahead of our major competitors in New South Wales and Victoria. We are in contest here to a certain extent, but I hope that everyone here is backing the maroons and not the blues when it comes to manufacturing. Hopefully, we have bipartisanship on that. The index measures performance of the manufacturing industry on key weighted variables such as production, new orders, supply, deliveries, inventories and employment. Our Advanced Manufacturing road map is delivering a range of initiatives to help traditional industries transition to advanced manufacturers.

In terms of outcomes arising from the successful delivery of initiatives under the road map over the past 12 months, since the Made in Queensland grant program opened on 30 January 2017 some 53 applications have been approved, worth \$18.2 million in funding, supporting 2,850 existing jobs and helping to create an estimated 532 highly skilled new jobs. I understand in your electorate the specialist photographic printer Brilliant Prints is set to become internationally competitive—I know that you are very proud of that, member for Mount Ommaney—with the help of a \$100,000 grant under Made in Queensland. That is a great local business in your electorate that can deliver not only for Queensland and Australia—the domestic market—but also internationally. That is terrific, because they are into transitioning to advanced manufacturing.

We have had BrisMakerFest. We are supporting hackathons. We are supporting Hackerspaces across Queensland. I acknowledge the presence here today of the assistant minister, Julieanne Gilbert. I was very pleased to join her in Mackay, where we provided a grant to a Hackerspace. That is where young kids, seniors—everyone in the community—can come and tinker. It is a tinker space in relation to manufacturing, design and 3D printing. To see the schoolkids there was great. We are supporting gateway schools to demonstrate that manufacturing is vibrant in Queensland and to change community perceptions about manufacturing. That is why I am delighted to hold the title of manufacturing minister—the first manufacturing minister in Queensland for many years. Our companies, our entrepreneurs, our businesses are getting on with the job of delivering products that our domestic economy needs and our international business partners and international markets need. Exciting things are happening in advanced manufacturing, with more things to come in the future under our road map and action plan.

**Mr MADDEN:** My question relates to the reintroduction of the waste levy, which is a matter of great significance to the residents of Ipswich. I refer you to page 5 of the Service Delivery Statements. Can the minister advise the committee of the benefit to Queensland of the reintroduction of the waste levy?

**Mr DICK:** I thank the member for Ipswich West. I know that this is an important issue for you as a representative of that part of Queensland—an important part of Queensland—and also your community. As part of a comprehensive waste strategy for Queensland, the Queensland government has proposed a waste disposal levy, which will commence, as the honourable member knows, in the first quarter of 2019.



Prior to the hearing today I did a bit of research. Perhaps the question could be asked in another way. As you know well, member for Ipswich West, what harm was done to Queensland by the removal of the waste levy by the LNP? I had a look at some earlier budget material in preparation for the hearing. The members of the committee might be interested to know that the No. 1 achievement listed by the then department of environment and heritage when the member for Glass House was minister in 2012-13 was to state that it had set a waste levy for Queensland to zero. The member for Glass House was so proud that he got his department to list it as his No. 1 achievement. He answered a Dorothy Dixier in estimates saying—

One of the first pieces of work that my department did on forming the Department of Environment and Heritage Protection was to remove the waste levy.

He then went on to say—

That has helped pave the way for a truly collaborative—

**Mr MICKELBERG:** Point of order under standing order 118 as to relevance. We are talking about this appropriation bill, not previous budgets.

**CHAIR:** Thank you, member for Buderim. The question was specifically about the waste levy. The minister's answer is quite relevant. He has only just started his answer, so let us let him go. There is no point of order.

**Mr POWELL:** Point of order. If the question is about the waste levy, talking about the removal of the waste levy does not fit. Again, I draw your attention to relevance.

**CHAIR:** It is relevant. We are talking about the waste levy. We will let the minister finish.

**Mr DICK:** Thank you, Chair. The question was around the reintroduction of the levy. There is a reason the levy has to be reintroduced.

**Mr MICKELBERG:** And what harm it is going to do Queensland.

**CHAIR:** We are hearing a bit of muttering on the left. Can we let the minister give his answer in silence?

**Mr DICK:** The member for Glass House said at the time, when he was the minister for the environment, that—

That has helped pave the way for a truly collaborative approach to waste management reform in Queensland.

It paved the way for dump trucks to come from New South Wales full to the brim—

**Mr POWELL:** Never let the facts—

**CHAIR:** Member for Glass House, you have had a fair go. You are getting close to being disorderly. I remind you that you will have a chance for questions. Let the minister finish and answer this question as he sees fit. Then you can get a chance if you want.

**Mr DICK:** A tsunami of rubbish came to Queensland, waved through by the member for Glass House. It was a perfect example of what happens when you get policy wrong, and the member for Glass House was responsible.

The good news is that there are significant opportunities to employ new technologies. The member for Ipswich West will be very interested in the business opportunities, the economic opportunities, that will come for his region through the waste levy to use a range of waste streams to produce a sustainable, high-value energy and biofutures industry to generate jobs and protect the environment.

It was an act of economic and environmental vandalism by the member for Glass House and the LNP that we are rectifying. As the honourable members of the committee will know, \$100 million has been allocated over three years in this budget towards the Resource Recovery Industry Development Program funded by the proposed waste disposal levy at no cost to ratepayers. It is one key initiative that will provide much needed grant funding to the recycling, resource recovery and biofutures industry to reduce waste going to landfill and generate jobs.

As I said, \$100 million is allocated over three years. There are three streams. The first stream will be a capital grant stream with a dollar-for-dollar grants program available for grants up to \$5 million. This stream will provide funding to build a facility or purchase key equipment that aligns with the objectives of the policy for resource recovery and to support industries involved in resource recovery.

The second stream is designed to specifically attract major projects. These are expected to be exceptional proposals and would enable the Queensland government to support projects that are larger scale and offer significant employment and supply chain opportunities for the state. These may not necessarily be dollar-for-dollar grants and could include a suite of broader financial incentives.

The third stream is a small allocation of funds towards projects of suitable technical readiness that require support for investigation such as advanced site investigations or late-stage feasibility studies. Feedback from investors, including possible international investors, suggests that they are looking for some limited government contribution to assist them to investigate Queensland as a location to make significant financial investments.

Many parts of the world are well ahead of us. We have the opportunity to create jobs and to stimulate this sector of the economy. To be eligible for funding under the program, a project must be Queensland based, maximise recovery and recycling, and divert waste that is currently going to Queensland landfill. We have to stop the amount of waste going to landfill and try to derive an economic benefit from it. This is not new. This is done in many parts of the world. Cities like Edmonton are transitioning to zero landfill. That is a large city, not unlike Brisbane. What a significant achievement, because of dedicated governments and also the right policy settings. I do not think there would be a Queenslander who would think that shifting to zero landfill would not be a good thing for the state. We are on the way there. We have a long way to go, but we are heading in the right direction.

The reintroduction of a waste levy will benefit Queensland. There will be many other benefits as Queensland sets a price signal for the disposal of waste to landfill, reducing the number of trucks coming across our southern borders to dump their waste in our beautiful state and reducing the need to be shipping waste internationally. Not only will Queensland strive to be a world leader in reducing waste going to landfill; this fund creates opportunities for councils and businesses alike to benefit from these competitive, job-creating industries. I am excited about the prospects for the future of Queensland.

**CHAIR:** Thank you, Minister. We now go to questions from the non-government members.

**Mr POWELL:** This question is again to the director-general. This relates to page 5 of the SDS where it refers to 'continue to support the Advance Queensland Industry Attraction Fund' and, in particular, a contribution made through this fund towards a flight simulator. I refer to a *Courier-Mail* article published on 23 May this year that stated that a 'simple Google search could have saved taxpayers on flight simulator' and went on to report that this investment would have been undertaken by another company and, irrespective of grant funding, occurred anyway. Could the director-general state how much state government support has been provided to Ansett Aviation from the Industry Attraction Fund?

**CHAIR:** Before you answer that, the member for Glass House has referred to an article in the *Courier-Mail*. In our last session, references to the *Courier-Mail* were tabled for verification. Are we happy to table that? Agreed.

**Mr POWELL:** To reiterate, how much did the state government support Ansett Aviation from the Industry Attraction Fund for this project?

**Ms Hunter:** Thank you for your question. I can confirm that the attraction of a major long-established and world-recognised flight training operator such as AAT to Queensland is a major coup. I can also confirm that pilot training is recognised as a key element of the government's aerospace vision, set out in the recently released *Aerospace 10-Year Roadmap and Action Plan*. Boeing estimates that over the next 20 years there will be a global demand for more than 640,000 pilots. Forty per cent of that number, around 250,000 pilots, will be in demand in the Asia-Pacific region.

The attraction of AAT, as I said, occurred through the Industry Attraction Fund. The funds expended are commercial-in-confidence, but we can say that the government's financial incentive to AAT did not involve assistance with purchasing or locating the new ATR-600 in Brisbane but rather, consistent with the objectives of the fund, the relocation of two new simulators that could have gone to AAT's existing location in Melbourne. As you know, the attraction of a company like AAT, which has operated for over 45 years and trains pilots for more than 80 airlines, is in fact a coup for Queensland.

**Mr POWELL:** Thank you, Director-General. I have a follow-up question. Was your department aware that the same organisation, which was provided grant funding at the start of this year for the ATR simulator, had already announced that it had purchased the simulator and was installing it in Queensland 20 months ago, after which it was listed in the industry publication last year as being operational and located on the Sunshine Coast?

**Ms Hunter:** Thank you for your question. What I can confirm is that the department certainly undertook a comprehensive economic assessment of the proposed AAT training centre to ensure it was value for money and it would generate significant economic and policy outcomes for this state. I understand the company you are referring to is a Melbourne based company which was incorporated in January 2017. The company, I understand, has made arrangements to purchase an ATR-600 simulator and, I understand on advice from the department, that that simulator is due for delivery in early 2019, whereas I also understand from my department that the first ATR-600 operating in Australia will be the one purchased by AAT and that is planned for later in 2018.

**CHAIR:** Do you have further questions?

**Mr POWELL:** Thank you, Mr Chair, yes, I do. Director-general, I am aware that ATR, a subsidiary of aircraft manufacturer Airbus, has written to the department citing the Competition and Consumer Act 2010 in allegations that the department has publicly published wrong and misleading statements. Director-general, has the department complied with ATR's request to remove the publication and issue a public correction statement?

**Ms Hunter:** Thank you for your question.

**CHAIR:** Before we get there, I understand the context. You have given a lot of context, but I caution you about lengthy preambles in the future. If we could have the director-general answer that.

**Ms Hunter:** I will get that information for you.

**Mr POWELL:** Thank you, Director-General.

**CHAIR:** Do we have another question?

**Mr POWELL:** Yes, I do. On the same matter, again referring to SDS page 5, the Brisbane City Council development approval for the training facility that we are referring to limits the premises to a maximum capacity of 14, yet the company plans to operate nine training zones which at a bare minimum would have to host at least two people. Did the department consider these major impracticalities before awarding money from the attraction fund?

**M Hunter:** Again I will come back to you with that information.

**CHAIR:** Are you indicating you have another question?

**Mr POWELL:** Thank you, Mr Chair. Minister, it is clear that your department has used the Industry Attraction Fund to provide a grant to a project that is rendered impractical under the maximum capacity of 14 under the development approval, a project that is in direct competition with another investment, a project that was announced in 2016 and is reportedly already operating on the Sunshine Coast and a project that has resulted in a subsidiary of the world's largest aircraft manufacturer effectively writing a cease and desist email to the state of Queensland. Minister, on my count that is four of the fund's six principles breached. Does a formal investigation need to be launched into the fund's operations?

**CHAIR:** Member for Glass House, I am going to pull you up there. You have a number of hypotheticals in there and imputations. You said it is clear. That is clearly an imputation. You are saying direct competition. That is a hypothetical as well. Can I advise you to rephrase the question? Come straight to the question avoiding any imputations and any potential hypotheticals.

**Mr POWELL:** Can I seek some guidance? What in my question was an imputation?

**CHAIR:** You said 'it is clear' and that to me indicates that it is your opinion or an imputation. Also you said 'direct competition'. That is a hypothetical. We are in no position to judge who or what is out there in the market. Can I therefore guide you to come to your question directly, avoiding any hypotheticals or any possible other breaches of 112 or 115?

**Mr POWELL:** Minister, on my count that is four of the fund's six principles breached. Does a formal investigation need to be launched into the fund's operations?

**Mr DICK:** I thank the member for Glass House for his question and his spectacular conclusions from information that is yet to be provided by the department to the committee. The premise of his question currently is wrong. We support our industry attraction programs in Queensland. In his government there was no industry policy. They had no industry policy at the election. They have no industry policy now. If we want to go to the heart of the Advance Queensland Industry Attraction Fund, we have secured and supported 10 projects, including attracting Australia's largest private pilot training company to Queensland, a very significant coup for our state. That company could have expanded in Victoria. I do not apologise for nicking jobs from Victoria and bringing them to Queensland. We got the

Boxer to Queensland, much to the chagrin of the Victorian Labor government, and we got AAT to invest here. There have been 10 projects announced, an investment of \$30 million by the state which has leveraged additional capital expenditure of \$300 million in our state—10 times our investment. That is what the private sector thinks about these projects. They want to invest in our state and they want to create jobs—the hundreds of jobs that have been created.

In relation to the Ansett Aviation Training project, there is an enormous demand for pilot training. I want Queensland to be the Asia Pacific hub and we can only do that by working in partnership with the private sector. We did not only attract the ATR-600 simulator to Queensland, the program has attracted three simulators to Queensland—a minor detail, I suppose, for the member for Glass House: not one, three—an ATR-600, a Fokker 100 and a Dash 8 are all going to be based in Queensland. It will be a world-class flight simulation training centre. When it comes to planning approvals, they, of course, are all subject to a development application.

**Mr POWELL:** So you don't do your due diligence.

**Mr DICK:** You can always make a development application in relation to the planning approval. That is a general comment. Let us get the facts first before I respond to unsubstantiated assertions by the member for Glass House. The director-general said she is very happy to look at those matters and come back to the committee.

The truth is this is a 40-year old company, a world leader, a national leader, in training pilots for airlines already across the Asia Pacific region. Pilots in Queensland will no longer have to go to Victoria. The productivity benefits and the personal benefits to those pilots will be significant. I have met them. They can now be trained in their home state instead of having to go to Victoria. This is versus a company that was incorporated in January 2017 that does not so far match the history of Ansett Aviation Training. As I said, we have funded the relocation of three flight simulators to Queensland. The more flight simulators and the more training facilities we have in Queensland the better. I want more Ansett Aviation Training. We have had discussions with the company concerned to see what opportunities exist for them. We do not close the door. We want more flight training in Queensland.

I would ask the honourable member to get on board to support our aerospace and aviation industry in Queensland. There are enormous opportunities. It is why we are fighting so hard to get the Qantas regional training program. I am sure the members for Toowoomba North and Toowoomba South are very happy that our government has put a very comprehensive bid in to secure the Qantas regional pilot training for Toowoomba or Mackay. We are down to the shortlist of nine—two from Queensland. There are 40 communities in Queensland.

**Mr POWELL:** On that note, Mr Chair.

**CHAIR:** Just listen to the Minister.

**Mr DICK:** It goes to the heart of pilot training and that is what you are going to. We need more of these projects in Queensland. I do not make apologies for attracting a world-class company like Ansett Aviation Training to Queensland, but if we do want to get into a political contest, what that will do is it will say to investors and to the market that Queensland is not a place to invest because we are not supported, it is the subject of political contest. Let us get behind the growth of pilot training because I think there are great opportunities for kids on the Sunshine Coast, kids in Logan, kids in Brisbane and all across Queensland to become the pilots of the future for the Asia Pacific region.

**Mr POWELL:** The minister has made reference to a Qantas program. I have a question about that.

**CHAIR:** The member for Noosa has indicated that she has a question. Member for Noosa?

**Ms BOLTON:** Thank you, Chair. Minister, I refer to page 5 of the SDS. Could the minister provide an update on the progress and projected time line for the international broadband submarine cable into the Sunshine Coast and how this will benefit Noosa and address the connectivity issues still unresolved for our business sector?

**Mr DICK:** Thank you, member for Noosa, and welcome to the hearing this afternoon. I hope you are enjoying the estimates committee process. Can I say what a significant project this is potentially, not just for the Sunshine Coast but, as I said in my introduction earlier, for our entire state. During the state election, as the member for Noosa would know, the re-elected Palaszczuk government would contribute \$15 million to the Sunshine Coast international broadband submarine cable—something again that I hope would be supported on a bipartisan basis. Through this project, which could significantly change connectivity not just for our state but also for our nation, the Sunshine Coast Regional Council is facilitating a new international submarine cable landing in South-East Queensland

which we believe will stimulate local businesses, generate new investment and improve telecommunications diversity to the east coast of Australia. Five international submarine cables currently provide data connectivity from Australia to the rest of the world, four of those land in Sydney and the fifth lands in Perth. From my perspective, the close proximity of four cables in Sydney poses a risk, I think, for Australia's internet connectivity and commercial data centre capacity.

In acknowledging that risk, the Sunshine Coast Regional Council has identified the Sunshine Coast as the first viable alternative landing point on the eastern seaboard for a cable that links to Asia and possibly, as well, the United States. The project would have a potentially transformative impact for the Sunshine Coast. I know you, as one of the members for the Sunshine Coast, are keen, member for Noosa, to see the transition of your economy away from traditional industries to some of the value-added, knowledge based jobs that we all want to see for Queensland and this cable can act as that sort of catalyst for business growth and, as I said, high-value, knowledge based jobs.

The independent feasibility study completed for the Sunshine Coast Regional Council estimates the project could deliver a potential boost of \$453 million to the Sunshine Coast economy and \$927 million to the Queensland economy. The study also estimates that more than 800 full-time jobs could be created on the Sunshine Coast after the project and associated facilities are fully developed. It is an exciting prospect for that part of Queensland. The Sunshine Coast Regional Council is currently in discussion with private proponents interested in partnering with them to deliver the project. The final cost and delivery time frames will be dependent on the partners selected. We heard earlier in the hearing about the Building our Regions program. It depends on your partners how you deliver those projects. The project is currently anticipated to be completed in 2020, which is a not unreasonable timeline for a project of that size and scope.

We are finalising an assistance agreement through the Department of State Development, Manufacturing, Infrastructure and Planning with the Sunshine Coast Regional Council for our \$15 million contribution. We will work very closely with the council to deliver this because of the exciting prospects it presents for the region and for Queensland.

**CHAIR:** We will now go to the government members for questions. I will start off with a question. Minister, I refer to page 5 of the SDS. I note the role of the department in facilitating private sector industry development. Can the minister outline how the government is supporting the craft brewing industry in Queensland?

**Mr DICK:** Again I hope this is accepted on a bipartisan basis. Everyone wants to see the growth of the craft brewing industry in Queensland. There are some great craft brewers on the Sunshine Coast. I will have a drink with the member for Glass House later.

**Mr Weir** interjected.

**Mr DICK:** The member for Condamine will be happy to come along. As part of our Advance Queensland Industry Attraction Fund we attracted Scottish brewer BrewDog to Queensland. This is another important thing to note: we attract these businesses to Queensland. BrewDog was coming to Australia. The choices for the company were Newcastle in New South Wales or Brisbane. We fought hard with Brisbane Marketing—obviously a LNP-led council—to deliver that project for our state. I am very pleased to do that.

Can I address some of the concerns about that company? It is a company that works with craft brewers. They hold something called Collab-Fest, which works with smaller craft brewers in an annual festival each year to create more craft style beers.

Therefore, I am confident of their support to create jobs in our community, to create a tourist attraction and also to support craft brewing. As the honourable member knows, because I know you were there, although not at that event, I launched the craft brewing strategy for Queensland. We are developing that to work with the multitude of craft brewers to grow that sector of the craft brewing industry for Australia. We want Queensland to grow in that space.

I know in the honourable member's electorate there are a couple of craft brewers. Thirsty Chiefs Brewing Company is a new microbrewery in North Lakes. It is owned by Dean and Shelley Nolan. Clients can view and participate in up-to-date brewing processes as well as enjoy a wide range of beers and ciders. White Brick Brewing opened in North Lakes in November last year. It markets itself as a pet and family friendly space.

**CHAIR:** It is.

**Mr DICK:** Those are places where people can go, in traditional pub style, and enjoy each other's company, enjoy a craft brew and then go home. It is a great way for members of local communities to interact.

I hosted a craft brewing showcase at parliament on 2 March this year. Craft beer production is estimated to be worth around \$62 million per year and growing, with an additional 17 craft brewers opening their doors in the past year alone. More than 13 per cent of Australia's independent brewers can be found in Queensland. That is a ratio I want to increase. It is a small market but one with a potential to grow.

The nature of beer tourism, similar to wine tourism, is very significant in Queensland. I have met a number of regional brewers from places such as Cooktown, the Scenic Rim region and the Sunshine Coast region who have the potential to expand and grow. It is really exciting to see that happening throughout South-East Queensland as well as across Queensland. We want to back entrepreneurs in this space. We want to create pathways for them. We want to look at regulatory arrangements to pave the way for them to grow their businesses. I think that would be a good thing for our state.

**Ms PUGH:** Minister, it is remiss of you not to mention White Lies Brewing in my electorate, which is fantastic. I have a question, referring to page 4 of the SDS, regarding the Market-Led Proposals program. Could you please advise the committee how the administration of this program compares with similar programs in other jurisdictions?

**Mr DICK:** The Market-Led Proposals program is one way that the government is unlocking private sector investment and innovation to support positive economic and social outcomes for Queensland. Market-led proposals can supplement the Queensland government's significant publicly funded infrastructure program, which, as the member for Mount Ommaney knows, is \$45.8 billion or almost \$46 billion over the forward estimates.

Since introducing Market-Led Proposals in June 2015, Queensland has progressed nine ideas to detailed proposal development. Two of the nine proposals have reached contract execution and are in development. Firstly, the Logan Motorway Enhancement Project is a very significant project not just for my community of Woodridge and the electorate of Logan but also for the entire south-east. An enhancement to that motorway will ultimately benefit the people living in Ipswich and in electorates such as Mount Ommaney. It is worth \$512 million and will support 520 jobs a year during construction and approximately \$1 billion in economic benefit over the next 30 years. The Brisbane International Cruise Terminal is valued at \$158 million. It will support 245 jobs per year during construction and has an estimated \$1.3 billion in economic benefit over the next 20 years. These outcomes are in-line with other jurisdictions. Since 2015, about the same time—

**Mr MICKELBERG:** What about the aquarium?

**Mr DICK:** I take the interjection. The proponent for the aquarium withdrew the proposal. The truth of that was—

**Mr MICKELBERG:** Not until you had done nine media releases, though.

**Mr DICK:** You interjected and I could have ignored it, but I have taken it.

**Mr MICKELBERG:** If you have taken the interjection, we can have a conversation.

**Mr DICK:** I have taken the interjection. The truth of the matter is that project proponents need to obtain finance for their proposals. These are not government projects; they are private sector proposals. Like everybody in the private sector, private sector proponents have to make the project stack up.

The truth of the matter is that since 2015—and we started about the same time—Victoria has progressed eight proposals to detailed development, four of which have proceeded to contract execution. New South Wales started in 2012, so three years before us. It has 11 proposals to detailed development and five proposals reaching contract close. Therefore, we are on a par with other states.

Other projects going through detailed consideration include the Dexus proposal for the Eagle Street Pier, which is a very significant proposal. What excites me about that project is the potential to open up that part of the waterfront. There will be potentially 1.5 hectares in additional public space. There is very narrow access to the water there. As our city transforms, that could be another game-changer for that part of Brisbane. However, we need to look at how it works, including the traffic and transport obligations and the consequences that come from that.

There are other ways that projects come in and then are dealt with by government. Some are progressed by other government departments. The Brisbane Live proposal came to the Queensland government through Market-Led Proposals and is now being considered as part of the Cross River Rail project. Some exciting things are happening there. As I said, we want to give the market the best

possible opportunity to put forward proposals. I have asked the department to have a stronger focus on and work with the private sector. We are looking at recent history and at how we can put a greater focus on projects.

MLPs must stack up if they are to proceed and be supported by government. A good idea depends on capability, finance—as we have talked about in relation to the aquarium and the maritime museum—third-party agreements and delivery. We will work with industry to sharpen our focus on projects. That is what I have asked the department to do. I make no apologies for working towards good value for the community in the administration of this program. Projects need to stack up and they need to be value for money for taxpayers.

**Mr MADDEN:** Minister, I have a question with regard to the Building our Regions program, which has been so successful in developing industry in our regions. I refer to page 4 of the Service Delivery Statements. Can the minister outline how the government is strengthening regional Queensland through investment enabled by the Building our Regions program?

**Mr DICK:** I am very pleased to answer that question and address some of the misconceptions about the program. We are focused on creating jobs. One of our principal priorities as a government is creating jobs and supporting economic development, particularly in regional Queensland. Earlier I talked about the importance of the Building our Regions program for a community such as Bundaberg. Through our \$295 million Building our Regions infrastructure program we continue to generate economic, social and environmental benefits for regional communities. We have already approved \$225 million towards 174 critical infrastructure projects across 62 local government areas. There are 77 local governments in Queensland, and 66 local governments have been very happy to partner with the Palaszczuk Labor government to deliver more than 1,762 jobs in regional Queensland.

Today I would like to announce that 39 regional councils, from the Torres shire to Bulloo, have been short-listed for a share in \$70 million under the latest round of our Building our Regions program. Round 4 of the program is focused on projects with enduring economic outcomes for regional communities. We are investing in projects that will have ongoing economic benefits for regional Queensland. Round 4 will focus on projects that have strong direct economic outcomes that are vital for driving regional Queensland's economic future and for generating jobs.

To inform the committee, 53 projects are currently on the short-list program. They include airport and saleyard upgrades, tourist and community facilities, art galleries, a conference and cultural centre, an aged-care facility, industrial developments and also digital connectivity projects. Funding is not guaranteed at this point, because we have to go through further analysis. Councils have to prepare business cases for the projects, demonstrating detailed and compelling reasons for the project to gain funding. Councils have six weeks, from Monday, 30 July until Friday, 7 September, to submit their businesses cases. I encourage councils to seek support from their local department of state development office to assist in the development of those business cases.

We as a government are very focused on this. There can be delays in construction and the completion of projects. As you can imagine, it involves very significant expenditure and a very large number of projects. Those delays can be due to weather, lack of contractor availability and land tenure issues. All those issues have to be worked through. When delays occur, my department works closely with councils to ensure that project benefits are still realised and that funding is acquitted in accordance with the financial management guidelines and contractual arrangements of the program. In contrast, in relation to Jeff Seeney's Royalties for the Regions program the Auditor-General said—

Projects had to be ready to start within six months from signing the funding agreement. This was to ensure the program stimulated the economy and delivered jobs quickly.

As at April 2015, councils signed 91 contracts. Of these, nine projects (worth \$24.4 million) were not ready to commence construction within six months after signing the agreements. Councils reported project delays due to land use issues, finalising tender documents and project scope and dependencies.

That is what happens with large projects, but I reinforce the point that there is very significant governance around this. Jeff Seeney funded projects that did not even come through the front door. He just picked projects that he wanted to fund, outside an appropriate and rigorous guideline for the determination of appropriate projects to fund. As you can see, I do not pick the projects. There is a process, and that is very important for the appropriate stewardship of taxpayers' funds.

**CHAIR:** Minister, at the end of the session we will give you a couple of minutes to provide any further information that needs to be given. Page 8 of the SDS talks about the Strong and Sustainable Resource Communities Act. Can the minister explain what steps the government is taking to ensure local communities in Queensland are benefitting from the employment opportunities in the mining sector?

**Mr DICK:** Mr Chair, I am not sure that we have all of the information collated now. We might come back after the break, if we can, to report back to the committee on those issues that were raised. Would that be appropriate, rather than do it now?

**CHAIR:** Yes. We will probably do that in the couple of minutes just before we start the next session. We will be here early.

**Mr DICK:** Thanks for the question about the Strong and Sustainable Resource Communities Act. This is a very important initiative from our first term. The Palaszczuk Labor government became the first government in Australia to address the impacts of fly-in fly-out workforces on large resource projects, to assist regional communities around those projects to benefit from those sorts of developments. The new act commenced on 30 March this year and had the immediate impact of prohibiting 100 per cent fly-in fly-out workforces at specified Queensland resource projects.

The act makes it a requirement that all future large resource projects conduct a social impact assessment as part of their usual environmental impact assessment process under the Environmental Protection Act and the State Development and Public Works Organisation Act. Already, five projects currently going through EISs are required to comply with an enhanced SIA guideline. Amendments to the Anti-Discrimination Act prevent discrimination against locals in all future recruitment activities. Employers will be required to give fair opportunity to and seek to employ workers from nearby regional communities. They cannot require that people who want to work on a mine live closer to that project's preferred airport and fly-in fly-out. They cannot require that. The 100 per cent FIFO prohibition and the anti-discrimination provisions will operate in conjunction with the enhanced social impact assessment guideline to achieve the best balance between FIFO and local workers for large resource projects.

On 29 March, the Coordinator-General published an initial list of 61 projects that the act applied to and a list of 265 nearby regional communities. The legislation establishes that a nearby regional community is a town with a population of greater than 200 that lies within a 125-kilometre radius from one of the 61 projects. It also provides for the Coordinator-General to exercise discretion, so that where there is an argument for a community or a project to be included where the criteria are not strictly met they can be included.

That is particularly important for a community such as Ayr, which is located 126.2 kilometres away from the Sonoma Mine—1.2 kilometres outside the 125-kilometre limit. Meanwhile, across the Burdekin Bridge, the community of Home Hill sits within the 125-kilometre radius. Today I am pleased to announce that the Coordinator-General has advised me that he will be declaring Ayr a nearby regional community for the Sonoma Mine, so it will be treated on the same basis as Home Hill. Our government foresaw cases such as this arising, which is why we supported legislation to give the Coordinator-General those powers. I think that is important news for those communities. They can have confidence that they are subject to the act and residents of those communities will be treated the same as those within the 125-kilometre limit.

I am also pleased to advise the committee that, after careful consideration, the Coordinator-General will be including a number of towns in the Maranoa and Banana shires as nearby regional communities, namely Cracow for the Cracow project; Yuleba and Jackson for the Cameby Downs mine; and Yuleba, Jackson, Hodgson, Muckadilla and Amby for the Gladstone LNG project. That brings the total to 271 nearby regional communities benefiting from what is unique and innovative legislation for Australia.

**CHAIR:** Minister, we were going to use a couple of minutes to take some information from you, but we have overrun the time for government members' questions so I will ask the member for Condamine if he has a quick question before we wrap up this session.

**Mr WEIR:** My question follows up on the minister's comment about the pilot training academy. Is it true that you have already decided to provide more support to Mackay for the Qantas training strategy because that is where the assistant minister's electorate resides?

**CHAIR:** Good try, member for Condamine.

**Mr DICK:** I am happy to take the question. It is absolutely true; I am backing Mackay. No, I am not at all. I am only saying that because the assistant minister is here. We put a very detailed bid proposal together—I think one of the best in the country—which covered 14 Queensland communities that were interested. They have been narrowed down. I have said publicly on a number of occasions that that the 'Q' in Qantas stands for Queensland. We want to win the project for Queensland. I do not have a particular view myself.



Qantas is going to resolve that. We are in a contest with other states. It is very hard fought. I have been up to Wellcamp Airport. What an extraordinary piece of infrastructure built by the Wagner family. They were rightly recognised recently with the family being inducted into the Queensland Business Leaders Hall of Fame. It is a very impressive facility which has enormous connectivity. We also have the second range crossing—and the member for Condamine will know about that.

I am straight down the line on this. I want Queensland to win. I do not have a preference. The member for Mackay is fighting for Mackay. The members for Toowoomba North, Toowoomba South and Condamine and other MPs will fight for their communities, but for me it is about getting this project for Queensland to build on what we want to do for regional training. I think that is very important for the future of the state. It is according to Hoyle for me—straight down the line.

**CHAIR:** That now concludes the committee's questioning of the portfolio areas of state development and manufacturing. We will now have a break. The hearing will resume at 2.15 pm with the committee's examination of the portfolio areas of infrastructure and planning.

**Proceedings suspended from 1.17 pm to 2.16 pm.**



**CHAIR:** Welcome back, Minister and officials. As I said at the end of the last session, we will allow you some time to provide some answers to the questions that were asked earlier.

**Mr DICK:** I do have answers to those. They are reasonably extensive. I am happy to answer those now and I am happy to have more questions at the end of the allotted time. I do not want to deny the committee the opportunity to question me. I know that it is a long day for the committee, but I think it might be best to address the issues sooner rather than later. Is that satisfactory?

**CHAIR:** Yes.

**Mr DICK:** I will firstly turn to the questions members of the committee asked about Building our Regions. I can advise that of the 58 projects completed, 51 projects or 87.9 per cent of projects were completed either before or within 30 days of the agreed completion date. I am further advised that all completed projects have been delivered within the Building our Regions program funding. I want to emphasise that councils are in charge of the delivery of these projects and meeting time frames. Some of them are little councils, like Paroo and others. We are not in the business of bullying or beating up on those councils; we work with them to get outcomes and to get the projects moving ahead.

The department's website is updated periodically based on advice from councils. The department applies a robust assessment approval and grant management process to the Building our Regions program. This ensures funding is allocated to projects that represent value for money and that public funds are distributed only when grant milestones are achieved. Obviously there are times when unforeseen circumstances can arise. I will go specifically to some of the projects that were raised.

For example, there can be delays in the construction and completion of projects due to weather, lack of contractor availability and land tenure issues, including native title. When delays occur, the department works closely with councils to ensure project benefits are still realised and funding is acquitted in accordance with the financial management guidelines and contractual arrangements for the program.

I turn now to the Les Wilson Barramundi Discovery Centre. With regard to the Les Wilson Barramundi Discovery Centre, I can advise that the project was mainly delayed because of severe Tropical Cyclone Debbie. That is the advice I received from the department. This has resulted in a delay in the transportation of materials. Other issues encountered, I am advised, have included delays with the works associated with the pond excavation due to the high water table and needing to wait for it to recede before operating heavy machinery—to me that only makes sense. This required a redesign of the pond. Contractual availability, which often happens in regional Queensland, has also impacted on the delivery of the project. When time frames are rescheduled this can have an impact on the availability of contractors. Councils that are delivering the projects themselves may reallocate their work team to another project and then have to come back to this.

In respect of the Yowah project, I am advised that the project has been delayed by seven months not 12 months as was put before the committee. This was due to wet weather in March 2018. The contractor has needed to drill an extra 12 metres to meet the aquifer, which was not expected in the original project plan.

In relation to the Howard Sewerage Project, delays have been as a result of native title and land tenure issues. The Department of Natural Resources, Mines and Energy are assisting with the compulsory acquisition of the land. Obviously, our government is respectful of native title issues. We

do not want to necessarily force outcomes. We want to work collaboratively to get outcomes. We want to deliver these projects. I do not want them delayed. I want them done as quickly as possible. That is the nature of delivering capital works projects.

In relation to payments in general, the program continues to outperform the Royalties for the Regions initiative across-the-board including money out the door, investment leverage, the number of projects and jobs generated during construction. In the first 12 months of Royalties for the Regions only \$4.6 million had been expended compared to \$16 million under Building our Regions. At the 31 month mark, Building our Regions continues to outperform having expended \$134.7 million compared to \$122.8 million under the Royalties for the Regions program—a difference of \$11.9 million.

The member for Glass House has issued a media release today, which I happy to table, making what is a completely unfounded claim that the Mackay Showgrounds redevelopment project has been delayed by eight months and the Shellgrit Creek drainage upgrades have been delayed by three months under Labor. Nothing could be further from the truth.

I had the great honour to help open the Mackay Showgrounds on 19 June. I am delighted to table photographs of me. I think the member for Glass House said that this is something more akin to what would happen in North Korea than in Queensland. That is not a photograph of me with Donald Trump. It is actually a photograph with the member for Mackay, the president of the showgrounds association and also the mayor of Mackay. I table those photographs for the benefit of the committee.

As I opened the showgrounds on 19 June, I was delighted that the Mackay Showgrounds redevelopment was completed ahead of schedule—it was ahead of schedule not delayed; ahead of its original completion date of 14 July. The Shellgrit Creek drainage upgrades are also on schedule to be completed on time despite the LNP falsely claiming the time line is blowing out. The LNP should stop attacking regional Queensland and start supporting these projects.

I want to talk a little about the issues related to ATR and the Ansett Aviation Training supported flight training centre through the Advance Queensland Industry Attraction Fund. There were some inquiries about the flight stimulators. We are talking about two quite different proposals and types of simulators. One is for a single simulator of a particular type by an emerging company. The other is for three simulators, two of which are different to the emerging company's and proposed by a well-established pilot training company. I am advised that the government grant did not assist with the purchase and location of the disputed ATR 600 simulator to Queensland. Given the demand for new pilots in the Asia-Pacific region, there is plenty of opportunity in the market for companies to operate.

The department is working with the company and its agents to provide whatever assistance it can to develop a facility in Queensland. No complaint has been received from Airbus. The department did receive an email from a company known as ATR which manufactures flight simulators. Specifically regarding the ATR email to the department, ATR asked the department to remove a LinkedIn social media post and publish an update stating that ATR had not endorsed any ATR simulator project in Brisbane. The LinkedIn post was immediately updated on 19 June 2018.

The department decided an update or retraction to the post on the department's Twitter account was not required on the following basis: that the previous media released dated 28 January 2018 on the project was factually correct when released; the original LinkedIn post was factually correct and did not imply that ATR supported Ansett Aviation Training's project only that they endorsed the quality of the ATR simulator. In the interests of good relations, the department made the decision to accept their request. To the best of our knowledge, there is no ACCC or other investigation into these matters.

In relation to the issue of an existing simulator on the Sunshine Coast, in 2016 AAT announced a partnership with Universal Training Systems, UTS, on the Sunshine Coast to locate a Beechcraft King Air simulator at universal's facility at Maroochydore airport to service the Royal Flying Doctor Service. This is a different simulator to the Fokker 100 and Dash 8 simulators that AAT is bringing to Brisbane. The installation of this simulator means that RFDS pilots no longer need to travel internationally—they do not have to go overseas—to complete their regular simulated training, saving the essential service both important pilot time and budget, which is critical for a community based organisation like the RFDS. This simulator was officially launched in February 2017 after full certification. As it was a partnership with UTS in their existing facility it did not constitute AAT having a presence in Queensland.

In relation to the development approval of the site around Brisbane Airport, I can advise that the Brisbane City Council has issued a development permit for Ansett Aviation Training at Pinkenba to operate the flight training centre. The permit limits the number of people on site at any time to 14 and provides for 24/7 operation. Given that simulators have a maximum capacity of two to three people and are booked in extensive blocks of time, this limitation on occupation I am advised should not impinge

on the effective operation of the facility. The conditions have been accepted by Ansett Aviation Training, indicating that the company is not concerned by this operational requirement. The limitation of 14 is aligned with information provided by the applicant with their development application which is based on their proposed operations.

For the reasons stated above, I still believe the project is a major coup for Queensland. It does not breach the Advance Queensland Industry Attraction Fund principles. In my opinion no further investigation is required.

**CHAIR:** I appreciate that. I agree to the tabling of documents provided by the minister. We will go to questions. Bear in mind member for Glass House that there is a small degree of flexibility in my opinion on asking questions across portfolios that minister is responsible for. I will give you a bit of flexibility to chase up a couple of questions, but I implore you not to test my patience.

**Mr WEIR:** The member for Buderim will be starting the questions.

**CHAIR:** The same applies to the member for Buderim, in that case.

**Mr MICKELBERG:** I will do my best not to test your patience. Director-General, I refer to page 5 of the SDS which details the government's intention to implement a strategy to protect jobs in the meatworks industry. Over the last 12 months we have seen 900 jobs lost in that sector in the south-east alone. When were you first directed by the minister to develop the strategy? When do you anticipate the strategy will be implemented?

**CHAIR:** Director-general, there are two questions there. You can choose to answer either one of those.

**Ms Hunter:** I am happy to respond to either or both. I have undertaken responsibility for chairing a task force looking into the issues that relate to the strategy to support the meat industry, particularly with respect to ensuring skills supply for the meat industry. I have chaired a meeting of key stakeholders in the industry. They are very supportive of the work that is being done to date. The commitment is to ensure that the meat and meat processing sector is able to continue to make a significant and direct contribution to economic growth in the state. Clearly this has had a significant impact in a number of regions.

I have also been advised that in the last 12 months the department has activated rapid response teams and provided assistance to three companies in the Ipswich area: the Churchill Abattoir, which closed on 28 September 2017 with 130 workers retrenched; Woolworths' boning facility, which closed on 28 September 2017 with 130 workers retrenched—a further 250 workers were retrenched on 28 June 2018; Baiada Steggles processing plant which closed on 19 January 2018 with 225 workers at Wulkuraka and 20 workers at Wacol retrenched.

Job losses on this scale are really significant, particularly in the Ipswich area. The rapid response team moved to support retrenched workers by providing a rapid response event for them on 14 September 2017, supporting several sessions at the Steggles processing factory, undertaking an Ipswich jobs and training forum which was open to affected workers and the general public on 12 December 2017—we had more than 200 people attend that—and a career transition fair for the remaining 250 Woolworths meat workers held on 20 April.

In terms of interacting with the industry and with key leaders and stakeholders in the meat processing industry, the emphasis on having access to skills supply has been consistent across regions. In recognition of the importance of the sector, we as a department have supported the Queensland government's commitment to develop a meatworks strategy and a Regional Skills Adjustment Strategy. Over the last six months we have been consulting with major beef processors and their representative bodies and leaders to ensure that the strategy will respond to the right things—that it will respond to the key challenges facing the sector. We understand that this strategy will be delivered in late 2018.

**Mr BATT:** My question is to the director-general. I refer to page 7 of the Service Delivery Statements and the department's responsibility for priority development areas. The government declared the Bundaberg State Development Area in February 2017, totalling 6,076 hectares. Director-General, how much investment and many hectares have been developed since that declaration in February last year?

**CHAIR:** I point out that the member for Maiwar, Mr Berkman, has joined us.

**Ms Hunter:** The Bundaberg State Development Area Development Scheme will help boost industrial growth and create jobs in the region. The SDA will provide opportunities for industry to locate together near the port and efficiently use infrastructure services such as gas, power and water supply.

On 17 May 2018, the first request within the Bundaberg SDA was approved for a solar farm in the western part of the SDA. At peak capacity the solar farm will supply four megawatts of renewable electricity to the Ergon network. The solar farm was originally approved by the Bundaberg Regional Council prior to the approval of the development scheme.

The Queensland government has invested in infrastructure for the Bundaberg SDA through a \$4 million upgrade of road infrastructure to the port and completion of a 28.5-kilometre gas pipeline, costing \$19.8 million. The gas pipeline supports industries in the SDA such as the \$70 million Knauf Australia plasterboard factory, which began production in August 2017, creating up to 70 jobs. Pacific Tug are planning to establish operations near the SDA, expanding the port's capacity for commercial shipping. The improved coordination and consistent approach to assessment provided by the development scheme will ensure future port related and industrial activities around the Port of Bundaberg can be accommodated.

**CHAIR:** We will now move to questions in the portfolio area of infrastructure and planning.

**Mr POWELL:** Chair, I would like to follow up a couple of things on market-led proposals which do have an infrastructure aspect.

**CHAIR:** Briefly.

**Mr POWELL:** Director-General, referring to page 4 of the Service Delivery Statements, which outlines the department's responsibility to administer the market-led proposal framework, on 22 March 2018 the minister answered a question on notice outlining that there were 30 proposals active. Just over a month later, on 1 May, the minister answered another question on notice saying that 51 proposals were active. Can you please confirm how many proposals are active and why there is this discrepancy of 21 over the course of that month?

**Ms Hunter:** In terms of market-led proposals, overall Queensland has considered approximately 150 proposals since July 2015. Victoria and New South Wales, as the minister said earlier, have had similar volumes. Of the nine proposals which advanced to detailed proposal development, two reached contract close. One was not progressed by government. One was withdrawn by the proponent. Five remain under negotiation and development within government. These include a number of proposals in the Eagle Street Waterfront Precinct and the Strand Ferry Terminal in Townsville, the Maryborough fire station and the RACQ Mount Cotton Driver Training Centre.

If the question relates to over the life of the program, 50 initial proposals have been lodged as MLPs. Twenty of these were considered to not align with Queensland government policy or represent good value to the state and were not progressed for further consideration. As the minister said earlier, the department under his direction is committed to strengthening the state's economy. Private sector investment is critical to long-term job creation. Therefore, the MLP framework must directly support the government's objectives and advance its priorities.

**Mr POWELL:** Chair—

**CHAIR:** No. I think we have allowed enough flexibility for that in terms of where the question has come from. I want to get into questions on infrastructure.

**Mr POWELL:** Chair, point of order, if I may. I refer to the advice provided by the Clerk, and that was that we are entitled to ask questions pertinent to the minister's portfolio in either bracket, accepting that the person or the individual may not be available to answer the question. In this case, the question is to the director-general. The director-general is here. I cannot understand why I am not being permitted to ask several follow-up questions on MLPs.

**CHAIR:** Indeed. I also point out that our program has been endorsed by a full vote of the committee. As I said, I have given you some flexibility for that. I am not going to blow out our schedule because this has been agreed to by a vote of the committee. Once again, I am directing you to ask your questions now regarding the portfolio of infrastructure and planning.

**Mr POWELL:** Given the government clearly does not want to answer questions on market-led proposals—

**Mr DICK:** I do not count them. I do not work out the proposals. I am happy to look at that and come back to the committee later in the hearing. Hopefully the number of proposals has gone up which is why the number has gone up, but I do not count them. I answer questions on advice. I have no intention of misleading the parliament or the committee. Let us have a look at it and I will come back later in the hearing.

**CHAIR:** Bearing that in mind, do you have questions regarding infrastructure?

**Mr DICK:** It is the difference between 30 and 50 in what the two answers were.

**Mr POWELL:** That is fine. The point has been made, Chair. I hesitate to waste any more time of the committee asking questions that are not going to be answered. Let me move on.

**Mr DICK:** Hold on. I said I am happy to come back.

**Mr POWELL:** You are happy to but the chair is clearly not happy that I asked the question, Minister.

**CHAIR:** Member for Glass House, I have asked you for your questions.

**Mr POWELL:** Minister, I refer to page 1 of the Service Delivery Statements and the ministerial and portfolio responsibilities listed. With the Treasurer managing Cross River Rail, Minister Bailey not letting you near major transport projects, Minister Lynham managing water and energy infrastructure and you not even having responsibilities for ports, what do you actually do as the infrastructure minister for Queensland?

**Mr DICK:** That is a bit mean, Mr Chairman. That is a bit tough. I am very happy to explain at length my role as the infrastructure minister. Careful what you ask for, member for Glass House.

**CHAIR:** I could have protected you, member for Glass House, but you are on your own now.

**Mr DICK:** I would, however, refer the honourable member to answer to question on notice No. 12, which sets out in response to a question on notice in significant detail what I and the department do in my role as Minister for Infrastructure.

Earlier this week, as honourable members will know, I released the State Infrastructure Plan Part B and the Building Queensland pipeline for projects coming through. My role is one to provide leadership and oversight through whole-of-government infrastructure policy and coordination. I do work closely with my colleagues. That is the truth. Projects are delivered by line ministers. The Minister for Transport and Main Roads delivers road projects. When I was the health minister, I was very proud to deliver projects like the Kingaroy Hospital and the Roma Hospital. Other projects where ministers are the line lead are, for example, the new counterterrorism centre. The police minister will have a significant role in that. My role is not unlike that of Jeff Seeney when he was the minister for infrastructure in the LNP government.

**Mr POWELL:** It is a lot different.

**Mr DICK:** I certainly hope my career does not take the same trajectory as the former deputy premier.

**Mr POWELL:** It already has.

**Mr DICK:** The member for Glass House is very proud of the member for Callide. I beg to differ.

I work closely with my ministerial colleagues who are responsible for delivering roads, schools, hospitals and other infrastructure. The Minister for Education has a very important role in the line delivery of schools. Overarching infrastructure priorities are set through the State Infrastructure Plan. I released the annual update earlier in the week. It is a whole-of-state, whole-of-government role for me. There was no infrastructure plan under the LNP. There was a plan to build 1 William Street—that was it. They made a virtue of the freeze that they applied in government which, of course, had a very consequential effect on the Queensland economy.

I also work closely in building resilient infrastructure in my role as minister responsible for the Queensland Reconstruction Authority. I work with federal agencies like Infrastructure Australia to set our priority list. It is regrettable that the federal government does not accept our priority list. One of my first actions as infrastructure minister was to communicate Queensland's priority list including Cross River Rail; increasing capacity on the M1 Pacific Motorway—Varsity Lakes to Tugun; resolving capacity, efficiency and safety issues on the M1 Pacific Motorway—Eight Mile Plains to Daisy Hill; providing additional capacity on the Gold Coast rail line—Kuraby to Beenleigh; and the rail upgrade initiative from Beerburrum to Nambour. I was very happy to champion that for the member for Glass House.

**Mr Powell** interjected.

**Mr DICK:** Sunshine Coast members can thank me later.

**Mr POWELL:** Twenty per cent.

**Mr DICK:** You can thank me later when you have the chance.

**Mr Mickelberg** interjected.

**CHAIR:** There is a bit too much chatter coming from over there. Please do not interrupt the minister.

**Mr DICK:** What I would say is that I take my role in overseeing infrastructure and providing strategic direction very seriously. In that respect I am very keen to ensure we get the money out the door. I was very keen to do that as the health minister and now I am empowered to do that across government.

I am very pleased to report that there has been a substantial reduction in capital underspend across government. In the 2017-18 capital allocation across government, the total capital allocation was \$10.171 billion. The budget forecast is that agencies and government owned corporations will expend \$9.693 billion. That is a forecast underspend of about \$532 million. That means that nearly 95 per cent of the 2017-18 capital program is expected to be delivered, compared with the average of 85 per cent from the years 2012-13 to 2016-17.

In 2012-13 and 2013-14, under the LNP, underspends exceeded \$5 billion when comparing the budget and audited actuals. The truth is that we are driving down capital expenditure underspend. I am very focused on that. We want to deliver our infrastructure program—the biggest infrastructure spend since the budget following the 2011 floods. We are very keen to do that. We will not be following the lead of the LNP in languishing in our capital works expenditure. We will be driving that up to keep underspend down.

**CHAIR:** We will now go to questions from government members.

**Mr MADDEN:** Minister, my question refers to page 10 of the Service Delivery Statements, which deals with the department's role in infrastructure policy and planning. What signals is this work area providing to industry that will help industry make its own planning decisions—for example, the State Infrastructure Plan Part B?

**Mr DICK:** I thank the member for Ipswich West for the question and that follows on from the previous question. What we are trying to do is deliver the right infrastructure in the right place at the right time. Appropriate infrastructure can deliver a positive change in any community. In my role as both infrastructure minister and planning minister, I can say that the Palaszczuk Labor government is, as you well know, committed to the development of vibrant and connected communities. For well over a century Queensland governments have always made major investments in infrastructure and Labor governments have a proud record in this field.

Kingaroy Hospital was built by the Forgan Smith Labor government and is being redeveloped by the Palaszczuk Labor government. Similarly, the Roma Hospital, as I understand it, was built by the Forgan Smith Labor government and is being redeveloped by the Palaszczuk Labor government. The Burdekin Bridge was built by the Hanlon Labor government. The Palaszczuk Labor government has invested in improvements to the M1 after no new funding under the LNP. Queenslanders know and business know that, whether it is the Gold Coast Light Rail or upgrades to the Logan and Caboolture hospitals—I was very proud to be able to deliver an upgrade to the Logan Hospital as the health minister—or, as the member for Ipswich West knows, an investment in upgrading the Ipswich Hospital or appropriate buildings to deliver education and health services, Queensland Labor governments can be relied upon to fund them and deliver them without selling assets.

One of the ways they know this is through the recently published *Building Queensland Infrastructure pipeline report* and State Infrastructure Plan. I seek leave to table copies of those. I have 10 copies for the committee. They are literally hot off the press. They are available online, but these are hard copies and I think it would be useful for committee members to look at that at their leisure. As the previous minister for health, I know the LNP government committed around \$100 million to new or substantially refurbished health infrastructure projects across Queensland. In our first term we committed \$1 billion to health infrastructure. I was very proud of that as the then health minister.

Part A of the State Infrastructure Plan sets the strategic direction for infrastructure investments in the state and is published every five years. Part B of the State Infrastructure Plan, which committee members can access now, is updated annually and draws on a range of inputs including the *Building Queensland infrastructure pipeline* and the Major Contractors Association *2018 Queensland Major Projects Pipeline* report. A really significant aspect is connecting what the private sector is doing and what the private sector is saying they are doing in their planning documents and drawing on our budget to convey to business and the community how the priority expressed in part A, which is the overall strategy for planning infrastructure, is translated into projects and planning through part B of the infrastructure plan.

In this financial year there is \$45 billion over the forward estimates. Over the past 18 months, five large-scale solar projects have commenced operation, bringing the total operational capacity of renewable energy in Queensland to more than 780 megawatts. Twenty-three large-scale projects totalling 2,200 megawatts are currently financially committed or under construction. These projects are likely to create almost 3,600 jobs during construction and will boost investment by around \$4.2 billion. Eighteen proposals from Building Queensland's infrastructure pipeline have received funding commitments since June 2016. This shows a system working. Set the plan, develop the pipeline and then fund the projects. That is what our government is doing.

**Ms PUGH:** Minister, I refer to the service summary on page 55 of the SDS and Economic Development Queensland. What has EDQ proposed for the former Oxley Secondary College site in my electorate? Can you update the committee on progress with the master planning of the site and what the next steps are from here?

**Mr DICK:** I thank the member for Mount Ommaney. I know you are a strong champion of effective and appropriate redevelopment of that site—one that will benefit the community not only economically but also socially. We want to get the mix right. This project is an example of renewing under-utilised government assets as part of our advancing our cities and regions program. That seeks to renew and repurpose surplus and under-utilised state property in a way that will deliver economic, community and financial benefits. We are delivering that in partnership with Queensland Treasury.

The former Oxley Secondary College site, as you know, has not been used as a school for more than 15 years. Although there have been temporary uses during that time, there has never been a definitive decision about the future of the land. EDQ has been engaging with the local community, as you know. I know that you have been very engaged with your local community to think about the design and use of this land in the future. EDQ has been working with the community to consider how the site might be renewed and how it can be reinvigorated for both economic and community benefit, as I said earlier.

The community engagement has resulted in the latest proposal which would see 80 per cent of the site retained as open space and community use including the retention of significant vegetation. That is a great outcome for the community. Any redevelopment of the site will include detached housing similar to what is currently in the surrounding area, housing for seniors and the relocation of a C&K childcare centre out of the flood zone. I think everyone would support that. That will be a great result for the facility and its users.

I am advised that the Oxley community was generally supportive of renewal of this site, particularly the protection of bushland, provision of open space and community uses. Most recently, two community engagement sessions were held on 31 May 2018 and 2 June 2018—I know you know about those as you were involved with them—with around 140 people attending to discuss the proposed concept and design principles. Formal feedback was open until 20 June. Community feedback on the development concept and design principles has been positive. Assessment of site constraints, traffic and other matters has helped inform a proposed concept which addresses these matters and allows for some residential open space and community facility development.

Following this work and the community engagement to date, and with the business case and concept design reaching maturity, we are working towards a formal declaration of the site as a priority development area. Once the PDA is declared, EDQ will have 12 months to prepare the development scheme, which is the overarching plan for the site. During this time the community will have further opportunity to provide feedback on what is proposed through a formal submission period which is likely to occur early next year. Working closely with the community, listening to the community and trying to incorporate the community's views and aspirations in the design of that site is very important and I know that EDQ takes that responsibility very seriously. We look forward to continuing to work with you and your constituents to get the best outcome for the former Oxley Secondary College site.

**Ms PUGH:** I note on page 2 of the SDS that the role of Economic Development Queensland is to drive business and economic growth in Queensland. Can the minister please advise in general terms what a priority development area is for the benefit of the committee?

**Mr DICK:** I think it is an important point. They are very significant economic spaces for Queensland to ensure that we get economic growth happening and good social outcomes across Queensland. They are precincts of land identified for specific development that facilitates economic development and development for community purposes. PDAs include urban renewal sites in Brisbane and regional cities, residential developments in regional towns, proposed industrial estates and large greenfield areas for South-East Queensland destined to become entire new communities.

It is an important question for the member for Mount Ommaney because it is very likely that a priority development area will be declared in her electorate. It is important that you—and through this process your community—are aware of what a priority development area happening in your community will mean. Those of us in the beltway who understand this will know, but a lot of members of the Queensland community will not know so I welcome your question.

PDA's are declared under the Economic Development Act. There are currently 29 priority development areas in Queensland—12 in regional areas and 17 in South-East Queensland. Examples of those include major projects like the Queen's Wharf project in Brisbane, Greater Flagstone, Northshore Hamilton and the Mackay waterfront PDA. Development within PDA's aim to respond to the needs of local businesses, residents and the broader community, and will vary depending on a range of factors including size, location, public transport links, road network and other infrastructure. Larger residential PDA's can include associated infrastructure and facilities to support new communities such as schools, parks, retail, industrial and commercial development.

I heard the member for Glass House laughing about PDA's. I think it was a shame that the Leader of the Opposition could not look at the website when she claimed that the government has to fund development in the Mackay priority development area after it was announced. That entirely misconceived the nature of PDA's. It is not for government to fund projects, although there may be projects within the PDA that may be attractive to fund. It is about declaring the development area to accelerate development. Perhaps as the shadow planning minister the member for Glass House could have a conversation with his leader so she better informs herself about a significant part of planning in Queensland.

**CHAIR:** When the member for Mount Ommaney is asking a question, can non-government members show a level of respect to her as a member of the committee asking a question.

**Mr MADDEN:** Minister, I refer to page 12 of the Service Delivery Statements. As the planning minister, can you outline how the state's land use planning process can prevent inappropriate development including residential subdivision from occurring at Birkdale?

**Mr DICK:** I was pretty amazed when the federal budget was handed down on 8 May that the federal government—the Turnbull coalition government—proposes to sell a parcel of land located in the Redland City Council local government area. The budget documents suggest the property currently owned by the Australian Communications and Media Authority can be developed to create up to 400 dwellings in that area to increase the supply of land for housing in metropolitan Brisbane.

What the federal government did was not acquaint itself at all with the planning system and the planning outcomes that we have developed in Queensland in conjunction with councils. In the south-east we have delivered ShapingSEQ, the South East Queensland Regional Plan. We worked with 12 councils to deliver that plan. The investigation conducted as part of preparing and drafting ShapingSEQ was subject to extensive public consultation. A total of 3,324 submissions were received. There were pop-up sessions around the south-east as well that were conducted by the planning team in my department, and the investigation in consultation determined that the Birkdale site was not required by the Redland City Council to accommodate its projected population growth through to 2041. We worked with council and we incorporated that in the plan.

In simple terms, there is no current or projected need for the residential subdivision and development of this site at Birkdale as proposed by the federal government. It would appear to be a quick cash grab by the federal Treasurer to fund the growing and enormous federal government debt, contrary to all good planning measures that have been put into place. As an implementation action of ShapingSEQ, the department of state development has established our growth monitoring program. It is not just a plan; it is a plan that is executed through various mechanisms. Our growth monitoring program, which is innovative, which is new and which has not happened in Queensland before, will monitor land supply and report annually to inform future decisions about planning for growth.

I will do whatever I have to to stop that development. It is not required by the community, it is not wanted by the community, it is not wanted by the council and it does not conform with our planning instrument. Unless we stick to the plan, we will have unregulated growth in the south-east. To get the planning for this important part of Queensland and the growth for this important part of Queensland right, we have to stick to our plan and so I will not be permitting that. I rule nothing out to stop that development. It is not required, and the federal government needs to reconsider and withdraw that proposal.

**CHAIR:** We have time for a very brief question from the member for Mount Ommaney.



**Ms PUGH:** Minister, page 10 of the SDS refers to the department's infrastructure functions. Are there any new measures in the budget that support infrastructure delivery?

**Mr DICK:** Mr Chair, how long do I have to answer that?

**CHAIR:** Two minutes.

**Mr DICK:** We have a substantial capital works program—\$45.8 billion over the forward estimates. Funding has been provided to deliver on our key infrastructure election commitments, funding for our Building Better Hospitals package, which I mentioned earlier, funding for our Building Future Schools fund and funding to substantially refurbish and upgrade 17 state schools. An initiative in this budget which I think is a good one and which I am very supportive of is \$40 million for my portfolio's growth area and regional infrastructure fund. That fund is an opportunity for state entities to secure an up-front monetary contribution to accelerate an infrastructure project with the potential to make a positive impact on those parts of the state facing high-growth pressures. The focus is on growing areas of Queensland and regional infrastructure.

These funds will target areas, as I said, with projected or recent high growth such as regional centres across Queensland and planned urban expansion areas in South-East Queensland. It is a very important project and we will be looking at that very closely. It will be delivered in a similar way to our Significant Regional Infrastructure Projects Program, which was very successful in our first term, funding things like the replacement fire station in Mackay, the Townsville Hospital paediatric unit and marine infrastructure to improve tourism and recreational use of the Great Barrier Reef.

**CHAIR:** We will now turn to questions from non-government members.

**Mr POWELL:** My question is to the director-general. I refer to page 10 of the Service Delivery Statements which talks of the administration of the infrastructure pipeline program. The minister has referred to that a couple of times. I note that the Townsville eastern access rail corridor has been removed from your pipeline report. Can you please explain to the committee why that is the case?

**Mr HUNT:** Thank you for your question. In relation to managing the infrastructure pipeline program, we will take advice from the department and Building Queensland.

**Mr POWELL:** While that is occurring, Mr Chair—

**CHAIR:** We will come back to that one in time. Do you have another question, member for Glass House?

**Mr POWELL:** I do. Director-General, this time I refer to page 1 of the SDS and 'Service area 4: Better planning for Queensland'. I refer to a front-page article in the *Gold Coast Bulletin* today regarding new city flood mapping and the impact on insurance premiums for local home owners. Can the director-general confirm that the Gold Coast City Council relies on technical advice from the state government to undertake and update local flood mapping?

**CHAIR:** Before we have the answer for that, member, you have referred once again to a newspaper article, which I now see you have copies of. Can we also get a copy to the minister's table?

**Mr DICK:** I think we are aware of the article.

**Ms Hunter:** Thank you for your question. This is predominantly, as you know, a matter for local government. Local governments in Queensland are empowered to make decisions they consider appropriate to meet the needs and views of their communities, and this includes the preparation, implementation and enforcement of planning schemes, policies and laws. This also includes ensuring existing and future residents are protected from natural hazards such as flooding, storm surge and sea level rise. Any changes proposed by councils must be supported by technical studies and recent data.

The Gold Coast City Council is using the Q100 level—which is, as you know, the probability of that event occurring once in every 100 years—as the basis for its flood modelling. This measure is commonly accepted and used across Australia. The 0.8-metre allowance for sea level rise in modelling is a state requirement for all coastal councils. The 0.8 metres is the projected sea level rise to 2100 as a result of climate change. The figure is based on best available science and agreed to by the Intergovernmental Panel on Climate Change.

These measures are not unique to the Gold Coast. They are commonly accepted across Australia as appropriate to use in modelling. The Gold Coast City Council's approach to flooding and coastal hazards is addressing requirements set down in the State Planning Policy. The State Planning Policy is consistent with the recommendation of the Queensland Floods Commission of Inquiry in its final report. The department will continue to work with the Gold Coast City Council to ensure changes proposed are reasonable, relevant and supported by robust technical investigation.

**CHAIR:** Thank you. We need to move that the newspaper article be tabled. Are we happy for that to be tabled? That is so tabled.

**Mr POWELL:** I have a follow-up on that. Director-General, thank you for the answer. Given the impact on insurance premiums as reported in today's media, is the department confident on that modelling and any advice the department has provided the Gold Coast City Council?

**CHAIR:** Just a moment. There are a couple of things with that question. You said 'given the impact'. You have a hypothetical there with regard to impacts. You have used the word 'consider' as well, so you are asking for an opinion. Can you rephrase that in accordance with standing orders?

**Mr POWELL:** Mr Chair, with regard to the first part of your concern, it is widely reported in the article that it is not a fictional impact; it is a real impact.

**CHAIR:** It is therefore hypothetical.

**Mr POWELL:** How is a real increase in insurance premiums hypothetical?

**CHAIR:** Member for Glass House, we have a hypothetical situation here, according to the front page of a paper.

**Mr POWELL:** No, if you read the article, Mr Chair, you would see that this is based on a very real—

**CHAIR:** I am ruling that that part is hypothetical. Do you want to get to the real part of your question?

**Mr POWELL:** Is the department confident on the modelling and advice it has provided the Gold Coast City Council?

**CHAIR:** Just a moment once again. You are asking if there is confidence; therefore, that is an opinion that you are asking for. You have one more chance, member for Glass House, or I will rule that out of order.

**Mr POWELL:** We will not bother, Mr Chair. Clearly, the department is not able to answer the question, hence your protection of it. I will move on.

**CHAIR:** Just a moment, member for Glass House. I am asking you to adhere to how we should set out these questions. If you do not want to ask that one, we will ask you to move on to the next question.

**Mr POWELL:** Director-General, remaining on planning but referring now to the SDS on page 3 where it talks about the department's key priority to implement ShapingSEQ, how did ShapingSEQ predict a decrease in average travel times for vehicles when the Queensland Audit Office modelled an increase in average journey times of around 30 per cent in the greater Brisbane area?

**Ms Hunter:** Thank you for your question. As you know, the Palaszczuk government released ShapingSEQ, the new regional plan for South-East Queensland, on 11 August 2017. In August 2016 the Queensland Audit Office commenced an audit to determine how effective the government's approach was to strategic transport planning. The former department of infrastructure, local government and planning worked cooperatively with the Audit Office, sharing information to ensure that the strategic planning framework continued to advance and deliver high-quality transport outcomes. It was clear from the audit process that refinements could be made in the way that Queensland planned for transport infrastructure and integrated land use.

While the Audit Office has identified areas for improvement around risk identification and management as well as performance monitoring, the findings also recognised areas which have been effective, like the extensive engagement undertaken by the former department of infrastructure, local government and planning with the public, local councils and other agencies. Obviously, the goal was to achieve high-quality integrated transport outcomes.

The effective integration of transport and land use outcomes is extremely complex and, as we know, a complicated challenge for all governments. The same challenges are faced by jurisdictions across Australia and internationally. Officers from the Department of State Development, Manufacturing, Infrastructure and Planning are working in collaboration with the Department of Transport and Main Roads to address the matters raised by the report. In relation to the regional policy aims outlined in ShapingSEQ, these will again be advanced in collaboration with agencies across government.

**Mr POWELL:** Following on from that, you talk of a collaboration between your department and the Department of Transport and Main Roads. Will that collaboration also address the fact that ShapingSEQ does not include measures for peak period performance and average commute times across all modes of transport?

**CHAIR:** Just hold there at the moment. Member for Glass House, you are straying into the Minister for Transport's area there as well. I might take some—

**Mr POWELL:** I am sorry, Mr Chair—

**CHAIR:** Hang on, I have not finished. I am going to talk to the secretariat about whether that comes under that bailiwick.

**Mr POWELL:** Do you want to waste any more time, Mr Chair? I have 50 minutes to ask the minister and his director-general questions.

**Mr DICK:** About the budget.

**Mr POWELL:** ShapingSEQ is one of your—

**CHAIR:** Member for Glass House, I said I was conferring with the secretariat. I think some part of this question can be answered by the department, but I have to say that this does stray partially into the area of the Minister for Transport. I will allow that question to go through, but I will say to the director-general that you can answer that in the manner you see fit.

**Ms Hunter:** Thank you, Chair, and I thank the member for the question. ShapingSEQ's preferred future, as it indicates, is for transport users to have a better experience. Transport modelling for vehicle travel indicates that there is still more work to do. The report comments on transport modelling for vehicle travel, forecasting an increased travel time, contrary to—and this is the audit report you were referring to earlier—the preferred future of a reduction in travel time. Ultimately, ShapingSEQ states that current trends show that travel times are increasing but this does not take into account the implementation of any of the priority region-shaping infrastructure projects which will impact a reduction over time. ShapingSEQ's preferred future of a reduction in travel time set out in the 'measures that matter' is based on ShapingSEQ's policy to establish more complete and interconnected communities that are supported by a multimodal integrated transport system, prioritising public and active transport that is both frequent and reliable.

**CHAIR:** Thank you. Before we get on to the next question, I just remind the member for Glass House that when I was conferring with the secretariat I could hear what you were saying. You were very close to reflecting on the chair so I would caution you with what you say in the future. Do you have another question?

**Mr POWELL:** I defer to the member for Buderim.

**Mr MICKELBERG:** My question is to the minister. When will the Palaszczuk government deliver on the transport infrastructure required to keep pace with the population growth that this government has forced on to the Sunshine Coast community under ShapingSEQ?

**Ms PUGH:** Point of order.

**Mr DICK:** I am happy to answer the question.

**CHAIR:** First of all, what is the point of order?

**Ms PUGH:** It is obviously a statement of an opinion that there is 'forced development'—

**CHAIR:** Indeed, and it is hypothetical as well.

**Mr MICKELBERG:** I think it is actually one of the key priorities of this department.

**CHAIR:** Can we have some more respect for the member for Mount Ommaney when she is asking her questions. I do not like what I am hearing today regarding that. Minister, would you like to answer that question?

**Mr DICK:** I thank the member for Buderim for his question. As I said earlier, we have an integrated process of both planning for growth through our planning processes and also planning and delivering infrastructure. I thought I was fairly clear in my answer earlier. We answered on notice the role of the minister when it comes to infrastructure. I said earlier in an answer to a question without notice from one of the government members that we have a very detailed process in relation to ShapingSEQ and we fund projects going forward. You need the plan, you develop the pipeline of projects through Building Queensland, including the business cases, and then you fund them. That is what we have done. We are very pleased to have funded a number of projects in South-East

Queensland, including the new rail line on the Sunshine Coast, funding the upgrade to the M1, funding hospital growth in the south-east and building the Sunshine Coast University Hospital, delivered by a Labor government safely and on time—

**Mr MICKELBERG:** Committed to by an LNP government.

**Mr DICK:** We will continue to fund projects in your region. I do not have a list of road projects but I know there are a lot of road projects on the Sunshine Coast as well.

**Mr MICKELBERG:** Who is responsible, Minister?

**CHAIR:** Hang on, Minister. Please pause a moment—

**Mr DICK:** We will continue to deliver those projects in a planned and coordinated fashion for the future. We have a plan and we will continue to deliver that.

**CHAIR:** Just a moment, Minister. Can we stop the chatter and let the minister finish his answer. Minister, do you have anything further to add on that?

**Mr DICK:** No, thank you, Chair.

**CHAIR:** Member for Maiwar, would you like to ask a question?

**Mr BERKMAN:** My question is for the minister. Countless residents in Maiwar have approached me with concerns about development that is lawfully approved under the state's land use planning and development assessment process despite clear inconsistency with their local neighbourhood plans. When can residents in Maiwar and across the state expect a review of the Planning Act to make neighbourhood plans enforceable and to improve and restore faith in the planning system?

**Mr DICK:** I thank the member for Maiwar for his question and welcome him to the estimates hearing. As I said earlier, we went through a very significant process to develop the current planning act. It was a very significant development process, with 3,000 public submissions and community engagement across the south-east in particular to develop this. This is something new for Queensland, and it is a partnership process involving local government as well. I will make it clear that I do not want to be local government. I am not local government. My role as the planning minister is to see cooperatively that the regional plans are delivered in partnership with council, but I am not going to undermine the democratic legitimacy of councils.

We went through a very significant process. I think we got a very good planning process for South-East Queensland. We will continue to monitor that of course going forward, but councils are accountable for their neighbourhood plan. My role is to protect state interests to ensure they are protected and preserved. Councils deliver their city or regional council plan, they deliver neighbourhood plans and they are accountable to their communities for the delivery of those. They can be voted out as surely as I can be voted out if the community does not support the policy position of the government.

We will continue to look at that. We want to roll out this planning system first. We will roll this out. There is funding to roll it out. We are doing that. We are working cooperatively with councils. I will continue to receive representations from people who want different things around the south-east. We will consider that going forward, but delivering the plan that we have agreed with 12 regional councils in the south-east is very important. I believe we are getting the balance right.

**CHAIR:** We will now go to government questions. I will lead off. Minister, page 12 of the SDS refers to the department's role in facilitating better planning for Queensland. Can the minister explain how this will benefit the Gold Coast community, particularly with relevance to the Gold Coast Spit?

**Mr DICK:** I might come back, firstly, to something that was raised earlier about the business case for the Townsville eastern access corridor. The business case was released by the Minister for Transport and Main Roads on 19 April. The detailed business case was released. The recommendation of the business case was to preserve the corridor. That was accepted by government. We have done that. The business case found the freight line was important but current demand did not support construction of the rail line at this stage. We have secured the corridor, and that is appropriate planning and appropriate infrastructure planning as well. We have secured the land, but we are not progressing the business case or the construction of the rail line at this stage because the business case makes it clear that it is not required at this time. We have just talked about the planning system and how that will be subject to consideration and review over time, as all planning systems are. Similarly, this project, as demand requires, will be considered by government. If demand requires, then we will shift to a more detailed analysis and a decision around construction.

To answer your question, Chair, in relation to The Spit, we are progressing well with the proposed master plan. That process commenced in August last year. Historically, there has been no long-term plan or cohesive vision for The Spit. The master plan will help to establish a shared vision for the

long-term vision for The Spit. We want to move from contest to consensus around that. We are working with the community to do that. It is designed by inquiry. It is sitting down with the community, listening to them, working on this really iconic piece of Queensland and trying to get a consensus outcome, working with the Gold Coast and the Gold Coast Waterways Authority, which have signed a memorandum of understanding with the government—a tripartite approach to the memorandum of understanding. It is bringing all the partners together to deliver an outcome that will hopefully be accepted and adopted by the community.

The second stage of the consultation process was held last weekend. We had a number of sessions with the community. I went to the first one. That involved having a look at the site. There were site visits for all of the participants in that. We had another consultation session after we started the pop-up process. There have been various iterations. We engage with the community through pop-up sessions, people coming to tell us their ideas, refining that, having a first consultation session and then a second consultation session last weekend. I want to thank everyone who attended that and participated in goodwill. That is what we need if we want to move The Spit forward: goodwill and commitment from people.

We want to revitalise The Spit to the benefit of the Gold Coast community—a community asset. As I said earlier, we had 17 pop-up engagement sessions. Those insights together with a two-day visioning workshop were attended by over 50 stakeholders initially. The final vision statement will be shaped out of the consultation process, and that will help inform the preparation of options in the master planning process, the preparation of evaluation criteria to assess the master planning options, the assessment of the final master plan and consideration of prioritisation of projects, funding and implementation of the master plan. As I say, we have been working in close collaboration with the council including the mayor. We will continue to move forward to ensure we can deliver a long-term plan for this iconic part of Queensland.

**Mr MADDEN:** Minister, I refer to page 12 of the Service Delivery Statement. Given that we have an ageing population in Queensland, can you outline how a contemporary planning system can deliver more aged care facilities in South-East Queensland?

**Mr DICK:** That is a critical question, and I thank you for it because there is a silver tsunami that is coming. That is a good thing I think.

**Mr Powell** interjected.

**CHAIR:** Member for Glass House.

**Mr DICK:** We are all going to be part of the silver tsunami, member for Glass House—you and me included—so the best thing we can do is plan for the future. We have a State Planning Policy, which was updated to reflect new planning legislation that we have talked about earlier to ensure planning and development assessment decisions consider Queensland's ageing population. The State Planning Policy does this by requiring local governments to plan for a range of housing options as well as ensuring access and connectivity with infrastructure and services to meet the diverse needs of their communities, including for older Queenslanders. The South East Queensland Regional Plan, for example, encourages housing diversity including options that address shifting community needs and expectations as well as changing demographics. The regional plan supports ageing in place and the provision of other healthcare services throughout the region. I think that is what we all want. If we have grown up or lived in a community, we would like to stay connected to that community. If we can age in place in that community where our family can access us from close by and where we have services to support us, the evidence demonstrates that people will live longer and healthier lives in the community as distinct from in care. I think that is something we should all be working towards.

Any planning innovations must carefully balance the needs of the broader community. Members of the committee may be aware that the Brisbane City Council proposed some significant amendments in relation to aged care that attracted a lot of community controversy, particularly around the repurposing of land zoned for sport and recreation. In line with the Planning Act, which was a significant state interest, my approval was sought to enable the council to consult on the proposed amendments. I determined that it would be appropriate for council to consult for 60 days. I also determined that councils should be required to provide maps showing the sport and recreation area that their scheme amendment would affect. Council then made the decision to remove the sport and recreation component from their scheme amendment. This is private land, not public land—so private recreation facilities that may be converted. They can still be subject to a development application process, but I thought that the council's process, if they wanted to change that, should go out to broad consultation including mapping the areas. The council withdrew from that. My role, as I said earlier, is to protect the

interests of the state and that includes maintaining public confidence in the planning system, and I will always work towards that objective. We all have a role to play in how we design our communities across Queensland as our population ages and grows.

**Ms PUGH:** Minister, as planning is part of your purview, can you please advise how the department supports the implementation of the South East Queensland Regional Plan?

**Mr DICK:** I appreciate the question. That allows me to continue where I left off earlier about the various aspects of the South-East Queensland plan and how they are going to be implemented. We have committed \$5 million over two years for our Growth Monitoring Program, which will be used to better inform land supply and related infrastructure decision-making including future reviews of the regional plan—as I said, that is a document that will be subject to review—and ensuring housing supply is not placing upward pressure on housing affordability. That is a challenge. We want to ensure that young families in particular get a chance to buy a place of their own. That is very important to me in a large growing community like Logan. However, we cannot shut people out as our population continues to grow. I do not believe in a ‘close the gate’ mentality. That may be okay for people who are there, but for people who are arriving we need to manage growth carefully to ensure we can maintain the lifestyle we all love in Queensland but also ensure there is economic growth and affordability for housing.

The Growth Monitoring Program has three deliverables: the housing supply expert panel, who I have just appointed; what is called the measures that matter, which are monitoring measures; and land supply and development monitoring online. I announced the housing supply expert panel. It had its first meeting in July. That will provide independent expert advice about how to appropriately measure, report on and address land supply development and related housing affordability issues in the south-east. They play an independent role and are at arm’s length from government.

The Planning Act has been in operation for a year, as I said earlier to the member for Maiwar. There is a new piece of legislation, new regulations and a new framework falling out of that. We want to see how that is going to operate. During the development of the new planning legislation, local government has benefited from the state dedicating time and resources across Queensland, including to our more regional locations like Quilpie, Winton, Mount Isa and the Torres Shire to assist local governments get ready for day 1. We supported them through funding and there is ongoing support of \$3.86 million to local government so they can appropriately adopt the planning system in 2017-18. We will provide other supports for local government, industry and key stakeholders. An amount of \$171,000 was spent in 2017-18, which included updating websites and producing material.

There is a whole range of other things we are doing. We have an Innovation and Improvement Fund to support councils to adopt innovative planning ideas that they may have but cannot fund themselves. We are working on that. We have done round 1 and round 2 is presently underway—\$1.95 million. A lot of exciting things are happening in the planning space as Queensland continues to grow.

**CHAIR:** I refer to page 12 of the SDS with regard to delivering a contemporary planning system, an issue I obviously take a lot of interest in being a former local councillor. I note the cut-off date of 30 June 2018. Can the minister please update the committee on the important progression of the local government infrastructure plans?

**Mr DICK:** If there is a time limit, will you please let me know? Planning is delivered through local communities through local government planning schemes with the local government performing a central role in land use planning and decision-making. Reforms will largely be delivered through the planning assessments and efforts of local governments. I recognise and appreciate the critical role of local government and the impact that implementing reforms have on local governments’ resources to ensure reforms are delivered smoothly and successfully. To support local government through the planning reform, we extended that statutory time frame for making a local government infrastructure plan by two years, to 30 June 2016. Local governments across Queensland have four years to develop local government infrastructure plans, something I know you paid close attention to when you were a councillor to ensure that the council could deliver the infrastructure it required. I can advise that as of 13 July, 33 councils have adopted a local government infrastructure plan. That includes all high-growth councils across Queensland. That provides their communities with greater certainty and a high degree of confidence that there is rigour and transparency about the charges being levied through development for infrastructure.

There are now six local governments still progressing a local government infrastructure plan. One is with the state for approval to adopt, two are on public notification and the final three are yet to submit a draft local government infrastructure plan for the first state interest check. We will continue

support for councils. As I said earlier to the member for Maiwar, the system continues to evolve and we have commenced a review of local government infrastructure planning and processes to improve the transparency of infrastructure planning and charges, which I think Queensland needs—an election commitment we made—including the accessibility of information such as how much is being levied by councils towards their community's planned infrastructure. I think that transparency will help communities better understand planning and development in their local area.

**CHAIR:** We are about to finish this session. Do you want to make a short statement before we finish?

**Mr DICK:** One further matter I should address is the issue raised by the member for Glass House about the questions on notice. The member for Glass House asked a question referring to the number of live market-led proposals under consideration. The honourable member has indicated that I have tabled different numbers of live MLP proposals in different questions on notice. On 1 May 2018 I tabled a response to question on notice No. 393, which did not state a total number of active or live MLPs under consideration. On 2 May I tabled a response to question on notice No. 465, which talked about 22 proposals at initial assessment or stage 1. On 21 May I tabled a response to question on notice No. 295, which stated that there were 22 proposals at preliminary assessment or stage 1, initial proposals; six proposals published at stage 2, detailed proposal; and two projects in delivery. That effectively equals 30 proposals. The numbers quoted in those different responses are consistent.

I want to thank the committee for their engagement with this important portfolio and the expenditure the government proposes for the financial year. I particularly want to thank the staff of the department, who work extremely hard in preparing for the estimates hearing, and I thank them for their commitment to the process and also for the work they do for Queensland. I want to thank the parliamentary staff, who work very hard to support the estimates committee hearings. They are the unsung heroes of what happens in our democracy. I want to congratulate them as well.

**CHAIR:** The time allocated for the consideration of the estimates of expenditure for the portfolio of the Minister for State Development, Manufacturing, Infrastructure and Planning has expired. I do not believe we have any questions on notice. I would like to thank you, Minister, the director-general, your executives and your departmental officers for your attendance. We will now adjourn for a break and the hearing will resume at 4 pm for the examination of the estimates for the portfolio of the Minister for Natural Resources, Mines and Energy.

**Proceedings suspended from 3.29 pm to 4.00 pm.**

## ESTIMATES—STATE DEVELOPMENT, NATURAL RESOURCES AND AGRICULTURAL INDUSTRY COMMITTEE—NATURAL RESOURCES, MINES AND ENERGY

### In Attendance

Hon. AJ Lynham, Minister for Natural Resources, Mines and Energy

Mr S Zanatta, Chief of Staff

Mr P Woodland, Senior Policy Advisor

**Department of Natural Resources, Mines and Energy**

Mr J Purtill, Director-General

Mr A Feely, Deputy Director-General, Natural Resources

Ms R Cronin, Deputy Director-General, Minerals and Energy Resources

Mr B Barr, Deputy Director-General, Energy

**SunWater Limited**

Ms N Hollows, Chief Executive

**Seqwater**

Mr D Spiller, Acting Chief Executive Officer

**CS Energy Limited**

Mr M Moore

**Energy Queensland Limited**

Mr D Smales

**Stanwell Corporation Limited**

Mr R Van Breda, Chief Executive Officer



**CHAIR:** The committee will now examine the proposed expenditure in the Appropriation Bill 2018 for the portfolio areas of the Minister for Natural Resources, Mines and Energy. The committee intends to examine the minister's portfolio in the following order: natural resources, 4 pm to 5 pm; mines, 5 pm to 6 pm; and energy, 6 pm to 7 pm. The visiting members are: Mr Dale Last, the member for Burdekin; Ms Sandy Bolton, the member for Noosa; and Mr Michael Berkman, the member for Maiwar.

I remind those present this afternoon that the committee's proceedings are proceedings of the Queensland parliament and are subject to the standing rules and orders of the parliament. It is important that questions and answers remain relevant and succinct. The same rules for questions that apply in parliament also apply in this hearing. I refer to standing orders 112 and 115 in this regard. Questions should be brief and relate to one issue and should not contain lengthy or subjective preamble, argument or opinions. I intend to guide the proceedings this afternoon so that relevant issues can be explored fully and to ensure there is adequate opportunity to address questions from government and non-government members of the committee.

On behalf of the committee I welcome the minister, the director-general, executives, departmental officers and members of the public to the hearing. For the benefit of Hansard I ask all officers to identify themselves the first time they answer a question referred to them by the minister or the director-general. I now declare the proposed expenditure for the portfolio areas of natural resources, mines and energy open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, if you wish you may make an opening statement of no more than five minutes.

**Dr LYNHAM:** My portfolio of Natural Resources, Mines and Energy contributes to the economic, environmental and social priorities of the government's clear plan to advance Queensland. We are focused on Queenslanders' costs of living, particularly with regard to electricity and fuel prices. Earlier today I announced that the government will kick off its two-year fuel price reporting trial this December. This trial seeks to put the power back into customers' hands by giving them access to all up-to-date fuel prices. Our \$2 billion Affordable Energy Plan is placing downward pressure on power prices. We are on track to deliver on our commitment to a two-year cap on electricity price rises to average inflation.



It is as a direct result of our energy policies that, following the Queensland Competition Authority's recent price determination, regional households are seeing their power bills decrease. In South-East Queensland our game-changing venture with Alinta Energy has stimulated competition. According to the QCA, households can now save an average of \$176 a year by switching power retailers and small business customers could save an average of \$292 over a year.

This government is also on target to achieve its ambitious 50 per cent renewable energy target by 2030. Our positive policy settings are already enabling a \$4.2 billion pipeline of committed renewable energy projects. Over the past 18 months nine large-scale solar projects have commenced operations, and a further 23 large-scale projects are currently financially committed or under construction. We are also creating an attractive investment climate to bring on the next wave of resource projects and the jobs and business opportunities that come with them.

Commodity prices underpin a high level of confidence in the resources sector. In the year to October 2017, companies committed to 13 projects with a combined capital value exceeding \$9.4 billion. Another 42 projects are at the feasibility stage with a combined capital value exceeding \$61 billion. Let's be clear: the future is bright for our resources. Queensland's metallurgical coal is critical to the production of steel to manufacture solar panels, wind turbines and batteries. The renewable energy industry is also forecast to increase the demand for bauxite, cobalt, copper, lithium, nickel and manganese, which Queensland is well positioned to supply.

My department contributes to the government's priority of protecting the Great Barrier Reef through our responsible, balanced vegetation management laws and our management of land, water and soil. We could not achieve this without our cooperative efforts with natural resources groups and landholders alike.

**CHAIR:** Thank you very much, Minister. We will now commence with questions on natural resources. I will throw it over to the member for Condamine, who has deferred to the member for Burdekin.

**Mr LAST:** My first question is with reference to page 2 of the SDS, which refers to delivering the government's vegetation management laws. Minister, since the government passed its vegetation management laws in May, despite universal opposition and condemnation by all of Queensland's agricultural stakeholder groups, you—

**Ms PUGH:** Point of order.

**CHAIR:** Member for Burdekin, you knew that was coming. Thank you for what you have contributed so far. Can you ensure that your questions do not breach standing orders 112 and 115?

**Mr LAST:** Minister, has the government completed any modelling or undertaken any assistance measures to support those landholders who have been adversely affected by these laws?

**CHAIR:** Before the minister answers that, I am going to give you another go. 'Adversely' includes an imputation. I am going to give you a third chance to ask this question or I will rule it out of order and we will go to the next question.

**Mr LAST:** Minister, has the government completed any modelling or undertaken any assistance measures to support those landholders who have been affected by these laws?

**Dr LYNHAM:** I thank the member for the question. Mr Chair, the economics of sustainable vegetation management laws were demonstrated in practice in this state for years before the LNP tore them up. Under our laws the agricultural sector thrived and grew by almost \$2 billion. The hypocrisy of this question is unprecedented. They cannot see the forest for the trees. I ask: what economic modelling was done before their winding back of sustainable vegetation management laws? What modelling was done to analyse the effect of their vegetation management laws on the Great Barrier Reef and how this would affect the viability of our important tourism industry?

**Mr WEIR:** I have a point of order. Under standing order 118, the minister is debating the question and his answer is not relevant to the question.

**CHAIR:** I understand what the member is saying. I am sure the minister is aware of the standing orders regarding debating and I am sure he is making his question relevant. Bear in mind that we only just started the answer about 2½ minutes ago, so I will let the minister continue. I remind the minister of the standing orders in relation to debating and relevance, which he is very well aware of already.

**Dr LYNHAM:** Thank you, Mr Chair. Our modelling was consistent vegetation management laws under successive Labor governments; their modelling was nil. The agricultural sector has thrived under our laws previously and will do so again. When I am asked a question about socio-economic impacts,

it is often as a result of a lack of understanding about the range of opportunities that exist for agricultural development such as: clearing under existing regulatory exemptions for routine and essential property maintenance; conducting lower risk clearing activities that are allowed through the accepted development codes, include fodder harvesting; necessary property infrastructure such as fences and firebreaks; managing encroachment; and weed and pest management.

Clearing for agricultural activities can occur through the accepted development vegetation clearing codes for improving the operational efficiency of existing agriculture. Large-scale clearing activities for agricultural purposes may still be considered under the State Development and Public Works Organisation Act 1971 as a coordinated project, and the ability to apply to clear for agricultural purposes on Aboriginal land on Cape York Peninsula will continue unaffected under the Cape York Peninsula Heritage Act 2007.

Analysis by my department on soil suitability and water availability shows that more than one million hectares of Queensland's best agricultural land that can be used for grazing could be developed for cropping. The land is category X on property maps of assessable vegetation, which means that no clearing of regulated vegetation is required to significantly expand cropping in Queensland. The reality is that there are significant opportunities for agricultural industries to grow and prosper on previously cleared land without the need to destroy remnant vegetation.

I will now turn to economic opportunities specifically in the Cape York Peninsula area. Since 2007 there have been statutory provisions supporting economic development in the Cape York Peninsula area through the Cape York Peninsula Heritage Act 2007. The reforms that I introduced did not change that legislation. The Palaszczuk Labor government will support the Aboriginal and Torres Strait Islander people with their aspirations for economic development and their ability to manage traditional lands. We have listened to the concerns raised by leaders of the cape's Aboriginal and Torres Strait Islander people that the existing processes contained in the Cape York Peninsula Heritage Act are unnecessarily complicated. In response, we have committed to review this act with respect to the provisions that support economic development opportunities for traditional owners.

You can see that Labor's balanced vegetation management laws have existed for a very long time under successive Labor governments. We worked tirelessly for four years to get these vegetation management laws through, in a balanced and considered approach. In northern Queensland I was impressed when 80 landholders gathered for an information session to clear the air on the misinformation peddled by some of those members opposite. In fact, when I visited Charleville in relation to the vegetation management hub I was also very impressed by what the team had done out there. The most common answer they had given to farmers making any inquiry was, 'No, you are doing the right thing. It will not be affected by these new laws.'

**Mr LAST:** Minister, can you direct me to the section of the budget that shows the allocation of funds to support those farmers and landholders—

**Mr MADDEN:** Chair, point of order. I would be grateful if my friend can direct me as to where this is in the SDS.

**CHAIR:** The point of order is from the member for Ipswich West about where exactly in the SDS this is. Do you want to rephrase your question? I understand it may be part of the way you are asking it, but do you want to have another go?

**Mr LAST:** That is the question that I am asking, Mr Chair. I am asking the Minister to show me within the budget documents where those funds are allocated to farmers and landholders.

**CHAIR:** There is a point of clarification. In the SDS, where are funds allocated for programs regarding support for—

**Mr LAST:**—those farmers and landholders affected by the new vegetation management laws.

**CHAIR:** You are talking about things like briefings, programs and things like that?

**Mr LAST:** That is up to the minister.

**CHAIR:** I want to clarify exactly what we are looking for in that question.

**Mr MADDEN:** Chair, I withdraw my point of order.

**CHAIR:** The member for Ipswich West has withdrawn his point of order.

**Dr LYNHAM:** As I said before, our department is actively assisting rural landholders with these vegetation management laws. There are balanced, sustainable vegetation management practices. We have assisted them through staff allocations. We established a vegetation management hub in

Charleville so that when people in regional Queensland have a query regarding vegetation management they can phone people on the ground in Charleville. They are out and about all the time assisting farmers. There is active participation; they are actively assisting farmers on the ground.

Despite all the fearmongering, as I said before, I am quite surprised with regard to the acceptance of our laws in regional Queensland. They are sustainable vegetation management laws. There have been education campaigns. Scientific staff have been out there from the Department of Environment and Science. We have had workshops. As I said before, we have the vegetation hub. Director-General, would you like to add anything further?

**Mr Purtill:** I thought I should elaborate on the education campaign because one of the main areas of focus for us, particularly with the introduction of the early detection system a number of years ago, has been to get all landholders into a position where they never inadvertently contravene the vegetation management laws. We have put a lot of effort in since the amendment act was passed to promote the facts around the changes and also dispel some myths and misinformation that have been out there.

From December last year the department's vegetation hub—the 'veg hub'—call centre has been physically located in Charleville and we have moved an additional number of positions into Charleville to provide phone advice from there. We also have a screen-sharing service so that landholders are able to look at the exact same screen as our officers so that as they are working through the different elements of vegetation management both parties are looking at the same screen. We also ran a Mythbusters series on social media and posted advertisements in rural newspapers to ensure that as much of the facts as possible can get out there.

Every region of Queensland has local vegetation management staff. We have them across a number of the major centres from Charleville, Emerald, Roma and so forth, as you are probably aware. We have also stepped up and attended large-scale regional and rural events. We were recently at Beef Week in Rocky and FarmFest in Toowoomba. The regional staff have also been attending all field days at shows and we have been doing work in conjunction with AgForce as well and the regional natural resource management bodies which are also a key part of that education campaign. I have been very pleased around positive articles that rural media has been running to try to also provide support around that type of information that has been coming.

Landholders can certainly still conduct the necessary vegetation management activities they need for their farm operations—clearing for harvesting, fodder for feeding stock, establishing property infrastructure, controlling weeds and so forth—and we have been working very hard on making sure that an understanding of the early detection system has been available and it has had some very positive outcomes. In the end, I am most encouraged by the fact that the early detection system actually provides landholders with an avenue that they will never have to transgress these vegetation management laws. In fact, we have not commenced any prosecutions in over 12 months. The only activity we have that has gone to court are historical activities because we genuinely believe that there is sufficient information available now for people simply not to transgress, not even inadvertently whether or not they want to do it on purpose.

Since July 2017, 346 landholders have been contacted which has given my department an opportunity to talk through the identified detection and provide information to support and educate landholders. The objective of the vegetation management legislation is to keep trees up; it is not to have trees knocked down and then pursue some course of compliance afterwards. The early detection system is all about ensuring that any damage or any inadvertent clearing is minimised in the first instance and we are able to work with landholders, and it seems to be working incredibly effectively as we go forward. This is an opportunity for me to speak to the committee about the fact that all compliance and effective compliance does not necessarily have to be punitive. In fact, it is probably a far more effective tool to be able to get in early and discuss the issue very early on. We have daily satellite coverage at very good resolution. We are able to contact landholders early and in many cases we find that that early contact has helped to address the issue which is keeping trees up that should be up and keeping clearing into places that are lawful for that to continue. We are really very encouraged by that type of activity.

**Dr LYNHAM:** I finish by saying that when in regional Queensland I hear that farmers want stable vegetation management laws like those Labor has delivered. I encourage all sides of parliament to get on board and to give farmers what they want, and we would encourage you to get on board with these laws. Farmers want secure, stable vegetation management laws. We heard it from the National

Farmers' Federation regarding climate change. Farmers are the first people to see climate change. They simply have to open their door, stand on the veranda and look out in the paddock. That is climate change.

**CHAIR:** Thank you. We have time for a brief question. Member for Burdekin.

**Mr LAST:** Minister, to take up the point from the DG, can you point to the section of the budget that accounts for the advertising and funding to support the PR campaign your government is currently undertaking and will be undertaking in the future with regard to the changes to the vegetation management laws?

**CHAIR:** Member for Burdekin, that is pretty much the same as the last question—that is, point to the part of the budget where there is expenditure to support the implementation of that. Does that include social media?

**Mr LAST:** Mr Chair, this particular question relates to advertising and PR campaigns. It certainly was not part of the previous question.

**CHAIR:** But I note in the previous questions we did talk about the variety of workshops and social media. I will throw that over to the minister for a brief response on that one.

**Dr LYNHAM:** He is asking exactly where it is in the budget papers. I am happy to take that portion on notice.

**CHAIR:** And this one is specifically about advertising?

**Mr LAST:** Yes, advertising.

**CHAIR:** Does that include social media and letters?

**Mr LAST:** I want to know what the government has spent regarding advertising having regard to the changes to the vegetation management laws. Where is that reflected in the budget papers?

**Dr LYNHAM:** I am happy to answer the first section. I will have to take the second part on notice which is where it is reflected in the budget papers. I am happy to take that on notice and have accurate information for the member. Last financial year the department spent \$87,471 on an education campaign on vegetation management. I refer to it as an 'education campaign', not a 'PR campaign' as it was referred to. With regard to the line of questioning, I would again encourage members opposite to get on board. Farmers sincerely want stable vegetation management laws as we go forward.

A member I hold in high esteem asked the government in a question on notice how the government planned to support communities in his electorate whose economies were tied to high-value agriculture. I informed the member that since HVA has been introduced in 2013 not a single application for high-value agriculture had been made in his electorate, so the removal of it had zero effect in his electorate—absolutely nil effect—but we had fearmongering out there that our laws would remove high-value agriculture from his electorate. The fact is that there were no applications for high-value agriculture during your tenure in that electorate at all, so there is a lot of fearmongering and misinformation out there. It is not fair on our farmers to have this amount of misinformation out there, and I am very pleased to see the department staff out there correcting this. We understand that some farmers are doing it tough. There is a drought out there at the present time. It is not the time for fearmongering. It is the time for assistance.

**CHAIR:** Minister, if there is any information at the end of this session—around five—about the breakdowns regarding an education campaign, that would be appreciated.

**Dr LYNHAM:** Mr Chair, I have a response.

**CHAIR:** Yes.

**Dr LYNHAM:** I am advised that that item is on page 21 of the SDS under 'Supplies and services'.

**CHAIR:** Thank you. We will now go to government members. Minister, in referring to page 3 of the SDS, will you explain to the committee the role of QWRAP and how the Queensland government funding to this body benefits local councils?

**Dr LYNHAM:** I thank you for the question, Mr Chair, as it will provide an opportunity for me to talk about the valuable work this organisation is doing for the community. The Queensland Water Regional Alliance Program is an industry-led initiative to investigate regional collaboration on water and sewerage services in regional Queensland. The program is a partnership between the Queensland government, industry and local governments. With around 30 participating local governments, there are five QWRAP regions across the state. These are Outback Regional Water Alliance, Far North Queensland Water Alliance, Whitsunday-Isaac-Mackay Water Alliance, Wide Bay Burnett Urban Water Technical Committee and the Downs and Surat Basin Water Group.

In the 2018-19 budget the Palaszczuk government allocated \$4.2 million over four years—that is, from 2018 to 2022—to the QWRAP programs to support collaboration among local governments and improve delivery of water and sewerage services. This will fund five regional coordinators, big pool funding for the QWRAP regional projects, industry research, program administration and capacity building in non-QWRAP regions. QWRAP achievements to date include that the Outback Regional Water Alliance undertook a water mains cleaning project that scoured more than 200 kilometres of water mains in 16 towns, providing both financial savings and better water service and quality for the region. During the process water loss was minimised by using air scouring rather than traditional mains flushing. This method achieved a higher standard of cleaning with less water wasted, especially important for the drought declared councils in this region. The joint procurement achieved savings of close to \$75,000.

The Wide Bay Burnett Urban Water Alliance—comprising North Burnett, Bundaberg, Gympie, South Burnett and Fraser Coast councils—joined in a sewer relining tender. The joint procurement of new technology to improve quality of sewerage infrastructure assisted Cherbourg in undertaking sewer relining instead of sewer replacement, saving \$2.6 million in total costs. This is a significant saving. The Palaszczuk government's advancing Queensland priorities include creating jobs and ensuring a strong economy for all Queenslanders. The success of QWRAP is further proof of this commitment.

**CHAIR:** Thank you very much, Minister. I will go to the member for Mount Ommaney.

**Ms PUGH:** I refer the minister to page 3 of the SDS. Will the minister inform the committee as to what stage the Rookwood Weir is at and what it offers to the people of Rockhampton and Gladstone?

**Dr LYNHAM:** I thank the member for the question. The Palaszczuk government, as you well know, is committed to the Rookwood Weir project and, despite the procrastination of the federal government, we have ensured that this project is up and going. Our government supports the development of new water infrastructure like Rookwood Weir because we are planning for regional water needs now and into the future. Rookwood Weir will improve water security and jobs for the Rockhampton and Gladstone communities and provide opportunities for improved and increased agriculture and industrial development in the region.

The Palaszczuk government is committed to creating jobs and strengthening the economy. This much anticipated project will do both for this region. Rookwood Weir will provide up to 42,000 megalitres of high-priority water for agriculture and industrial customers and 34,000 megalitres of urban and industrial water for customers in Gladstone and the Capricorn Coast. Our commitment was reinforced by \$176.1 million being allocated for the construction in the 2018-19 budget. Our position has been clear time and time again as we continue to negotiate with the federal government for agreement on other costs.

Building Queensland led the development of the detailed business case for Rookwood Weir, with SunWater and Gladstone Area Water Board as joint proponents. The final business case indicated the construction cost of Rookwood Weir to be \$352 million and the operating and maintenance costs around \$35 million over 30 years. I provided a copy of the Building Queensland detailed business case for the project to the then deputy prime minister in January 2018. The Premier followed this with a letter to the Prime Minister in February seeking an increase in the Australian government's contribution to the capital funding. We also sought half of the operational cost.

Despite public comments and media statements from the Prime Minister, it took more correspondence from the Premier in April before the Prime Minister finally confirmed in writing that the Australian government would fund half of the capital costs of the project. There is still no word on other costs, but we are getting on with the job. SunWater has been confirmed as the proponent for the construction and operation of this project and is continuing with preparation and planning. It is only because of the Palaszczuk government's determination that this weir will become a reality.

**CHAIR:** Thank you, Minister. Member for Ipswich West, do you have a question?

**Mr MADDEN:** Minister, my question relates to water security for Townsville and I refer you to page 3 of the Service Delivery Statements. Will you explain to the committee how the Palaszczuk government is investing in water security through funding arrangements with the Townsville City Council?

**Dr LYNHAM:** I thank the member for the question because, as you know, the Palaszczuk government is committed to addressing the long-term water security needs of metropolitan and regional Queensland, including the city of Townsville in the north of our beautiful state. The Palaszczuk government has committed \$225 million towards addressing Townsville's long-term water security

needs, supporting the recommendations of the Townsville Water Security Taskforce. The Department of Natural Resources, Mines and Energy is administering two grant deeds between the department and Townsville City Council. The government provided council with \$10 million for a community water transition support package to help the Townsville community adopt water efficient practices and devices. This includes a rebate program, community education and industry support. This \$10 million investment by our government will provide much needed financial assistance to Townsville City Council to manage outdoor water use in the community.

The Palaszczuk government is also contributing \$215 million towards an additional pipeline connecting the Houghton pump station to Ross River dam. There is a pipeline, a pump station, an alternative power source and irrigation channel upgrades included in this plan. The council is fast-tracking construction of the pipeline to stimulate local economic development and jobs. The contracts for the first stage of civil works was let earlier this month. The Palaszczuk government's \$215 million funding contribution is budgeted over four years. This is a project that will create jobs and strengthen the Townsville economy, in keeping with the Palaszczuk government's Advancing Queensland priorities.

I am very pleased to note that the council has made significant progress on the duplicate pipeline project, with the recent awarding of the contract for the manufacture of the pipes. My department continues to play a key role in the Townsville Water Security Taskforce, which is scheduled to hand down its final report by September 2018. The task force is expected to make recommendations on long-term regional water security, including taking account of other government studies such as a feasibility study investigating Hell's Gate Dam and the Burdekin Falls Dam raising. The construction of the pipeline is scheduled for completion by December 2019. The \$225 million contribution by the Palaszczuk government represents significant support for securing water for the Townsville community. I look forward to keeping the House informed as to the progress of this initiative.

**CHAIR:** I refer you to page 3 of the SDS. Will the minister outline for the committee the progress being made with the Great Artesian Basin infrastructure investment bilateral schedule?

**Dr LYNHAM:** I thank the chair for the question. This is a huge success story for Queensland, the Great Artesian Basin infrastructure initiative. The Great Artesian Basin story is a wonderful story that should be told with the piping and capping. I think I have said it before, but the original caps that we placed on the bores are now proving to fail because of the increased pressure built up in the Great Artesian Basin. The replacement of these initial caps with more sturdy caps is a great story, because it means that the Queensland government is saving the Great Artesian Basin.

The Department of Natural Resources, Mines and Energy has assessed 77 funding applications for on-ground projects under the interim Great Artesian Basin Infrastructure Investment Program. There are 62 on-ground projects that are eligible for funding. These projects will save an estimated 13,971 megalitres per year for a government investment of \$15.5 million. Despite this, a potential 10,000 megalitres of water for the Great Artesian Basin is at risk unless the federal government extends time limits for Queensland landholders. Canberra's time limit on projects could scuttle important water savings.

We have 27 shovel-ready water-saving artesian bore repairs and distribution system projects eligible for joint Commonwealth-state funding. With the looming wet season and only a certain number of specialist drillers available, there is a risk that they cannot be finished by Canberra's 30 April deadline. This means that farmers doing the right thing for the sustainability of this basin—and they have proven that we have been doing the right thing in the past—would be out of pocket personally unless Canberra gives us a 12-month extension to allow for all work to be completed and farmers to be paid. Queensland has recommended 27 shovel-ready projects for joint funding from more than 70 applications. However, the contract specified that any project that has not been fully completed by 30 April 2019 will not be eligible for federal government funding.

The Interim Great Artesian Basin Infrastructure Investment Program is a joint state-federal funded initiative that carries on from the successful GABSI program. Under the program, successful applicants are required to contribute at least 10 per cent of the cost of rehabilitating or replacing old leaky infrastructure or replacing bore drains with piping. The remaining 90 per cent is covered by state and Commonwealth governments.

The recommended priority for projects is according to project agreement categories. One: bore census is established in the current bilateral schedule. One: critical infrastructure failure project. One: best practice activity for audit compliance and management. There are 61 bore refurbishments and/or controlled watering systems. It is clear that the Palaszczuk government is ready and willing and that we

are willing to pay our share. It would serve no-one if the federal government did not heed our call for an extension of time for these responsible landholders. Time and time again, the Palaszczuk Labor government leads GABSI. We seem to always have trouble getting the federal government to come along with us.

**Ms PUGH:** I refer the minister to page 3 of the SDS. Will the minister inform the committee how much funding has been allocated to the Sideling Creek upgrade and how it will benefit the Kurwongbah area?

**Dr LYNHAM:** I thank the member for the question. I was up there only a week or two ago with the local member having a look at that wonderful piece of infrastructure. Seqwater showed me the works that need to be done. Some \$18 million has been allocated to upgrade Sideling Creek Dam to enhance recreation and deliver environmental improvements for the lake and surrounding catchment. This dam was commissioned in 1957, with the wall last upgraded in 1969. Since then there have been significant advances in dam design and an improved understanding of extreme weather events.

Construction work began this month to strengthen the main dam structure and spillway. In 2015, the water level in the dam was lowered by two metres to assess the condition of the dam wall and spillway. The upgrade will allow the lake to return to its original full-supply level, providing safer and greater recreation enjoyment for all users. Improvements will also be made to improve the ability for fish to pass through the downstream area. Previously there has been potential for fish to become stranded in isolated waterholes below the concrete spillway. The upgrade work will involve excavating a pool down from the spillway, creating a passageway to help fish travel downstream.

Seqwater is undertaking significant revegetation works in the broader catchment area and working with community groups to help improve the bushland as part of the upgrade project. This upgrade is essential in keeping the downstream community safe, and having the water level raised back up would also enhance recreation on the lake. Sideling Creek Dam is a very popular recreation area for activities such as skiing, rowing, paddling and fishing. The upgrade will allow the lake to return to its original full-supply level, supplying greater and safer recreational enjoyment for all users. The upgrade will not impact or interrupt water supply security for the region and on-water activities will be allowed to continue during the upgrade work. The upgrade project is expected to be completed by mid-2019, subject to weather and site conditions.

**CHAIR:** Thank you. We will now go to non-government members. We will have a 10-minute block. We will go over to the member for Burdekin and then we will go to the member for Maiwar at the end of this block.

**Mr LAST:** I table a letter I have received from a farmer in Proston about the impact the vegetation management laws have had on their property in terms of their inability to develop their property and the impact on their property's valuation. I am happy to give you a couple of minutes to have a look at that letter, Minister.

**CHAIR:** Can I point out that all we have is a name at the bottom of this. We have email and a name. You are going to have to do better than this.

**Mr LAST:** I am happy to get further details for you, Mr Chair, with the permission of the person.

**CHAIR:** Yes, certainly. In terms of attribution, if there is a letter—we can redact it later—we need some identifying marks on that. It is the same for when we are tabling newspaper articles as well. Did you want to come back to this and go to your next question?

**Mr LAST:** I have tabled the letter.

**CHAIR:** We have not accepted it as tabled.

**Mr LAST:** It is up to the minister as to whether he responds. I have not asked the question yet.

**CHAIR:** We have not decided if we are going to accept this. Perhaps you could go directly to the question that would have related to this.

**Mr LAST:** Certainly. What do you say to people like Ann Butler, who has very real concerns? Is it people like Ann who are in the wrong on this vegetation management issue or is it the government?

**Dr LYNHAM:** I thank the member for the question. It is quite a detailed letter. I will happily come back to the member but, again, I notice different dates through this letter. I hope again that it is not scaremongering and misinformation. I am happy to come back. Obviously, we will have a look at this very carefully indeed.

**CHAIR:** Can I point out that we have not yet decided whether this is going to be tabled. If you could attend to the general gist of the question that has been asked by the member for Burdekin?

**Mr LAST:** Chair, could you tell me exactly what additional information you want before the committee?

**CHAIR:** Member for Burdekin, we have a letter with a name on it. We need to know for our committee—and it does not have to be public—an address and some identifying details to verify that we have a genuine letter. I am not reflecting on Ms Butler, but I think it is an important precedent. If we are going to table letters, we do not want a typed-in name. It is not even signed as well. It is up to the member for Burdekin. We have your question. Did you want to rephrase your question?

**Mr LAST:** No, I have asked my question. The minister said that he was going to take it on notice.

**CHAIR:** Bear in mind that the minister does not have to refer to this in his answer.

**Dr LYNHAM:** I am happy to do my best to assist the member opposite. I have been out at Charleville. I have witnessed this. Staff have picked up the phone while I have been there. The scaremongering that we have and the misinformation out there causes a lot of confusion to landholders. I am very sincere if the member has tried to stir the pot again, creating further confusion for landholders.

I am asked the question often about socio-economic impacts. It is often a result of a lack of understanding about the range of opportunities that exist for agricultural development, such as clearing under existing regulatory exemptions for routine and essential property management and conducting lower risk clearing for activities that are allowed through accepted development codes, including fodder harvesting, necessary property infrastructure such as fences, firebreaks, managing encroachment for weeds and pest management. Clearing for agricultural activities can occur through the accepted vegetation development clearing code for improving the operational efficiency of existing agriculture under the category C and R regrowth vegetation acceptable development codes.

As I said before, large-scale clearing activities for agricultural purposes may still be considered under the State Development and Public Works Organisation Act 1971 as a coordinated project. As I said before, the ability to clear for agricultural purposes on Aboriginal land on Cape York Peninsula will continue unaffected under the Cape York Peninsula Heritage Act.

Unfortunately, we have heard it from some members in the region. Most of them have been very good and very cooperative but, with the misinformation that is out there, it is no wonder we have letters of this calibre coming in. I note in the letter that was forwarded, about which there is debate as to whether it be tabled or not, there is one paragraph—

We need certainty for management vegetation on the property to achieve our goals and improve the value of each block. With the current restrictions and introduction of Category R (Reef) with 50m each side of drainage lines, our white country (Cat X) has been reduced significantly. I thought we had a Property Map of Assessable Vegetation from about 2012 and had locked in our white?

The first thing I would like to do is clarify that, yes, a PMAV would have locked in certainty, if that is the case. In relation to the first part of the paragraph—'We need certainty'—the Labor government provided certainty over successive Labor governments. The only uncertainty that was in the whole picture came in the Newman years, when the vegetation management laws were drastically changed. We have just put balance back into vegetation management in this state. The scaremongering really has to stop.

I have put the hand out for cooperation to support our regional communities. We are out there giving as much information as we possibly can. Like I said before, in North Queensland 80 farmers walked away very impressed with a simple explanation about what the laws could really do, what the laws really had in them and how we can work towards addressing climate change, work towards protecting the Great Barrier Reef and work to make regional Queensland as successful and prosperous as it has been before under successive Labor governments. As I said before, I am very happy to assist the local member with this particular issue.

**CHAIR:** We have time for just a very brief question from the member for Burdekin.

**Mr LAST:** Thank you, Chair. Minister, I refer you to SDS page 18. Minister, recommendation 7 from this committee regarding the vegetation management legislation recommended the appointment of additional extension officers in regional hubs to help with the implementation of the vegetation management laws. Minister, where are these extension officers and how many are there, because there are no extra staffing allocations for DNRME in the budget?



**CHAIR:** I will ask the minister to answer that. I will not pull you up on the last bit of the question, but the minister can answer that one as he sees fit.

**Dr LYNHAM:** I thank the member for the question. I have already at length spoken about the extra officers in Charleville. I was out there only a month ago and also was out there with members of AgForce inspecting properties as well. Part of our extension officer program is, of course, the Natural Resources Investment Program where we are utilising the National Resource Investment Program—a \$61 million program. This funding will be invested in improving the quality of the state's natural resources—land, vegetation, water and the Great Barrier Reef—and will provide funding to achieve measurable change in the management and condition of natural resources focusing on the priorities of land, water, people, communities, science and knowledge.

**Mr LAST:** Point of order. The question was very succinct: where are the extension officers, how many are there?

**CHAIR:** I take your point of order in terms of relevance. The minister has talked about some extension officers out at Charleville.

**Mr LAST:** How many?

**CHAIR:** The minister is obviously coming to that part of the question.

**Ms PUGH:** Can I ask a point of clarification?

**CHAIR:** Yes, point of order?

**Ms PUGH:** No, point of clarification. Does that include the education programs that the minister has previously spoken about? Because if they are running education programs presumably that would be part of what the extension officers are partaking in. I just want to clarify that.

**CHAIR:** I think we have had a bit of clarification on that that will enable the minister or the director-general to provide an answer as he sees fit.

**Dr LYNHAM:** Talking about extension officers, we have extension officers through education, environment, we have extension officers in veg management as well, physically in veg management in Charleville as well, but, again, we would not need to have done this if the LNP did not break their election commitment. They went to the election before 2012 saying there would be no change to vegetation management laws. We all remember that. They changed drastically. We have just put it back to a balanced approach with the vegetation management laws.

We are out there. We are providing phone advice to up to 180 landholders each week. We have run a myth busters series of social media posts and advertisements in rural newspapers to ensure that the facts are clear. Every region in Queensland has local vegetation management staff who talk to landholders every day about how the laws relate to their specific situation. The vegetation management hub is based in Charleville. It is based in regional Queensland. They are on the ground. Vegetation management staff have stepped up, attended large-scale social regional events such as Beef Week in Rockhampton and FarmFest. Most of the work by the natural resources department in regional Queensland is now extension work. The DG mentioned how successful this extension work has been, with no need for any prosecutions over a one-year period.

**CHAIR:** Thank you, Minister. I note that he has answered that in the way that he sees as being relevant to that question. I am going to throw over to the member for Maiwar for his brief question.

**Mr BERKMAN:** My question relates to the department's role in assessing secondary uses of DOGIT land or trustee leases. It is probably best directed to Mr Purtill or departmental staff. The minister and the department would be well aware of the proposed zip-line on DOGIT land at Mount Coot-tha which is administered by the department and the broad concern of residents in Maiwar and Cooper about this proposal and its impact on the Mount Coot-tha Reserve. The question specifically is how will the department ensure that community consultation by BCC is adequate under the operational policy for secondary use of trust land and how will community support for a proposal like this be assessed?

**Dr LYNHAM:** I thank the member for the question. I understand the zip-line is an issue in your particular electorate.

**Mr BERKMAN:** Indeed, yes.

**Dr LYNHAM:** The Brisbane City Council has discussed a proposal with the Department of Natural Resources, Mines and Energy for the operation of this zip-line attraction at Mount Coot-tha. The proposal at this stage comprises a tree canopy tour, a mega zip tour, an Indigenous cultural heritage tour, a suspension bridge, arrival and administration centre and car parking. The Mount Coot-tha

precinct is located on two deeds of grant in trust and a number of private freehold parcels held by the Brisbane City Council. The main deed of grant in trust at the Mount Coot-tha precinct is granted for the purpose of a site for a public park. The area of this deed of grant in trust is over 602 hectares. A smaller deed of grant in trust, which is approximately 7,000 square metres in size, is granted for the purpose of local government buildings. The Mount Coot-tha lookout, restaurant, cafe and function centre are primarily located in this deed of grant in trust.

In locations where the proposed tourist attraction affects land held under deeds of grant in trust my department may need to consider the provision of owner's consent to any application for a trustee lease under the Land Act 1994 for a secondary use of land. At this time my department does not have sufficient information to form a view of the potential impact the proposal could have on the use of deed of grant in trust land and, in particular, the one for park purposes.

The development of a land management plan would allow public consultation on the use of trust land, including the zip-line proposal, and provides Brisbane City Council with the opportunity to address any concerns raised by the public regarding the proposed use. My department considered the Brisbane City Council suggestion that public consultation for any change in purpose or activity inconsistent with the purpose of the deed of grant in trust could most cost effectively occur in parallel with the Brisbane City Council's development application public consultation phase. It is my department's current position that public consultation is to occur separately as part of the development of a land management plan and trustee lease prior to the development application consultation phase.

My department has met with the Brisbane City Council and all the proponents on seven occasions to provide advice. As of 3 July 2018 my department has not received any application from the Brisbane City Council in relation to the proposal. A deed of grant in trust is able to be leased by the trustee if it is determined the proposed use is consistent with the purpose of the deed of grant in trust or, if inconsistent with the purpose of the deed in grant in trust, it would not diminish the purpose. A development application lodged for the proposal would be assessed by my department, Brisbane City Council and the State Assessment Referral Agency from the Department of State Development, Manufacturing, Infrastructure and Planning. Two state government departments would be involved in the assessment process. As well as that, any proposed clearing of native vegetation associated with the proposal may also require approval by my department.

**CHAIR:** We will now go to questions from government members. Member for Ipswich West, do you have a question?

**Mr MADDEN:** Thank you, Chair. To some extent my question follows on from the question from my colleague, the member for Maiwar. Minister, with reference to page 2 of the Service Delivery Statement, will you update the committee on the government's commitment to the resolution of native title matters across Queensland as they pertain to the Department of Natural Resources, Mines and Energy?

**Dr LYNHAM:** I thank the member for the question. Native title is a very important issue that should be in front of mind for all Queenslanders. As you are aware, the Native Title Act is an act of the Commonwealth parliament and is not an act of the Queensland parliament. Nevertheless, the Queensland government, because of its administration of land and land titles, is required to undertake a significant body of work to manage the administrative aspects of the Native Title Act particularly as it relates to the implementation of determinations made by federal and other courts. This work falls to the Aboriginal and Torres Strait Islander group in the Department of Natural Resources, Mines and Energy.

To date in Queensland there have been 134 determinations made which recognise the existence of native title over land in Queensland. These determinations cover an area of nearly 500,000 square kilometres. The area covered by these determinations represent 27.4 per cent of the total area of Queensland. In addition to this, there are a further 60 native title claims that are still outstanding before the Federal Court. These outstanding claims represent an area of about 555,000 square kilometres, approximately 30 per cent of the area of Queensland. The determination of native title over areas of the state is important to Indigenous Queenslanders and to landholders, communities and local governments. The process of getting to a successful determination and, importantly, in managing land after a determination by the Federal Court, is not without its difficulties. It is a crucial step to allow Indigenous groups to claim their land. The Department of Natural Resources, Mines and Energy has 30 people working on the management of the Federal Court determinations and it would be remiss of me if I did not acknowledge the work done by the land and native title services group.

**CHAIR:** Member for Mount Ommaney, would you like the next question?

**Ms PUGH:** Yes. Thank you, Chair. With reference to page 2 of the SDS and DNRME's key priorities, will the minister please update the committee on the government's actions to ensure e-conveyancing in Queensland continues to be easy, fast and secure?

**Dr LYNHAM:** I thank the member for the question. E-conveyancing, as you are aware, is a significant micro-economic reform offering potential for major efficiencies across the property, finance and legal sectors. It is still in its infancy, but it already delivers efficiencies to industry, subscribers and the Titles Registry. The Titles Registry in my Department of Natural Resources, Mines and Energy has an integral role in underpinning Queensland's property framework and facilitating efficient property and mortgage markets across the state. More than three quarters of a million title dealings are lodged annually in the Titles Registry. For many years the registry has delivered efficiencies to industry by allowing for electronic lodgement of title dealings as images over the internet. About 55 per cent of dealings are now lodged through this facility. E-conveyancing builds on these efficiencies.

The Titles Registry will continue to modernise its operations in line with its vision for a digital future. This alliance with the government's Advancing Queensland's Priorities, specifically our priority to be a responsive government and provide services that are easy to use. Extensive development and testing has ensured seamless interoperability between the automated title system and the national platform's digital environment. The e-conveyancing platform provides a fully digital workspace for lawyers and financiers to prepare, execute and settle a range of property transactions, electronically disburse funds and register interests on titles regardless of where the subscriber or property is located.

Currently the platform primarily accommodates basic transfer and mortgage related dealings, as well as caveats and settlement notices. Parties no longer need to travel and physically meet for settlements. They no longer need to exchange paper documents or prepare cheques. Stakeholders have greater certainty that settlements will occur as scheduled. Ongoing enhancements to the automated title system are broadening the scope for more complex title transactions to be processed digitally in Queensland. It is expected that as more dealing types are added to the system functionality, more subscribers will come online, higher volumes of transactions will be conducted online and associated efficiencies will be realised across this country.

**CHAIR:** Thank you, Minister. We will move to a wrap-up of the session for Natural Resources. Before we do that, we now have some details for the document that the member for Burdekin wants to table. I believe you want it as a question on notice to address in general terms the issues raised in the letter provided by the member for Burdekin. What we will do is we will move that this be tabled. It has identifiers on it, but we will, for the public record, redact that.

**Dr LYNHAM:** Just a point of clarification as to taking that on notice: which specific issue would you like me to come back on, having regard to the multitude of issues raised in that letter?

**CHAIR:** Recalling the question from the member of Burdekin, it was specifically about—

**Mr LAST:** What do you say to people such as Ann Butler who have real concerns? Is it people such as Ann Butler who are wrong on this vegetation management issue or is it the government?

**CHAIR:** It is addressing the concerns raised in the letter. Obviously, there are many issues raised there.

**Dr LYNHAM:** Chair, I do not want to be at all disrespectful to the author of that letter and I will follow up with the local member involved with that particular person. Obviously, we will get personally involved with that case; however, for clarification, I am wondering how this relates to the appropriation bills. I show absolutely no disrespect to the author of that letter.

**CHAIR:** I understand entirely. Minister, what we are looking at in general terms is as it relates to the appropriation bills. For example, you talked about the centre at Charleville and the education campaigns. Certainly it is addressing that only in terms that relate to the budget. We are not asking that all her concerns be addressed.

**Dr LYNHAM:** I ask for some advice, Mr Chair, as I feel I have probably covered that. May I ask, is it a person in the member's electorate?

**Mr LAST:** No.


**Dr LYNHAM:** Whatever electorate it is, I will get back to that issue.

**Mr MADDEN:** Point of order. Chair, with respect, I think we should seek advice from the Clerk as to whether it is appropriate for a letter to be handed up like this and for the minister to be asked to address a letter that raises multiple concerns. I think it is inappropriate.

**Dr LYNHAM:** If I may be so bold, I would be happy for that letter to be forwarded to my office through the normal channels. Certainly we will address the concerns.

**CHAIR:** We have a break later. We will not debate it further here. We will need to have a discussion about it at the next opportunity. Before we finish, we have that issue there, but are there any other issues that we need to deal with? We will take a two-minute break while the officers change over.

**Proceedings suspended from 5.02 pm to 5.08 pm.**

 **CHAIR:** The committee will now examine the portfolio area of mines. I believe there will be some questions on water as well. I will go straight to the member for Burdekin, who has a question.

**Mr LAST:** My question is to the minister. The Queensland government has more than 761 government departments, statutory authorities and government owned corporations that are on transitional tariffs. Given your comments in parliament on 2 May that 'canegrowers will be better off now under a business tariff', rather than the traditional transitional tariffs, can you explain why SunWater is still predominantly using those tariffs while you lecture Queensland farmers on water usage?

**CHAIR:** Member for Burdekin, are you talking about electricity tariffs?

**Mr LAST:** Water tariffs.

**CHAIR:** Just to clarify, this question is about water tariffs charged by SunWater?

**Mr LAST:** Yes. It relates to the pumping of water, which obviously is under the umbrella of the minister's department.

**CHAIR:** Can you ask the question again, so that we are clear on what we are talking about?

**Mr LAST:** Minister, the Queensland government has 761 government departments, statutory authorities and government owned corporations that are on transitional tariffs. Given your comments in parliament on 2 May that 'canegrowers will be better off now under a business tariff', rather than these transitional tariffs, can you explain why SunWater is still predominantly using those tariffs while you lecture Queensland farmers on water usage?

**CHAIR:** Minister, I think we have clarified that.

**Dr LYNHAM:** Just to clarify, for the benefit of the committee, and to translate the member's question—I think I have it: transitional tariffs relate to transitional electricity tariffs, transitional power tariffs. The transitional tariffs were agreed upon in 2012 by the government. Transitional tariffs are a movement away from tariffs that did not reflect the cost of the supply of electricity into business tariffs. It actually is a question on electricity and traditional tariffs in power supply. The member has moved it to SunWater, being a government GOC, but in the government agencies, including SunWater, we are presently working to transfer these tariffs and accounts to cost-reflective tariffs. With some accounts, as per canegrowers, as the member mentioned, the switch-over to a normal business tariff is probably going to be beneficial, rather than continuing on a transitional tariff. Ergon Energy is working with government agencies through that same process at the present time.

I am happy to talk about this. These legacy tariffs have been phased out now for many years. In fact, the QCA has agreed this year to a freeze on an increase in transitional tariff rates. The exact number of customers worse off and the exact consumption patterns will be known. We have Ergon Energy out there talking to everyone who will be affected by this. They are ramping up the engagement with customers as transitional tariffs come to an end in 2020, to find who will be on the best tariff for their needs. We are delivering a range of programs to assist. There is the \$10 million regional business support package and a \$20 million Business Energy Savers Program. Ergon Energy is also working with large business customers to ensure that large business customers have smart meters placed to make the transition easier and also to determine which tariff they would be better off on. It has been a gradual approach. It commenced in 2012-13 under the LNP's watch.

**Mr WEIR:** Point of order. I would be happy if the minister tabled that document, which seems to have a lot of detail in it. If he is happy to table it, we can move on to the next question.

**CHAIR:** The minister is responding. He has some information on a variety of notes, so I think it is appropriate for him to read it out.

**Dr LYNHAM:** The CEO of Energy Queensland may like to give further details, and I am sure he would, regarding this particular issue.

**CHAIR:** Would the CEO come up and furnish us with some more information?

**Dr LYNHAM:** He is due here for the last portion.

**Mr LAST:** The CEO is still not here?

**CHAIR:** No. We will move on. Member for Burdekin, do you have another question?

**Mr LAST:** I will defer to the member for Bundaberg.

**Mr BATT:** Mr Chair, my question is to the CEO of SunWater.

**CHAIR:** Thank you, Ms Hollows.

**Mr BATT:** My question relates to page 13 of the SDS under the heading 'Community service obligation payments' regarding the provision of rural irrigation services. Can you outline the percentage of SunWater irrigation schemes currently using any of the transitional obsolete tariffs of T20, 21, 22, 37, 62, 65 and 66 and whether or not you continue to do this as it is a cheaper option to use those tariffs rather than the standard business tariffs?

**Ms Hollows:** The CSO is determined on the basis of what our costs are and what our price revenue is in relation to the price policy. The detail in relation to all of those tariffs I will have to take on notice. I can say that SunWater currently incurs losses in relation to irrigation and we bear the costs—over the last six years about \$9 million in electricity costs. I think most of your question deals with the tariffs in relation to power?

**Mr BATT:** Yes.

**Ms Hollows:** The majority of our tariffs are on a non-contestable basis. We do have tariff changes in 2020 and 2022 that will impact a number of our schemes.

**CHAIR:** Is that enough information for you, member for Bundaberg?

**Mr BATT:** If the CEO wants to take it on notice, I want to find out how many are currently on the transitional obsolete tariffs.

**CHAIR:** If it is a question on notice, it will need to go to the minister. We may not be able to get it by the end of this session.

**Ms Hollows:** It is quite a detailed response. We have 31 water schemes and different tariffs across each of those schemes. If you want it specifically for Bundaberg as well, we would have to go and get that detail. We would have to take it on notice.

**Mr BATT:** Can we ask the minister to take that on notice?

**CHAIR:** Minister?

**Dr LYNHAM:** I was saying for clarification on that line of questioning that Queensland government GOCs will not be exempt from moving off transitional tariffs to business tariffs, just like canegrowers or anyone else. They will be moving to the same business tariffs.

**CHAIR:** Minister, are you prepared to take that on notice and supply the answer by Friday, 27 July?

**Dr LYNHAM:** Absolutely. We will take that on notice.

**CHAIR:** That will be a question on notice.

**Mr LAST:** My next question is to the CEO of Seqwater.

**Ms Hollows:** The CEO of Seqwater is downstairs because that finished at five o'clock.

**Dr LYNHAM:** We can get him for you.

**CHAIR:** Did you want to go to another question and come back to that one?

**Mr LAST:** I would prefer to have this question asked now, if I could. It is of some importance.

**CHAIR:** It is and you can certainly come back to it.

**Mr LAST:** I am happy to come back to it.

**CHAIR:** You can proceed with another question.

**Mr LAST:** Minister, given that we recently saw increases in bulk water prices in South-East Queensland three to five times higher than inflation, can you rule out that we will not see a similar increase in bulk water prices for regional irrigation?

**CHAIR:** I would certainly caution the member that you are straying close to a hypothetical in that question—that is, what may or may not happen in a potential situation. Is the minister prepared to answer that question?

**Dr LYNHAM:** Absolutely. The SEQ bulk water price ensures customers will have safe and reliable drinking water. It means that no matter what the weather does, you can turn on the tap and have drinking water. The independent QCA made recommendations for the price path for bulk water pricing and the government made a decision that would smooth the price increase for customers over three years.

The facts are that price increases were necessary to pay off price path debt—a price path previously supported by the LNP—and a lower demand for water. It is entirely fair that customers within the grid pay an equitable share of the costs for that water security. This price path will bring a sense of fairness to water bills.

As par for the course, the facts have not stopped the LNP from again embarking on another scare campaign. We had the member for Beaudesert in parliament stating wrongly that Seqwater and Queensland Urban Utilities were encouraging people to use more water. This was an unjustified attack on our water entities that do a professional all day, every day in supplying water for Queenslanders. The opposition said we have seen dams without pipes and pipes without dams, but seriously our dams and our pipes are built to supply water to households, irrigators and industries. Work continues on the grid to ensure reliability for South-East Queensland.

As part of the planning for the region's future needs, the Wyaralong Dam will be connected by 2022. We are now using the Tugun desalination plant more and more—and not just for flood resilience but routinely to deliver water during peak periods or when other parts of the grid are undergoing maintenance. In fact, probably a third to a half of the glass of water that you have now is from the Tugun desalination plant as Mount Crosby undergoes some remedial work.

This is a government with a plan for ensuring safe and reliable drinking water. The best the LNP can do about Seqwater is to question the timing of the release of the price path and other bits and pieces. We have a comparison with what happened at Redlands under their watch. We had prices going up under their watch by 22 per cent, 17 per cent, 14 per cent in successive years. The price rises were extremely significant under the LNP.

This price path was determined some time ago. Everyone in the South-East Queensland water grid is utilising it. Sparkes Hill reservoir, which is in my electorate of Stafford, was until recently supplying drinking water for the Sunshine Coast when their dams were low. Thankfully there has been rain on the Sunshine Coast and the dams have been topped up. The whole grid is interconnected. The whole grid will be utilised into the future as we are using the Tugun desalination plant as we speak.

Irrigation prices are set differently. They are set for 39 water supply schemes across Queensland and are currently set until 30 June 2019. The government is currently exploring options for a fair and equitable rural water prices review. The Queensland Competition Authority, the state's independent economic regulator, is expected to commence a review of irrigation pricing later in the year. The government is giving careful consideration to its terms of reference. We are taking into account the need to strike an equitable balance between cost recovery and customer impacts. Let me assure the committee that we are considering this issue seriously and are considering the views of the stakeholders.

For example, in the Isis-Burnett region we will be talking to members of parliament who represent that area. We will be taking their views with regard to irrigators and pricing very seriously. We know there are two different water schemes up there with different pricing pathways. The views of members of parliament will be very seriously considered in terms of where we land that.

When the QCA is directed by the government to proceed with the review, they will consider the proposed costs and expenditure of both Seqwater and SunWater in providing irrigation services and will ensure that these costs are prudent and efficient. Allowing the independent QCA to review the relevant issues also provides the opportunity for all stakeholders to present their views, issues and concerns. The QCA process provides the best forum for the views of customers to be considered. Irrigators should engage in this process so that their views can be considered.

We work closely with local members of parliament around the Gulf of Carpentaria in terms of the various water plans up there and the release of water. We have released 2½ times the amount of water the LNP released in this state. We worked extremely closely on those very successful water releases with the member for Traeger. It is testament to him that he had a large input into how we organised local water releases to his specific area. I think engagement with local irrigators and with local members of parliament is very important in terms of this issue.

**Mr LAST:** The CEO of Seqwater is now here. Mr Spiller, I refer to media comments by the former minister for water in April 2017 that a new study was underway to upgrade Wivenhoe and Somerset dams which included considering options to improve flood mitigation. Can you advise us what the status is of the study looking at the 50 options for Wivenhoe Dam?

**Mr Spiller:** I can advise that Seqwater has commenced detailed planning for upgrades to Wivenhoe and Somerset dams. Upgrade works could be taken on Somerset Dam as early as 2020 and Wivenhoe as early as 2023, with each dam requiring a three to five year construction time frame, depending on the scope and design.

The upgrades are part of a staged capital program which will allow the region's dams to continue to operate safely. Seqwater is committed to engaging with the community in relation to both studies as they progress. Seqwater issues email newsletter updates to interested stakeholders and community members about the dam upgrade projects. The community can register for updates through our website.

Both Somerset Dam and Wivenhoe Dam operate as one system for both water supply and flood mitigation. Seqwater is planning these upgrades concurrently. Whatever is done at Somerset Dam will impact and influence the final decision and scope for the Wivenhoe Dam upgrade. The upgrade works will consider safety requirements as well as options to improve the flood mitigation provided by both dams. Future water supply security will also be considered.

Seqwater's dam improvement program is based on risk assessment, recognised as industry best practice and used by all major dam owners across the country. Risk assessment is also accepted by the state regulators within Australia. Preliminary geotechnical investigations and minor works for Somerset Dam were completed in 2016. Additional geotechnical investigations, physical hydraulic modelling, concept design, selection of a preferred option and preliminary design are currently underway and are expected to be completed by January 2019.

**CHAIR:** Are you happy with that information, member for Burdekin?

**Mr LAST:** I had a follow-up question. Have I run out of time?

**CHAIR:** You have indeed. We will move to government questions. Minister, I note on page 2 of the SDS that one of the department's key priorities in the area of mining in 2018-19 is to facilitate increased supply options for domestic gas use. Would the minister inform the committee of the Queensland government's actions to encourage the further development of our gas industry, including actions to secure gas for domestic users, and whether he is aware of any alternative policies?

**Dr LYNHAM:** It is a very important issue. The Queensland government has maintained steadfast leadership on this issue, firstly, in the supply of gas for the eastern seaboard and, secondly, in making sure we have gas tenements available for domestic use only. This contrasts with the federal government's uncertainty around the gas industry with policy change and ineffective policy. The Queensland government has effective policy in this area.

A number of factors have contributed to the shortage of a long-term gas supply in Queensland. These in turn have seen the price of gas rise significantly in Queensland and across the eastern Australian gas market. There has been a decline in production from oil and gas liquid areas such as the Cooper Basin and Bass Strait, which previously helped offset the price of gas production. There has been the more expensive nature of gas production from unconventional sources such as CSG. As the Premier has said many times, there has been a failure of other states, particularly New South Wales, to allow gas production in their jurisdictions.

I am pleased to advise that the worst manifestation of both shortage of supply and very high prices are dissipating. The Palaszczuk government has acted to direct gas into the domestic market by releasing prospective acreage with an Australian market supply condition. These policies are working and working very well in terms of protecting our manufacturing base in Queensland.

The first of these blocks was 58 square kilometres near Miles. It was released as production lease meaning it is able to come to market very quickly. I am pleased, as we all know, that a Queensland company—how appropriate is that—Senex now operates this as Project Atlas. Since that initial release the government has released almost another 6,000 square kilometres of prospective acreage for domestic supply. Additionally, another 42,000 square kilometres of potential gas production land has been released across the state.

This is a positive policy to grow gas supplies for the domestic market. The alternative offered by the opposition is nothing but hot air and criticism of our initiatives. Their own Commonwealth energy minister complimented our policy as a creative way forward. During their time in government they did little to get gas to market.

When we released gas for the domestic market they were critical. When the Turnbull government intervened in the Queensland gas market, it was not to grow the market to meet demand and help push down costs. The Turnbull federal government solution was to reallocate gas, threatening billions of dollars of investment and jobs in Queensland's LNG industry. More gas, not reallocated gas, is what

the east coast gas market needs and that is what the Palaszczuk government is driving. Queensland is doing the heavy lifting when it comes to gas in eastern Australia, when it comes to delivering gas to the manufacturing industry and when it comes to growing jobs from delivering gas to our manufacturing base.

**Mr MADDEN:** My question follows on from the previous question and relates to mineral royalties. I note in Budget Paper No. 2 that mineral royalties are projected to contribute \$479 million to the 2018-19 budget. Minister, will you advise the committee of the measures to ensure the long-term prosperity of the mineral sector in Queensland?

**Dr LYNHAM:** I thank the member for the question. I know your electorate has a great heritage of mining in this state and has supported the state too through many, many years. Our multibillion dollar coal and LNG industries sometimes overshadow our very important mineral sector. I want to ensure miners, investors and the communities that depend on these operations that the Palaszczuk government has not forgotten the mineral sector.

Much of Queensland's mineral wealth is in the north of the state, particularly in the north-west minerals province. In recognition of the strength and challenges for the sector, the Palaszczuk government released a strategic blueprint for Queensland's north-west minerals province just a year ago. The blueprint provides \$39 million for new measures to support and help grow the province. These measures include facilitating continued resource development, diversifying the regional economy, creating employment opportunities and delivering integrated services through partnerships.

Since 2017 we have seen an increase in mineral activity in this area. Australian Bureau of Statistics data shows that in the 12 months to March 2018 mineral exploration across Queensland has increased by 51 per cent, to \$168 million. While this increase is driven by a number of factors including a lift in prices across a range of minerals, the efforts of this government have also been positive. Take our decision in 2016 to place a moratorium on the exploration of expenditure on small mineral explorers. This initiative alone allowed small explorers to reduce their outlays during a period of low activity while maintaining their tenures. When the industry was ready to grow, they were set up to get going. The opposition tried to howl this initiative down. I remember the estimates of that year. It was a sad indictment for the lack of empathy with industry in the north. It is little wonder that they are only the third biggest party in the north.

Explorers are mum-and-dad companies. If you go to Cloncurry, there is an exploration company there and they are a family in Cloncurry who explore that area. These companies are invaluable. As we move from the carbon economy to the electron economy, these exploration findings are going to be crucial not only for the development of the north-west but also for the development of Australia's economy.

Capricorn Copper shipped its first copper concentrate in February 2018—200 operational jobs. Mount Isa Mines completed the rebricking of its copper smelter at Mount Isa in April and announced the development of the blackrock ore body in May—400 construction jobs, sustaining 800 jobs across North Queensland. MMG's Dugald River zinc mine reached commercial production in May—600 construction jobs and 400 operational jobs.

Further, my department has commenced the Strategic Resources Exploration Program. This includes geoscience programs such as the Geochemistry Toolkit provided to explorers in March; the Collaborative Exploration Initiative, providing \$1.13 million to nine companies developing 12 projects; and modernisation of geoscience data records with the CSIRO. The minerals sector in Queensland is going ahead and we are working with it to ensure success.

**Ms PUGH:** With reference to page 6 of the SDS, the department is responsible for managing disclaimed and legacy mine sites. Will the minister please update the committee on how recent reforms introduced to the House will help to reduce the liability to the state from abandoned and legacy mines?

**Dr LYNHAM:** Just today I saw on a media post a new Century zinc mine which is in that very region up in the gulf. They are mining tailings from an old mine—a whole new mine, creating more employment to make those phones of the future. It will be terrific to see that project. That is an example that I saw just today. I knew the project was going ahead but they put up a large social media post, 'We're underway,' which is fantastic, mining old tailings.

The Abandoned Mine Lands Program has been significantly enhanced as the Palaszczuk government seeks to lock in reform of the mining and resource industry's financial assurance framework through the bill reintroduced by the Deputy Premier earlier this year. Credit should also be given to the former treasurer and current Speaker, Curtis Pitt, for his work in bringing the environmental sector and industry together and in putting these reforms together.



The current system for financial assurance requires resource companies to provide financial surety such as a bank guarantee based on the likely cost to undertake the rehabilitation. If I may digress, the financial assurance framework came from the resource community round table where we had miners, the agricultural sector, traditional owner groups and the environmental sector. We all got together. There were very disparate views when we started but, as we started to work together, there were significant outcomes from this roundtable initiative such as how mines are rehabilitated in Queensland for the future. We were all working together to achieve an outcome for the benefit of all Queenslanders.

Under these reforms, as I said, low-risk companies will provide financial assurance in the form of an annual contribution to a pooled fund. It is proposed that interest from the new pooled fund will be directed towards the Abandoned Mine Lands Program. This will expand the resources available to clean up abandoned sites and will ensure that industry is paying for this work and reducing the burden on the taxpayer.

The enhanced Abandoned Mine Lands Program discussion paper, released in May this year, articulated the Palaszczuk government's management objectives for abandoned mine sites. These objectives included revising the classification of 'historical mining disturbances'. We want to improve the community's understanding of the 120 or so legacy and terminated mines comparable in size and scale of modern times in contrast to the often quoted 15,000 small, low-impact mine features, and these are opal shafts, scrapings and exploration pits.

Another objective is to improve the legislative and regulatory frameworks to assist government and industry achieve better outcomes through recommercialising, repurposing or remediating sites. A further objective is to improve risk management processes and prioritisation to ensure state resources are allocated efficiently and transparently. The abandoned mines experts continue to do good work around the state including ongoing water treatment and management at the Mount Morgan Mine site in Central Queensland. The pit water level has been reduced by approximately 3.4 metres since it overflowed in January 2013. Other highlights include stage 1 works to remediate the Target Gully tailings dam in the historic mining community of Irvinebank and ongoing development of a remediation plan, in consultation with traditional owners and other stakeholders, for the disclaimed Collingwood tin mine west of Cooktown.

**Mr MADDEN:** Minister, I have a question with regard to the issue of black lung disease. With reference to page 6 of the department's Service Delivery Statements, will you advise the committee of the status of the recommendations made by the Coal Workers' Pneumoconiosis Select Committee?

**Dr LYNHAM:** By the end of July 2018, the Palaszczuk government will have actioned 61 of the 68 recommendations of the Coal Workers' Pneumoconiosis Select Committee. A significant body of work has been done by my department and my department have done very well on this issue.

To action the select committee's recommendations about reforms to the structure of the safety and health regulator and its funding model, the government established a dedicated, independent Project Management Office. Last month, following extensive consultation with stakeholders, the Project Management Office provided advice to me on a preferred option for an effective and appropriate regulatory model. The government is currently considering the PMO's advice. Full implementation will likely require legislation and targeted consultation on some components of the recommended model.

Action on the select committee's report also includes implementing the recommendations of the Monash University's review of the respiratory component of the Coal Mine Workers' Health Scheme. The select committee adopted the Monash University recommendations in its report. As well as the select committee's 68 recommendations, the government has delivered all 18 recommendations of the Monash review. There was a Senate investigation and we delivered all of those recommendations as well.

The actions delivered include but are not limited to regulatory amendments to provide compulsory chest X-rays and lung function tests; medicals for retiring and former coalminers and mandatory reporting of coalmine dust lung diseases; a register of qualified and experienced medical providers; a training program for doctors undertaking health assessments for Queensland coalmine workers; new standards for X-rays and spirometry; an electronic portal to submit and request coalmine worker health assessments; changes to the health assessment process to better capture work history and respiratory health information; information for workers including online videos and pocketbook guides, with orders taken for more than 13,000 copies; B reader training—this is expert training in how to read X-rays for early detection of pneumoconiosis—conducted in Brisbane by experts from the US

government's National Institute for Occupational Safety and Health, including Dr Bob Cohen; engagement of Lung Screen Australia to provide local B-reading services; and development of an audit framework to ensure compliance.

In addition, last year amendments were made to workers compensation legislation. Those amendments allow for a medical examination process for retired or former coal workers concerned they may have coal workers' pneumoconiosis or a mining occupational dust lung disease. These amendments allow for the reopening of claims for workers with pneumoconiosis as the disease progresses. A number of other operational activities are in train to give effect to the select committee's recommendations. For example, the Mines Inspectorate has focused regulatory activity on the control and monitoring of respirable dust. Industry has made significant progress in reducing dust levels in Queensland coalmines to within regulated limits.

Before I finish, I would like to acknowledge how everyone has been brought together to solve this important issue. For 30 years everyone thought this disease had been eradicated—for 30 years—but it had not. It had been there always in the background. We have had the resources sector, government, medical practitioners and, most importantly, workers' representatives such as the union movement all working as one to solve this insidious disease, to make sure that we prevent it and that it never comes back, to make sure that we detect who has it so we can get to them at the early stages—if we get to people early, they can have a long and hearty life and a very normal life—and also, for those who have it, to make sure that we look after those who have been diagnosed with this disease. We have a strong and prosperous mining sector in this state. We have to have a strong, prosperous, safe and healthy mining sector in this state.

**CHAIR:** We will have two 10-minute sessions—non-government and then government.

**Mr LAST:** My question is to the minister and relates to page 76 of the budget measures. Minister, we have been promised a Queensland Gas Action Plan since 2015 when the Palaszczuk Labor government first came to office and that it would be delivered in the first half of 2016. It is now 2018 and we continue to be told that the report is imminent. We have seen budget after budget, including \$3.18 million last year, allocating money to this so-called action plan without a lot of action. Can you give a date—

**Ms PUGH:** I raise a point of order. There is a lot of opinion and it is a very long preamble.

**CHAIR:** The point of order is taken. You can either finish the question or rephrase it.

**Mr LAST:** I will finish the question. Minister, can you give a date as to when this plan will be delivered, or will it continue to fail getting through cabinet under your watch?

**CHAIR:** You nearly had it. You were nearly at the end and then you said the failed part. Once again, there are some inferences there. Third time, member for Burdekin, without any inferences or imputations.

**Mr LAST:** Thank you, Mr Chair, for your guidance. Minister, can you give a date when this plan will be delivered?

**Dr LYNHAM:** I thank the member for Burdekin. I have absolute respect for the member for Burdekin, but I have to say that at last there is a question on the resources sector. I do not know how long we have got before we move on to the other topics—

**Mr LAST:** I am happy to extend, Minister.

**Dr LYNHAM:** It is just your priorities. We have a strong and successful resources sector and there is very little questioning—little interest from those opposite.

**Mr LAST:** Are you going to answer the question?

**Mr BATT:** There goes two minutes, Mr Chair.

**Dr LYNHAM:** In terms of the Gas Action Plan, as I said before, Queensland leads the nation when it comes to gas supply. The government seeks to ensure supply for the domestic market through our competitive tendering program, as I said before, with tenements with the Australian supply condition of three junior producers—as I said, Senex, Central Petroleum and Armour Energy. They are Australian producers; Australian companies. We are seeing that through the whole of the resources sector. I noticed with a number of mines as well that the multinationals have been taken over by Australian companies coming through.

**Mr LAST:** I raise a point of order on relevance. It is a very simple question. When will the plan be delivered?

**CHAIR:** It has only been two minutes. I know that the minister has provided some context and I know that he is moving on to answering in a fulsome manner.

**Dr LYNHAM:** In June 2018 the government announced the Queensland exploration program. Over the next 18 months the Queensland exploration program will tender again for 43,200 square kilometres of petroleum and gas exploration including acreage with a domestic supply requirement. Over this time the government's strategy will see more gas flowing to the domestic market which will support greater diversification of producers in the gas market. The Queensland government has been commended by industry for its innovative, forward-looking policy approach in releasing domestically reserved land.

Thank you, Mr Chair, for allowing me that preamble because it is with purpose, and that purpose is that the member opposite is asking: where is your plan? Actions speak louder than words. We have been very active in this space with tenements for Australian producers—Senex, Central Petroleum and Armour Energy. Significant amounts of gas are coming to the domestic market. More exploration is coming to the market as well.

**Mr Last** interjected.

**Dr LYNHAM:** I will address that question. I am not suggesting I will not. The supply of gas has become a national issue impacting all east coast gas market states and the Australian government. In late 2016 the Queensland government released the Gas Action Plan discussion paper for public consultation. We have chosen to delay the final release of the Gas Action Plan to take into account issues such as the interventions of the Australian government in introducing the Australian domestic gas security mechanisms.

When you are developing a Gas Action Plan for the state of Queensland, when Queensland is doing the heavy lifting and gas is such a significant issue for people within this state, it does not help when you have a federal government shifting policy all over the place. It was like trying to hit a moving target with our Gas Action Plan. We would have it ready to go and the federal government would change policy. We would have it ready to go and the federal government would do an 180-degree turn and change their policy again. We have no certainty with the federal government. It is difficult to work with the federal government when there is a lack of certainty with their energy policy.

The Queensland government has certainty with our energy policy and our gas policy. We have runs on the board. There is still approximately 5,000 people being employed by the gas industry throughout Queensland. Certainty of policy delivers investment and it delivers jobs. If only the federal government took a few lessons from Queensland on how to manage this very important sector with certainty of policy so industry, when it is going to invest, knows where the government is heading. They know with certainty that this is what the future holds. The federal government policy is all over the place.

**Mr LAST:** I raise a point of order, Mr Chair.

**Dr LYNHAM:** No, I am addressing it.

**Mr LAST:** It goes to relevance, Mr Chair. I come back to my original question: when? All I want is a date.

**CHAIR:** Member for Burdekin, there has been an answer in there. It may not be the one that you want but there is an answer there. Seeing that we have an answer there, I would ask that the minister wrap up.

**Dr LYNHAM:** I will wrap up. There are two things. Firstly, it is hard to formulate a policy as a state when the federal government policy is all over the shop. Secondly, we now intend to release the Gas Action Plan later this year but there is a caveat. Let us get some certainty around federal government policy so we know the appropriate direction of Queensland government policy.

**CHAIR:** I remind members not to interrupt the minister when he is giving his answer.

**Mr LAST:** My question is to the director-general. I refer to page 6 of the SDS and the department's function of oversight of the safety and health of communities affected by mining, explosives, petroleum and gas. Given the department's function to oversee safety of communities affected by mining, petroleum and gas, will the director-general outline the ongoing work of the petroleum and mines safety inspectorates to monitor the Linc Energy trial site approved by Labor to ensure there is no safety risk to the community?

**CHAIR:** Before we start, we are running out of time so if the director-general could answer in a brief fashion that would be appreciated.

**Mr Purtil:** Thank you very much for the question. I am very happy to give you an update on where we are at with the Linc Energy remediation site. On 16 April the government announced a prohibition on all underground coal gasification activities. In July of the same year the department took over the operational control of the surface workings of the Linc Energy underground coal gasification site after it was disclaimed by its liquidators. We have a dual role with the Department of Environment and Science, and that is why I mentioned the surface responsibilities. DES remains responsible for ongoing environmental investigations and monitoring programs. As you may be aware, it is also responsible for the prosecution that is currently underway under the Environmental Protection Act.

We work closely with DES. During the 2018-19 program we have been decommissioning priority process wells and bores. We are working our way through those facilities. The actual beneficiation plant—the refinery that is on the site—has effectively been decommissioned last year as well. We are decommissioning and remediating process water dams on the site which have historically been a cause of some odour as well. There is ongoing care and maintenance. We are keeping the site suitably well groomed so it fits into the landscape. We are keeping it slashed so it looks like a functioning farm which it could well be. Then we have our ongoing infrastructure and contamination investigation so we have people moving through the site.

The estimated cost of that work is \$9.5 million in this coming year. The works in the last financial year also include the implementation of a site safety management system including the safe removal and disposal of approximately 260,000 litres of potentially hazardous liquid waste from surface facilities on the site. We have depressurised, purged and isolated the gas to liquid plant that I mentioned and associated infrastructure so it is neutered.

We have auctioned off remnant equipment on the site and recouped \$730,000 towards that remediation. It is not the total cost, unfortunately, but it is better than nothing, and we have facilitated the environmental work that continues at the site. We have operational site control for contractors coming to and from the site. You may also be aware that the Department of Environment and Science has removed the exclusion zone from around the property given soil gas monitoring activity.

**CHAIR:** There is time for a very brief question, member for Maiwar.

**Mr BERKMAN:** My question is for the minister. Queensland and global economies are already moving away from coal, and we see this in the plummeting cost and increasing role of renewable energy and the budget's forecast decline in coal prices. What funding are you providing for community led transition plans for places like Gladstone and around Bowen Basin which currently depend on coal and gas and need to begin the transition away from the production and use of fossil fuels?

**CHAIR:** That question involves energy as well as mining. Did the minister want to answer?

**Dr LYNHAM:** As the member is aware, as part of the Paris agreement signed up by the federal government there is to be a just transition. The responsibility is the federal government's, but we will be supporting that as far as the state government is concerned. A just transition for workers is an appropriate benefit. We will be working with people, but you are right: with a 50 per cent renewable target by 2030 there will be some transition for workers into the renewable energy sphere. It is primarily the federal government's responsibility, but we will be working closely with the federal government to ensure that we have a just transition for workers.

**CHAIR:** We will now go to government questions. I refer to a projected \$3.5 billion in revenue in 2018-19 from coal royalties in Budget Paper No. 2, and I ask: will the minister advise the committee of recent positive developments in Queensland's coal export industry including new mines and mine reopenings?

**Dr LYNHAM:** I thank the member for the question. I know the member is well aware of the importance of the coalmining industry for Queensland, both for domestic power generation and for exports. Queensland is a major exporter of both thermal and metallurgical coal. Three-quarters of our coal exports are high-quality metallurgical coal used to produce steel. The mines that produce our coal are vital for jobs and business opportunities in regional Queensland.

Queenslanders who live in metropolitan areas should also realise that the biggest mining town in Queensland is, in fact, Brisbane. We saw the impact on the whole state economy when the coal price dropped in the early part of this decade, and we all understand the significant contribution of coal royalties to this year's state budget. This is why I have been working hard to strengthen the industry and get new activity going.

The Queensland government has given temporary relief on coal exploration obligations to allow tenure holders to stay in the game; legislated to ensure the Sutter Creek project could proceed after a dispute between parties threatened a significant mine; granted mining leases for Wandoan mine and granted three mining leases for the Adani project in the Galilee Basin.

The industry is now enjoying better prices and we are seeing the expansion of the industry through the reopening mines that have been in care and maintenance as well as new mines. We are seeing mines that are advancing pass to smaller, leaner miners who can extract value and we are seeing new mines. One of the benefits of passing to smaller, leaner miners is that we are seeing the indigenisation or Australianisation of mines in the Bowen Basin. A large number of multinational companies have exited and Australian miners have taken over. This means jobs in regional Queensland. Take the Gregory mine which has been brought out of mothballs by new owners, creating 300 jobs. This is being repeated at other mines like South 32 Eagle Downs mine. Last month the Department of Natural Resources, Mines and Energy held the first mines and money conference in Brisbane. This was a highly successful conference attended by senior people from private equity funds with a combined value of \$750 billion.

This tells us two things—that industry is starting to move and that Queensland is top of everyone's minds when it comes to fine metallurgical coal and the coalmining industry. As I said before, 75 per cent of our coal is metallurgical coal. Coal plus iron equals steel. Steel equals everything we really need in today's life. Queensland will have a prosperous future in mining because we mine the coal that the world needs. We mine metallurgical coal and we will have prosperous coalmining well into the future.

**Ms PUGH:** I note that on page 2 of the SDS one of the department's key priorities for 2018-19 is attracting and supporting ongoing exploration. Will the minister please advise the committee what initiatives are in place to achieve this?

**Dr LYNHAM:** I thank the member for the question because it relates to an important part of an industry which itself is of vital importance to the economy of this state and to the finances of this state. I note for the benefit of the committee that the Queensland Exploration Program was previously referred to as the Annual Exploration Program. The Palaszczuk government is committed to attracting private sector investment to Queensland. This links directly to our clear plan in Advance Queensland and one of its six priorities of creating jobs in a strong economy.

The resource sector is central to our economy. This is true in our regions but it is also true in Brisbane itself, which through service industries, such as technical, accounting and legal, relies on the mining industry. I first introduced an annual program to give certainty to landholders, communities, traditional owners and industry. The 2018 Queensland Exploration Program is the largest release of land for exploration in the state's history. The program provided a schedule of exploration opportunities over 18 months for petroleum, gas and coal. Under the Queensland Exploration Program, we have released 44,000 square kilometres of land across 29 areas for petroleum and gas exploration. These releases will assist in further developing Queensland's important hydrocarbon resources for use in both our domestic and export markets.

For the coal industry, we have released 1,100 square kilometres of land across 10 areas located in Queensland's famous Bowen Basin. This release is targeting Queensland's high-quality metallurgical coal for use in steel mills across the globe. We have not only offered these vast areas for exploration; we have also set out to improve the quality and availability of Queensland's geological data to help make exploration more successful.

My department and the CSIRO are working on the trial of advanced data analytics to existing geoscience datasets. The first trial of this is targeted at copper in the north-west. The growth in mineral exploration investment through 2017 and 2018 reflects the attractiveness of Queensland as a destination for exploration and mining expenditure. This will help grow the 60,000 Queenslanders already employed by the mining and petroleum industries across Queensland.

**CHAIR:** We are about to move into the energy section but I believe there are a couple of people at the table who need to stop for a moment. We will take a break before we move to energy.

**Proceedings suspended from 6.02 pm to 6.06 pm.**



**CHAIR:** The committee will conclude its questioning of the portfolio area of mines and water and will now move into the examination of the portfolio area of energy.

**Mr HART:** Given we are six minutes into our time already, I would appreciate it, Minister, if we could keep the answers quite short. I call forward the CEOs of Stanwell and CS Energy for the next question. Minister, I table a press release that your office sent out today and a screenshot of a fuel price Facebook page, and I ask: why will it take you 18 months to commence the real-time fuel policy that the LNP had announced last year? Chair, all of my questions are reflected on page 8 of the SDS.

**CHAIR:** Everything is reflected on page 8 of the SDS. Just to clarify, you are tabling a media release?

**Mr HART:** That is correct.

**CHAIR:** And also a screenshot of a social media post?

**Mr HART:** That is correct.

**CHAIR:** You know the drill. We all need to get copies of them.

**Mr HART:** Minister, I am sure you know the press release that you sent out today about real-time fuel prices. Can I ask why it is taking 18 months to implement real-time fuel prices?

**CHAIR:** Just a moment.

**Mr HART:** Chair, why are we taking so long? This is the biggest issue in Queensland. I have one hour to ask questions, or 30 minutes. Can we get on with it, please?

**CHAIR:** Member for Burleigh, you have just sat down here. We have been at this all day. I appreciate you are keen to get stuck into this. You have tabled something here and we are examining this.

**Mr MADDEN:** Point of order, Chair.

**CHAIR:** What is the point of order?

**Mr HART:** Now we are eight minutes in, Chair.

**Mr MADDEN:** If my colleague could indicate where this is in the SDS, I would be very grateful.

**CHAIR:** He has indicated it is on page 8 of the SDS. Member for Burleigh, we have examined these. Are we happy to table these? They are so tabled. Member for Burleigh, over to you.

**Mr HART:** I have asked the question, Minister.

**CHAIR:** Could you rephrase the question?

**Mr HART:** I asked the question two minutes ago.

**CHAIR:** We have now examined this document. The question was based on this. We have taken those papers there. I am asking you to rephrase your question.

**Mr HART:** Minister, it will have taken 18 months since the LNP put its policy out on real-time fuel prices. Can you tell us why it is taking you 18 months when a simple Facebook page can be put up in a week?

**Dr LYNHAM:** May I take this opportunity to welcome the member for Burleigh to this estimates hearing today, and I thank the member for the question. As I said today and I have said before, the Queensland government is committed to doing whatever it can to assist Queensland motorists. We are a government of consultation. We consulted with all stakeholders—and I thank the stakeholders, such as the independent fuel retailers association, RACQ and others—because we wanted to get this right for Queensland motorists, unlike the LNP. I have said before, and I will repeat it here, that the LNP's proposal is an absolute thought bubble of a proposal. It was not thought out at all.

When we heard the LNP's proposal, the first thing we did was consult with the Griffith University to look at other systems and look at how the LNP's system was apparently to be modelled. They came back with some findings. As I said, we also consulted the RACQ. The RACQ want a proper system, not a Facebook page or a thought bubble by the LNP. We can go through the LNP's system.

**Mr HART:** Point of order, Mr Chair: we are not talking about the LNP's system and I accept that question. Can we move on to the next question? Is that okay?

**CHAIR:** Hang on. The minister is addressing what you have raised in your question. The minister is giving a relevant answer.

**Mr WEIR:** Mr Chair, point of order: I go back to standing order 118 about debating a question and being relevant to the question.

**CHAIR:** I thank the member for Condamine. May I point out that the minister has only been talking for about two minutes. The minister is quite well aware of the relevance here. We do take your point there.

**Mr WEIR:** Four minutes.

**CHAIR:** That includes the question being asked.

**Mr HART:** We are 11 minutes into the period, Mr Chair.

**CHAIR:** Can I point out to the members, especially those who are guests here, that we do have standing orders about being disorderly. The minister is answering this question. It does not do you any good to keep interrupting. The minister is obviously—

**Mr HART:** Can we please get on with it?

**CHAIR:** Member for Burleigh, I have just cautioned you about being disorderly. I know you are impatient. Please take my advice about being disorderly and let us not take up any more time. The minister is answering the question and I know that he understands the need to be relevant.

**Dr LYNHAM:** Thank you, Mr Chair. What a tactician. He obviously does not want the answer. That is why he is delaying and filibustering—because he does not want the answer. Unlike your proposal, we will reduce costs and will not compete with its own fuel price app, like you were going to do, or website when commercial providers can drive innovation for motorists. A very significant saving will come from this government's approach to compliance. We will not slug taxpayers or retailers with a price tag of up to \$20 million, and we will not punish fuel retailers with additional red tape that drives up the price of petrol, as your proposal would have done. Fundamentally, the scheme that you cling on to has failed. It failed because there was no proper resourcing of compliance. It failed—it would have failed because—

**Mr HART:** It has not been implemented, Minister. Please get on with it.

**CHAIR:** Member for Burleigh, you have been here five or so minutes, and I am sure you are counting how many minutes it is. You are getting towards being disorderly. You are also getting close to a warning under standing order 185. I emphasise again that we are listening to the minister give the answer.

**Mr HART:** Point of order, Chair: I understand you want to run a protection racket for the minister here, but we do need to get on with the questions.

**CHAIR:** You will withdraw that.

**Mr HART:** I accept the minister's answer and I would like—

**CHAIR:** You will withdraw that term. I find it offensive. Withdraw it.

**Mr HART:** I withdraw.

**CHAIR:** Thank you.

**Dr LYNHAM:** The Griffith University report, based on the modelling of the scheme that you were slavishly following, significantly showed that the price tag would be up to \$20 million and that it would have driven up fuel prices for regional Queensland, as it did in the Northern Territory and regional New South Wales.

The LNP scheme would have driven up fuel prices for regional Queensland, but do not take my word for it. Here is a quote from the Australasian Convenience and Petroleum Marketers Association dated 25 July 2017 in relation to our scheme –

'This is a balanced response that is a far cry from the ill-considered proposals openly promoted by some stakeholders earlier this year'—

that is, you—

'... proposals that were built on spurious claims that past interstate initiatives had lowered average fuel prices by around 10 cents per litre or \$6 per fill,' Mr McKenzie says.

He is comparing and contrasting a well-considered, well-thought-out scheme that took appropriate time, working with all stakeholders, like the Palaszczuk government did—

**Mr HART:** Chair, how long are you going to give the minister to answer this question? Fair dinkum. This is estimates.

**Dr LYNHAM:** Compared to a scheme, a thought bubble, a kneejerk response, with no consultation as occurred in 2012 through to 2015.

**CHAIR:** I think the minister is rapidly moving towards—

**Dr LYNHAM:** Sorry, I will correct the record—25 July 2018, not 2017.

**CHAIR:** Has the minister finished the answer?

**Dr LYNHAM:** Thank you.

**Mr HART:** Thank you, Chair.

**CHAIR:** Always a pleasure.

**Mr HART:** I table some more extracts from last year's budget papers. I refer to Budget Paper No. 2 of 2017, page 152, which shows estimated actual electricity generation earnings in 2016-17 to be \$892 million, well above the previous year's budgeted figure of \$482 million; and this year's Budget Paper No. 2 at page 115, which shows the actual electricity generation earnings for that year to be \$1.24 billion. That is a difference of \$349 million. Minister, can you explain to the committee how Treasury got these figures so wrong, or did the government owned generators earn \$349 million unexpectedly in 17 days?

**CHAIR:** Before we answer that, you are going to get another chance to ask the last part of that question. The words 'the Treasury got it so wrong' contain an imputation and a hypothetical. Please reword your question, or I will rule it out of order.

**Mr HART:** There is no imputation there. It is in the budget papers.

**CHAIR:** I rule there is an imputation in that question. Please rephrase it, or I will rule it out of order.

**Mr HART:** How is that an imputation? I am refusing to reword that. This is not an imputation. It is in the budget papers.

**Mr MICKELBERG:** It does not relate to an individual.

**CHAIR:** I am going to rule this out of—

**Mr HART:** Can the minister explain how Treasury got it so wrong?

**CHAIR:** No, I am going to rule this out of order. Is that your last attempt at this question? I rule it out of order. Let's go to the next question.

**Mr HART:** Minister, the difference between the figures in this year's budget paper on page 115 is \$349 million—in 17 days, from when the budget was handed down to the end of June. How did Treasury get this so wrong?

**CHAIR:** Member for Burleigh, you know what I am going to say here. You are comparing—

**Mr HART:** Mr Chair, this is a relevant question. It has already been asked of the Treasurer yesterday but she did not give a fulsome response.

**CHAIR:** I am trying to help you there. You are clarifying why there is a difference between two sets of figures; am I right?

**Mr HART:** That is correct.

**CHAIR:** Can I suggest that is the way you want to ask the question?

**Mr HART:** I just did.

**CHAIR:** I think I asked it for you. That is not coming off our question time, either. I think we have a question here. The minister has some latitude in answering that one.

**Dr LYNHAM:** I do not want to take any latitude in answering the question. I simply offer my hand of assistance for the member opposite, who is obviously struggling to get a question out.

**Mr HART:** Under your protection racket.

**Dr LYNHAM:** Forecasts can be incorrect; the Treasurer said that yesterday. The forecasts were incorrect under the LNP as well, I am certain; I do not need to look at their record. I can possibly suggest that. Also I suggest that the best person to answer that question—they missed their opportunity yesterday—would have been the Treasurer. I want to clarify a few things in that long preamble.

I think it is important to clarify a few things when we talk about energy profits. There are some incorrect views being pushed by those opposite regarding the nature of a generator's profits. There is a range of matters not related to the spot market that impact on revenue. For example, significant accounting adjustments, lower operating and fuel costs, and coal revenues do directly impact on issues such as revenue. Let's not forget the issues in southern states, with the unplanned withdrawal of



privately owned major generating assets pushing up spot prices. People are also neglecting to mention that the independent Australian Energy Regulator sets the amount of revenue that we can collect from customers, not the Queensland government. The independent Australian Energy Regulator sets the amount of revenue.

**Mr HART:** Point of order, Mr Chair. This is completely irrelevant.

**CHAIR:** One moment, Minister. What is your point of order, member for Burleigh?

**Mr HART:** This is completely irrelevant. As the minister knows, the regulated area is networks, not generation; and this question was about generation.

**CHAIR:** I remind the member for Burleigh that I gave the minister some latitude in answering that. Once again, I do find he is being relevant and he is moving towards a fulsome answer.

**Mr HART:** I will leave it at that and we will move on.

**Dr LYNHAM:** I make absolutely no apologies for taking revenue received from the public ownership of these assets and reinvesting it back into programs to stabilise electricity prices and assist with affordability such as our Affordable Energy Plan, and it is working. There is continued downward pressure on electricity prices for all Queensland families. We are able to reinvest in those assets because they are still owned by the people of Queensland. We are the envy of other states who sold their assets.

**Mr HART:** Thanks, Minister. Can we move on?

**CHAIR:** I make that judgement, thank you.

**Dr LYNHAM:** Let me make this one point. Had Strong Choices been implemented, had they won office in 2015—

**Mr HART:** Twenty minutes on two questions.

**Dr LYNHAM:**—where would this revenue be going, Mr Chair? Where would this revenue from privatised assets have gone? It would be going to China, the United States, Europe and Switzerland. How would that go? We would have said, 'Stanwell, your bidding practices. We would just like you to adjust your bidding practices.' We will bring Swanbank E back on to bring more supply into the market to lower wholesale electricity prices. We're going to put more renewables into the market to lower wholesale electricity prices. Where would they stand—

**Mr HART:** Can we get on with it?

**Dr LYNHAM:**—with these assets being privatised?

**CHAIR:** Thank you, Minister. I think that question has been answered.

**Mr HART:** My question now is to the CEO of Stanwell. The minister gave a direction to Stanwell, and I will table a copy of the RTI direction. You will see from page 2 in that direction that the end date of that direction has been redacted. Can you tell the committee if that direction is still in place, please?

**CHAIR:** Before we do that—first of all, are we happy for the previous one to be tabled? Are we happy with that? It is tabled. My query on this one here is does this breach commercial-in-confidence?

**Mr HART:** It has been redacted.

**CHAIR:** Are we putting this forward for the table here to examine?

**Mr HART:** It is a public document.

**CHAIR:** I am asking a question. I want to be assured that we do not have anything that is commercial-in-confidence here.

**Mr HART:** I am assuring you.

**CHAIR:** Thank you for your assurance. I would like some other opinions besides yours.

**Mr HART:** You do not trust me? Okay.

**Dr LYNHAM:** It might be, Mr Chair. Even though it is redacted it is still commercial-in-confidence. It has been redacted because it is market sensitive. That is why the redaction is there. It is still—

**Mr HART:** It is RTI; it is a public document. It is on the register.

**Dr LYNHAM:**—commercial-in-confidence in my opinion.

**Mr HART:** It is on the register, Minister.

**CHAIR:** I would agree with the minister on this one here. We are not going to accept that one because of the commercial-in-confidence; it breaches that standing order. Bearing that in mind, do you still have a question relating to that?

**Mr HART:** Mr Chair, I do not accept that at all. This is a document that is on the public record.

**CHAIR:** A redacted document.

**Mr HART:** It has been redacted for that purpose. Let's not table the document then.

**CHAIR:** Let's not table it. Let's ask the question.

**Mr HART:** Let's ask the CEO of Stanwell: is that direction still in place?

**Mr Van Breda:** Stanwell is still subject to a bidding direction under the Electricity Act 1994. In terms of the directions, Stanwell is required to offer a certain amount of generation to the market at a certain price. The specific details as to volume and price are commercial-in-confidence.

**CHAIR:** I think that answers the question there. We will go to government members.

**Mr MADDEN:** My question relates to the Palaszczuk government's Affordable Energy Plan. That is referred to on page 8 of the Service Delivery Statements. Can the minister explain how regional Queenslanders are benefitting under the Palaszczuk government's energy policies?

**Dr LYNHAM:** As you well know, the Palaszczuk government is committed to ensuring the price of electricity in regional Queensland is as low as possible. The cornerstone of this commitment is the maintenance of the uniform tariff policy, which ensures that electricity customers in regional Queensland pay no more for electricity than a similar customer in South-East Queensland. To achieve this, the state government pays a community service obligation of the order of \$500 million each year to Ergon Energy to ensure, based on Queensland Competition Authority calculations, the standard tariff offer is equal across the state. Reviews undertaken by the QCA and the Queensland Productivity Commission suggest access to this community service obligation could be extended to other retailers by making the CSO a subsidy to Ergon's network rather than its retail arm. This will give other retailers access to the subsidy.

The difficulty here is that the Queensland Productivity Commission has estimated that the net cost to the budget would be approximately \$768 million in the first five years with a cost over 20 years of \$3.7 billion. The LNP—and we are seeing again the thought bubble, the knee jerk—has jumped on this, but they do not explain how they will pay for it. This goes on their shopping list, which also has on it a coal-fired power station right down to regulated asset base of electricity GOCs. The LNP will just put the cost on the never-never.

As the committee would also be aware, energy prices in Queensland in 2018 will see their second decrease in four years. The average family will be 1.3 per cent better off and small businesses, 3.4 per cent. Over the last four years power prices for the average household have risen by only 1.1 per cent. The Palaszczuk government has also acted to help regional electricity customers in other ways. EasyPay Rewards provides an annual reward of \$75 for households and \$120 for small businesses which have signed up to fixed payments, direct debit and electronic billing. We have moved to eliminate the non-reversion policy to allow access, to open up EasyPay Rewards to all regional customers.

The Energy Savvy Families program provides digital meters for low-income customers in regional Queensland to help them to understand their electricity use. There are significant savings for customers—up to \$200 per year—with the knowledge gained about how they use their electricity. This program has had a further \$4 million invested to add another 4,000 low-income households. Regional customers also benefit from the \$50 asset ownership dividend, the \$56 from the solar benefit scheme and \$20 from the reduction in regulated price. That is a \$126 reduction every year on the baseline for regional customers in this state.

The Palaszczuk government is indeed helping regional Queensland. As I said before, we can do that because we own our assets. The community service obligation comes from revenue from public assets that we own. That money can be recycled to drop power prices for regional Queensland. Had it been sold, that money would not be available; it would be in the pockets of people in China, USA and Europe, just as they would have wanted. Where would that money have come from to drop power prices in regional Queensland if they had gained office?

**CHAIR:** I will take the next question. With reference to page 2 of the SDS and being part of a responsive government, will the minister update the committee on initiatives to address motorists' concerns about Queensland fuel prices?

**Dr LYNHAM:** The Palaszczuk government is listening to motorists' concerns about higher petrol prices in Queensland. The federal government and the ACCC are primarily responsible for taking national action on fuel prices; we have said that time and time again. A federal excise of 40.9 cents per litre could have been addressed in the federal budget, but it was not. In contrast, the Palaszczuk government already has acted with new laws that ban potentially misleading fuel price boards. This government is doing all that it can to assist Queensland motorists where the federal government has failed to act.

As outlined in the Griffith report released earlier this year, fuel price monitoring systems can actually increase the price of petrol if not done correctly—and 'if not done correctly' fits exactly with the LNP. By working with and listening to stakeholders, including the RACQ, the government has identified a scheme which we will trial. The trial of that scheme will start from December this year. As I announced earlier today, from December motorists will be able to find the cheapest fuel in town on their smart phones. Motorists will have all of the prices and they will be up-to-date. The goal is for Queensland motorists to be able to identify the best deal and use their buying power to support retailers who are doing the right thing.

We seek to minimise red tape and to be compatible with existing fuel industry reporting systems. All retailers will have to supply their prices. They will have to update price changes within 30 minutes of the price changing at the bowser. Those up-to-date prices will be made available to all existing apps and websites and to developers who may want to join in, and we seek to support reporting with regulation safeguards. Queensland's scheme will include data matching and checks to safeguard against retailers who may be tempted not to report accurate prices. This is in stark contrast to the LNP's proposed scheme. The government will not be competing with the private sector by generating its own fuel price app or website. We will not slug taxpayers with a price tag of up to \$20 million, and we will not punish fuel retailers with additional red tape that drives up the price of petrol.

The next step is a public consultation regulatory impact statement, and we look forward to receiving feedback from the community on our proposal. The Australian Competition and Consumer Commission has found that motorists are being ripped off and, as the Premier said, the most effective way to fix this national issue would be for the Turnbull government to give the ACCC the power to act on its findings.

**Ms PUGH:** My question relates to page 8 of the SDS with regard to undertaking action to support the 50 per cent renewables target in this state by 2030. Will the Minister inform the committee how the Queensland economy is transforming to deliver the energy of the 21st century, and is the minister aware of any alternative policies?

**Dr LYNHAM:** I thank the member for the question. The record of the Palaszczuk government in developing renewable energy is as strong as it is consistent. The member would be aware that one in every three Queensland households has a solar system installed. Queensland has led the way in the deployment of small-scale PV installation. In Queensland, every 15 minutes a new solar system is installed. The largest power plant in Queensland is the solar on the rooftops of our houses. The combined 2,300-plus megawatt output of these installations now constitutes the largest power station in Queensland. Despite individual households indicating their support for these household installations, under the Newman government there were no large-scale renewable projects in this state.

Under the Palaszczuk government this has changed. In the past 18 months, nine large-scale solar projects have commenced operation, bringing the total operational capacity of large-scale renewable energy in Queensland to over 1,000 megawatts. My colleague Minister Bailey, the former minister for energy and water supply, acted quickly to implement the Solar 150 scheme. Solar 150 projects were among the first large-scale solar projects to be constructed in Queensland and helped kickstart the industry. They kickstarted the Kidston and the Longreach projects, and they are now providing energy into the grid. The Whitsunday and Oakey projects will follow soon, and we are following that up with Renewables 400, targeting another 400 megawatts of renewable energy.

Queensland has more large-scale renewable projects under construction than any other state or territory in Australia. We also have 23 large-scale projects that are currently financially committed or under construction, and these are set to deliver more than 2,164 megawatts of generation capacity by the end of 2019. These projects will create around 3,600 jobs during construction and boost investment by around \$4.3 billion. These projects are delivering investment across regional Queensland, bringing important benefits to local economies. In addition to these already committed or under construction projects, there are another 70 large-scale renewable energy projects totalling more than 17,500 megawatts in the early stages of development. We will not see all of these reach completion, but it

shows a strong interest in developing the renewable energy sector in this state. We heard from the ACCC report that the way to decrease prices is to bring on more supply, and we are bringing on more supply.

We recently heard the Leader of the Opposition declare herself in favour of renewables, but she could not get her deputy to back her up. Now there is only silence. I think it was a renewable policy that lasted a month, and I am being kind. Meanwhile, the Palaszczuk government gets on with the job by providing certainty for Queenslanders and Queensland industries on the way forward to a renewable future.

**Mr MADDEN:** I have another question with regard to the Palaszczuk government's Affordable Energy Plan. Minister, with reference to page 8 of the Service Delivery Statements, which outlines implementing initiatives under the government's Affordable Energy Plan in the 2018-19 service area highlights, will you inform the committee what the Affordable Energy Plan means for Queenslanders?

**Dr LYNHAM:** I thank the member for the question. The member knows how important it is for the government to ease cost-of-living pressures in areas such as his electorate, especially in energy. Tragically, this was the exact opposite what of we saw under the LNP government, which delivered a 43 per cent increase in the cost of electricity.

**Mr MICKELBERG:** Point of order, Mr Chair, under standing order 118 with regard to relevance. We have heard time and time again that we are here to review this budget, not one from four years ago. Can we please come back to the question?

**CHAIR:** Member for Buderim, as I said earlier in the day, there will be an element of comparison brought on by both sides. Can I point out that the minister has only just started to answer the question, and I know that he is keeping it relevant. Let us let him get on with it. I would also point out that if there are no interruptions and no interjections it will make it a lot easier.

**Dr LYNHAM:** The Palaszczuk government is committed to reinvesting in Queensland, which is why the Affordable Energy Plan and Powering Queensland Plan delivers \$2 billion in initiatives. This has only been made possible because Queensland families continue to own their assets. I need not remind those members of the committee how close we came to losing control of these assets and not having the power in our hands to drop electricity prices for all Queenslanders. It is because we retained these income-producing assets that all Queensland households are able to receive the \$50 per year rebate for the next two years. This is a \$200 million initiative.

We will also ensure that the benefits of rooftop solar are shared throughout the community with our \$20 million in interest-free loans for solar and storage. This program will assist about 5,000 customers and leverage over \$37 million of investment in solar and battery technology in Queensland. This program is deliberately targeted towards families that need it: households which have spent \$1,000 on electricity in the last six months and are receiving family tax benefit B. This will in turn save these families up to \$350 per year.

We also had the \$20 million Energy Efficient Appliance Rebate Scheme, which provided up to \$300 to help households buy an energy-efficient fridge, washing machine or air conditioner. I remember that the member for Mount Ommaney and I launched this program in her electorate. The EasyPay reward is continuing. Today I announce an extension to the program for 2018-19 which provides a \$75 rebate for regional households and a \$120 rebate for small businesses that move to Smooth Pay, direct debit and monthly billing for regional Queensland. The Palaszczuk government is also continuing to pursue legislative amendments to remove the non-reversion policy which, as I said before, will allow regional customers who previously left Ergon Energy to return if they wish and take up EasyPay rewards.

**Mr MICKELBERG:** Point of order, Mr Chair. My concern is that this is in anticipation of legislation that is on the *Notice Paper* and still under consideration.

**CHAIR:** The minister has taken notice of that. I caution the minister.

**Dr LYNHAM:** I find it difficult to hold in the good news about energy policy in this state, Mr Chair. The \$4 million Energy Savvy Families Program will support low-income regional families with a digital meter, monthly billing and energy efficiency information. We are currently in the process of undertaking a \$4 million trial to assist landlords and tenants to share in the value of installing solar systems. All of this demonstrates the commitment of the Palaszczuk government towards lowering energy prices in Queensland. I look forward to continuing to update the House on the initiatives in this area which have only been made possible because Queensland families own our assets.

**CHAIR:** We will go to non-government members for a question.

**Mr HART:** One of the key planks of the Powering Queensland Plan was bringing Swanbank E back online. Mr Van Breda, can you tell us whether it has generated any electricity this week?

**Mr Van Breda:** Thank you very much for the question. We were directed to return Swanbank E to service in the middle of last year. We successfully did that, so the unit was operating over summer and operated at a 99 per cent availability factor. The unit is currently in storage, so we are running it in flexible operating mode, which means that it is in storage until September this year. The reason we are doing that is to preserve equivalent operating hours. The unit is due a significant C inspection later next year, and in order to have the unit available over next summer we are conserving those hours. We are running the unit in accordance with market requirements.

**Mr HART:** When was the last time it generated electricity?

**Mr Van Breda:** I would have to take that on notice, but it would have been earlier in July.

**Mr MICKELBERG:** Under standing orders 181 and 182 the minister can only answer questions put to him directly and he cannot provide any other direction apart from in writing.

**CHAIR:** Thank you very much for that. I do believe the minister is eager, but there has been a bit of discussion about this over the last couple of days. I would accept the minister adding some further information if it was thrown to him by the CEO.

**Mr HART:** Point of order, Mr Chair. The member for Bundaberg has just pointed out a standing order. I do not think you can go around the standing orders of parliament.

**Mr MICKELBERG:** I can give you the specific clause if you would like, Mr Chair.

**Dr LYNHAM:** He is frightened of my answer.

**Mr HART:** Not at all. I do not want you wasting more time. I want to ask questions.

**CHAIR:** We have covered that. We will go on to the next question.

**Mr HART:** Director-General, with reference to question on notice No. 9—and in case members do not have a copy I will table a copy—this letter states that the AEMO predicts there will be no unserved energy in the Queensland region of the NEM for the entire 10-year forecast period. I understand that basically means there is enough electricity generation in Queensland. Can you tell us what will happen to the existing generators if 5,000 to 10,000 more megawatts of electricity comes online, as is proposed by the government's 50 per cent renewable energy target?

**CHAIR:** Member for Burleigh, just to clarify, that is in reference to question on notice No. 9?

**Mr HART:** That is right; SDS page 8.

**CHAIR:** Who was that question directed to?

**Mr HART:** The director-general.

**Mr Purtill:** I am sorry, I do not have the question, but I am happy to provide what I believe would be a reasonable answer without gross speculation. It depends on demand construction or destruction in that intervening period. If there is growth in demand, if there is more opportunity for export of electrons to other markets, obviously that is via the NEM.

**Mr HART:** How does that happen?

**Mr Purtill:** At the transmission line. Otherwise, I think it is very difficult—

**Mr HART:** Even with all the new ones?

**Mr Purtill:** I think it is very difficult to speculate too far on what may or may not enter the market. Obviously that is driven by commercial decisions, and if there is a suggestion that it would be grossly out of kilter between demand and supply you can imagine those commercial decisions would unlikely either be made or sustained.

**Mr HART:** You do not know.

**CHAIR:** Member for Burleigh, do you have a further question?

**Dr LYNHAM:** I can assist, Mr Chair. If the member for Burleigh would ask me the question, I am happy to assist.

**Mr HART:** No, I have asked the director-general and I am happy with his response.

**CHAIR:** Member for Burleigh, who is it that you have a question for?

**Mr HART:** The CEO of Energy Queensland.

**CHAIR:** I call to the table the CEO of Energy Queensland.

**Mr HART:** Mr Smales, can you tell us how much Energy Queensland has spent on consultants in the last 12 months please?

**CHAIR:** Member for Burleigh, you are going to have to be a bit more specific than that.

**Mr HART:** Budget Paper No. 2 pages 115 and 116. Can the CEO of Energy Queensland tell us how much has been spent on consultants in the last 12 months?

**CHAIR:** I caution the CEO on this. If he feels that we are straying into commercial-in-confidence areas, he should flag that. I point out to the member that obviously these organisations do not want it being broadcast publicly how much they are spending on certain areas when their competitors do not get the chance to be examined in such a way.

**Mr HART:** Apologies, Chair, but I thought this was estimates—budget estimates.

**CHAIR:** It is indeed and, as you have pointed out, we have standing orders and there is one that relates to commercial-in-confidence. Bearing that in mind, if the CEO could answer that question.

**Mr Smales:** Thank you, Chair, for that clarification and thank you for the question. In terms of consultancy costs, Energy Queensland employs consultants when there is a need to develop a new concept or process that has no precedent within the business, thereby bringing new intellectual property to Energy Queensland. For the 2017-18 period, consultancies have been utilised for specialist knowledge and skills where required to address complex regulatory and commercial issues. Energy Queensland manages its expenditure on consultants in accordance with its framework of delegated authority. Consultants are only engaged where there is a clear benefit. Energy Queensland's 2017-18 estimated actual expenditure for external consultants is \$5.6 million compared with a larger sum for the prior year. The decrease from the prior year was driven by reduced consultant requirements related to merger implementation and restructuring of Energy Queensland. Key items included consultancy expenditure, the provision of special advice to support the Ergon Energy and Energex regulatory proposals, development of the network tariff strategy, addressing new ring-fencing requirements, and engagement of expert advisory services for commercial investments and strategy development. The estimated consultant spend for this current financial year is \$5 million in comparison.

**Mr HART:** Mr Smales, can you confirm that there is a Mr Ralph Shreeve working for Energy Queensland and that he is being paid \$14,000 a day?

**CHAIR:** Point of order: we do have a specific standing order about the naming of people and I would direct the member to that—that is, 115(b)(vi). I direct the member's attention to that and does he possibly want to rephrase that question so it does not breach that particular standing order?

**Mr HART:** Mr Smales, have you got a consultant working for you who is looking at employee conditions and the culture of your company being paid \$14,000 a day?

**Mr Smales:** I would seek some guidance from the chair.

**Mr HART:** Yes, that is fine.

**CHAIR:** No. We are still trying to work this one out. You are trying to ascertain how much a person is being paid within the organisation. You are asking for this—

**Mr HART:** Not necessarily a person but I am trying to work out how much they are paying for consultants, yes. I think the people of Queensland deserve to know that.

**CHAIR:** I think we may have something in that in terms of commercial-in-confidence—it may be a difficult question for you to ask and I would certainly ask the CEO to reflect on that in providing a possible response.

**Mr Smales:** If I may, Chair, if I could take the question on notice and if the member could maybe help me by being more specific.

**CHAIR:** Yes. We will return to that. The issue is whether talking about pay rates and people is potentially breaching commercial-in-confidence. Do you have another question, member for Burleigh?

**Mr HART:** Yes. Minister, on ABC Radio on 7 June you said—

The big Wivenhoe pumped storage solution that's 570 megawatts—  
it is 500—

that's a coal fired power station so during the middle of the day when all these solar panels—  
and I will table these couple of documents—

on roofs are working we're storing energy through pumping water up the top of the hill at Wivenhoe and at night-time we're driving it back down.

Minister, I table response to question on notice No. 845 which shows the generation of electricity coming out of Wivenhoe. It shows that in fact Wivenhoe is not being used that much. In fact, in June it had 5,000 megawatts of power which is equal to 10 hours of operation; in May there was 2,700 which is five hours; all the way down to March and February where it operated for one hour. Minister, can you tell us whether that statement is in fact correct?

**CHAIR:** Just before you answer that, I point out that we are asking for an opinion. You have said that it is not that much, so there is an opinion attached to that. Before we go back to that, once again we just have a bit of paper that says, 'Transcript:-Audio attached' with a date.

**Mr HART:** I am happy to play a recording.

**CHAIR:** I do not think we need that. I am pointing this one out, and this is question on notice No. 845. Do you have a copy of that at the head table? If not, can we make sure that the minister has a copy of these two documents?

**Mr BATT:** They have been given copies, Mr Chair.

**CHAIR:** He does not have it. Would the member for Burleigh, without any inference or imputation over level of generation, like to ask a simple and direct question?

**Mr HART:** Minister, are you using Wivenhoe pump storage as a battery during the day for solar panels as you stated on radio on 7 June?

**CHAIR:** Before you answer that, did you want to move that, even though this has no attribution on it? Are you happy for this to be tabled? Are you happy to table this? Yes; agreed. Minister.

**Dr LYNHAM:** Now I think I am certain that they are against every form of renewable energy—not only solar and wind but also pumped hydro because—

**Mr HART:** No, no; love pumped hydro.

**Dr LYNHAM:**—of the resistance here, and they are obviously against the Kidston program as well with the pumped hydro up there.

**Mr HART:** No, love that too.

**Dr LYNHAM:** Pumped hydro, as you know, is a fantastic dispatchable form of energy.

**Mr HART:** Absolutely.

**Dr LYNHAM:** And Wivenhoe is a fantastic asset we have in our state—570 megawatts of—

**Mr HART:** Five hundred.

**Dr LYNHAM:** It has been expanded to 570.

**CHAIR:** The minister is answering the question; thank you.

**Dr LYNHAM:** I am happy to have that clarified. It is well positioned for an expected change to the market. As we move into a renewable future it will be well used. I note that it had a recent upgrade as well—that is, the Wivenhoe pump storage had an upgrade—and spare capacity is maintained to cover both planned and forced outages across CS Energy's portfolio. CS Energy is able to mitigate the potential for losses in the event that unplanned outages result if it is unable to cover the contract position during these high-price periods. Wivenhoe is a valuable strategic asset for Queensland. It is valuable for CS Energy as it provides flexibility because of its fast-ramping capacity and the potential for Wivenhoe's operation in the future is even greater in an environment of high-renewable energy generation.

The Australian government has already recognised this through its commitment to expand the Snowy hydro scheme to increase energy storage in the National Electricity Market. Wivenhoe is in a unique position in the market where it can help to ensure the viability of baseload generation in addition to supporting increased penetration of renewable energy in Queensland. A pumping load of 480 megawatts during the day when solar generation is at its peak would help support the stable baseload required for continuous coal-fired generation output, and that is what I was commenting on. The water pump during the day is used to generate energy into the evening peak, increasing competition while reducing market volatility and peak wholesale energy prices. Used in this way, Wivenhoe will support both the ongoing development of renewable energy in Queensland and system stability through supporting the continuous operation of coal-fired generation. We have been clear in our commitment promoting renewable investment and increasing competition in wholesale markets, unlike those opposite who had a one-month plan—

**Mr HART:** I raise a point of order, Mr Chair—

**Dr LYNHAM:**—of renewable energy that lasted—

**Mr HART:**—on relevance. The question was: are you using it?

**CHAIR:** So the point of order is on relevance?

**Mr HART:** On relevance. The question was: are you using it?

**CHAIR:** Thank you very much. We have heard your point of order. My response is that I am still finding that relevant and the minister is still answering that.

**Dr LYNHAM:** The longer term solution is to structure our businesses to drive competition and put pressure on prices, with CleanCo also part of our broader strategy to achieve our goal of 50 per cent renewable generation by 2030. Just as a comment, we are ahead of the ACCC again with a third generator in planning by the Queensland government, which is well ahead of the ACCC's recent report. CleanCo will have a strategic portfolio of power generation assets and will support growth in our renewable energy industry, delivering 1,000 megawatts of new renewable energy generation by 2025 in addition to our existing low and zero emissions government owned generation plants. By contracting with intermittent solar and wind generation, CleanCo will enable an additional reliable energy supply and a new source of firm contracts to retailers into the electricity market and facilitate a smoother transition to more renewable generation in Queensland. With regard to CleanCo coming online, presently we have two generators and the use of Wivenhoe with three generators is going to be vastly different in that market and that is when Wivenhoe will come into its own. It is already being used. We have said that. Did it have a recent refurb, Deputy DG?

**Mr Barr:** Yes, a refurb as part of some of the preparedness plan.

**Dr LYNHAM:** It has been down for the refurb and with three generators in play we will be using Wivenhoe more fully. Wivenhoe is a fantastic asset. I am not surprised—nothing surprises me at all—with the opposition in terms of renewable energy to see now they are knocking every form of renewable energy here in Queensland.

**Mr HART:** We did not say that.

**CHAIR:** Before we go to the member for Noosa, one last question from the member.

**Dr LYNHAM:** Mr Chair, I have an answer to a question on notice if it may be of benefit to the committee.

**CHAIR:** Okay; we will go to that.

**Dr LYNHAM:** Swanbank E last ran on 22 June 2018.

**Mr HART:** A month ago.

**CHAIR:** Member for Burleigh.

**Mr HART:** Minister, you mentioned CleanCo as 1,000 megawatts of new renewable energy. My understanding is that renewable energy now is costing \$2 billion to \$3 billion to install. Where is that in the budget?

**Dr LYNHAM:** I thank the member for the question regarding CleanCo. CleanCo will be an important third generator for Queensland. As I said before, we are well ahead of the pack when it comes to ACCC recommendations in a number of areas.

**Mr Hart** interjected.

**CHAIR:** The minister will ignore that interjection.

**Dr LYNHAM:** Queensland's CleanCo will deliver the government's objectives for a clean energy future, affordable energy prices and growing investment in jobs, and the introduction of a third government owned generator.

**Mr HART:** We have already heard this. I want to know where the money is.

**CHAIR:** Point of order from the member for Burleigh. So you are saying that you do not find this relevant?

**Mr HART:** I have already heard this answer. The minister read this answer before. I would like to know where the money is in the budget.

**CHAIR:** The minister has heard the question and I am sure he is working towards his answer.

**Dr LYNHAM:** We have renewables projects in this state.

**Mr HART:** There is no money in the budget, is there?



**Dr LYNHAM:** We have Solar 150, renewables for—

**CHAIR:** One moment. Member for Burleigh, even though I am looking at the time, I have said you are close to a warning under standing order 185. I am not going to do that again. I will warn you next time. If the minister wants to wrap up his answer, that is fine.

**Dr LYNHAM:** Absolutely. With regard to CleanCo—and he is asking where does the money come from—there have been 25 recently operational or committed projects in Queensland requiring no state government financial assistance at all. If you have a quick flick through the annual reports for—

**Mr HART:** You will build it for nothing?

**CHAIR:** Member for Burleigh, you are—

**Mr HART:** You are going to build it for nothing! Seriously!

**CHAIR:** Member for Burleigh, I am giving you a warning.

**Dr LYNHAM:** If you have a look under—

**CHAIR:** Wait.

**Dr LYNHAM:** I will get to the answer—

**CHAIR:** Minister, wait one moment. I am giving you a warning under standing order 185.

**Mr HART:** Fine.

**CHAIR:** Thank you.

**Dr LYNHAM:** CleanCo, 1,000 megawatts of renewable energy before 2025. When the money will be spent, it will be in the budget. The operating model is in development and CleanCo will be—

**Mr MICKELBERG:** Next term? You probably will not be the minister.

**CHAIR:** Can we have no conversation across the table. Minister, do you have anything further to conclude?

**Dr LYNHAM:** The question is about CleanCo. The dollars are still for the builders. They are still in the process of setting it up. There is a committee of Treasury developed. It will be a commercial GOC.

**Mr HART:** Have you thought about the money, then?

**Dr LYNHAM:** It will be a commercial GOC and a commercial GOC will obviously have its assets—

**Mr HART:** You will have to borrow it.

**Ms BOLTON:** I refer to page 2 of the SDS regarding the interest-free loans for solar. Is there any intent to increase this initiative and include a means test in the criteria? Currently it is restricted to FTB recipients, which is for parents or carers of children under 13 years on one income, and it excludes other disadvantaged sectors, including our elderly, who need access to these loans.

**CHAIR:** Before the minister answers that, we are going to extend our sitting by 10 minutes.

**Dr LYNHAM:** I thank the member for the question. Currently, no consideration has been given to broadening the eligibility of the scheme. That is currently. The refinements that were made, which put in place the eligibility, were approved by me and the Premier. I expect further change will at least go through that process, or perhaps back to cabinet. The regulation would also need to be changed if the eligibility were to be changed. We are focusing on communications to ensure that awareness remains in the community about the solar loans scheme.

I am happy to discuss this further. I believe what you are saying has merit and I am happy to continue dialogue with this. It was specifically designed to target people most in need—those families on family tax package B with \$1,000 worth of electricity expenditure over the year at least. We are targeting families—high consumers—who need the energy.

The process has been taken up well. I think the first family to take this up was a family at Innisfail. The take-up has been going quite well. Obviously we have a budgetary constraint on the take-up, but if there is any scope to broaden the eligibility when we reach the end of the program I will be sitting down with you and we will be discussing it in further detail.

**CHAIR:** We are going to take two brief questions from government members.

**Mr MADDEN:** Minister, with reference to page 8 of the Service Delivery Statements, which outlines the 2018-19 service area and policy input into the Council of Australian Governments Energy Council, will the minister outline what the AEMO Integrated System Plan, launched on 17 July, means for Queensland?

**Dr LYNHAM:** I thank the member for the question. I am sure the member knows that the interconnection to the National Electricity Market brings considerable benefits to Queensland in terms of security of supply, efficiency and export value. There are two interconnectors between Queensland and New South Wales: the Terranora interconnector, with a nominal capacity of 210 megawatts to New South Wales and 107 megawatts from New South Wales; and the Queensland-New South Wales interconnector, with a nominal capacity of 1,078 megawatts to New South Wales and 300 to 600 megawatts back from New South Wales.

The physical connection to the southern states allows Queensland to access supply from New South Wales at peak demand times and vice versa. It is important to note that the interconnector flows in a southerly direction 92 per cent of the time due to Queensland's secure supply and poor planning decisions in privatised southern systems which led to events such as the closure of the Liddell power station. When we talk about export revenue from the last financial year alone, the interconnector provided \$400 million worth of revenue to Queensland's electricity generators. The ability to export excess electricity south allows Queensland's coal-fired and renewable electricity generating plants to run more efficiently and remain economically viable by constantly supplying demand across both regions rather than having to adjust output up and down with Queensland's demand cycle.

This is why the Palaszczuk government, through the Powering Queensland Plan announced in June last year, is investigating potential options to upgrade the current Queensland-New South Wales interconnector to increase its import and export capacity. Powerlink is leading the work, which is also connected to the broader national transmission considerations taking place led by the Australian Energy Market Operator, which recently released its Integrated System Plan.

I have already had the opportunity to inquire of Minister Frydenberg as to the Commonwealth's planned response to the AEMO recommendations and know that further discussions will take place with the minister. This is a national conversation about strengthening the National Electricity Market. As it is with gas for domestic use, it is Queensland that is doing the heavy lifting. Access to these southern markets enhances the commercial viability of Queensland generators, including coal-fired power stations as well as—and this is for the benefit of the member for Burleigh—the pipeline of renewable energy investments in our state driven by the Palaszczuk government's 50 per cent renewable energy target. This government has economic aspirations to develop Queensland as the powerhouse of the nation. We are doing the heavy lifting now and all we hear from those opposite is negativity.

**Mr HART:** If only you had the money to pay for it.

**CHAIR:** Member for Burleigh, you are on a warning. I am quite happy to let you take a walk for the last few minutes, if you like. Let the minister finish.

**Dr LYNHAM:** As I said before, this is a matter of significance to Queensland. I look forward to updating the House as to developments.

**Ms PUGH:** Minister, front of mind for many residents in the Mount Ommaney electorate is, of course, cost-of-living pressures. My electorate has a lot of young families and a lot of seniors. Will the minister inform the committee what policies the Palaszczuk government has to lower electricity prices in Queensland? Would this be as successful compared to other policies of which the minister may be aware? If it helps, I refer to page 8 of the SDS.

**Dr LYNHAM:** I thank the member for the question. There are three important things—to know about electricity prices in the state. I will not specifically mention anything about the price increase under the LNP government, because I know they will jump—

**Mr HART:** It would be great if you could prove it. If you could actually prove it, it would be fantastic.

**Dr LYNHAM:** They will jump with an objection there. I will not mention it.

**Mr HART:** Try proving it.

**CHAIR:** The minister will continue.

**Dr LYNHAM:** Prices are going down under the Palaszczuk government and the Palaszczuk government has retained control of the state's electricity assets. These are very simple facts and they emphasise the stark divide—

**Mr HART:** Wholesale prices are up.

**Dr LYNHAM:**—between the LNP and this government. We own our assets. They would have sold the assets. Downward pressure on power prices—

**Mr MICKELBERG:** \$83 billion of debt.

**Dr LYNHAM:** Increases in power prices—

**Mr HART:** According to you we already sold it.

**CHAIR:** Members, stop.

**Mr HART:** According to you, on ABC Radio last week, we have already sold it.

**CHAIR:** Members will cease their interjections. I appreciate your eagerness on this, but let us let the minister finish the answer.

**Dr LYNHAM:** They had some sort of record in their term about rising electricity prices under their proposals. We heard from the LNP—

**Mr HART:** What was the number? Repeat it again?

**Dr LYNHAM:** I think all they are after is another record when they next get into government. The Palaszczuk government is lowering electricity prices in this state. We have acted to reduce wholesale electricity prices.

**Mr WEIR:** Point of order.

**CHAIR:** One moment, Minister. We have a point of order.

**Mr WEIR:** I think the minister is being very provocative in his statements. If he can come back to relevance to the question, it would be great.

**Mr HART:** The government—

**CHAIR:** Excuse me, I am taking a point of order from the member for Condamine. I certainly encourage the minister to move towards a conclusion.

**Dr LYNHAM:** The Palaszczuk government has acted to reduce wholesale electricity prices in this state. We directed Stanwell on its bidding strategy and brought Swanbank E back on line to reduce price volatility and increase security of supply. These measures have had very specific impacts on the wholesale price. We have also acted to impact the retail price through the asset ownership dividend and removed the impact of the Solar Bonus Scheme on consumer bills.

**Mr HART:** It is a money-go-round.

**Dr LYNHAM:** In the longer term, we are working towards the establishment of CleanCo and the Renewables 400 project.

**Mr HART:** There is no money.

**Dr LYNHAM:** Of course, there has been a torrent of advice from a number of sources—for instance, advice such as writing down the value of assets in the regulated asset base. This will leave the state without a revenue stream to meet the debt associated with the assets.

**Mr HART:** Or less tax.

**Dr LYNHAM:** In the longer term, it can impact on credit ratings and the cost of borrowings. I note that many of the advocates of asset writedowns followed the advice with the recommendation of privatisation. The two studies—the ACCC study and the Grattan Institute study—said that we should have a recommended asset base writedown. There was a kneejerk reaction. The thought bubble went up from the LNP. Up went the flag—‘We’ll do whatever.’ The next paragraph in both of those reports is very interesting.

**Mr HART:** Are you just making this stuff up as you go?

**CHAIR:** Thank you, member for Burleigh.

**Dr LYNHAM:** All they are interested in is the privatisation of our assets—that is all they are doing—or building a new coal-fired power station.

**CHAIR:** Thank you, Minister. Does that conclude your answer?

**Dr LYNHAM:** I want to finish by saying that only the Palaszczuk government has a credible energy policy and a consistent energy policy. Their renewable energy policy lasted a month.

**CHAIR:** Thank you, Minister. The time allocated for the consideration of the estimates of expenditure in the portfolio of the Minister for Natural Resources, Mines and Energy has expired. Minister, I note that we had two questions on notice during this session. One was from the member for Bundaberg on the issue of SunWater and the cost of tariffs. The second one was on pay rates of consultants in Energy Queensland.

**Dr LYNHAM:** I have some details for you. On the SunWater cost of tariffs, 97 out of the 243 metered sites across Queensland are on transitional tariffs that end in June 2020. SunWater will work with the relevant power entities to negotiate tariff rates, as it does for all tariff renegotiations, to determine the best rates for customers. The QCA price path will determine the relevant efficient power costs and associated CSO in accordance with the government direction notice for the next price path, which includes the consideration of these tariffs. Accordingly, it is too early at this time to determine what the price for water, including power costs, will be for the next price path. It will be part of the role of the QCA review.

**CHAIR:** Thank you very much. That leaves one question on notice about rates of pay for consultants. Do you want to take that on notice?

**Dr LYNHAM:** We will take that on notice.

**CHAIR:** The answer to the one question taken on notice will be provided to the committee secretariat by 5 pm on Friday, 27 July. We have the outstanding issue of the letter. We are going to have a quick private meeting to consider the material in this letter provided by the member for Burdekin. We will communicate with you later this week about that. Minister, would you like to make a very brief closing statement?

**Dr LYNHAM:** Thank you, Mr Chair. I would like to thank the members of the committee for this estimates process. I would like to thank the members of the government, the members of the opposition and the members of the crossbench. I thank you sincerely for the opportunity to be here tonight. I would also like to thank my staff, who have done, as you are well aware, a considerable amount of work. I would particularly like to thank the fine staff of the department and the GOCs who are with me here tonight and who have also assisted me in the preparation for estimates. I thank them all very sincerely.

**CHAIR:** I thank you, Minister, Director-General, executives and departmental officers for your attendance. I thank the members of the committee and visiting members who attended the hearing. I thank Hansard and the secretariat staff. I thank those in the public gallery and everyone who assisted today. I declare the hearing closed.

**The committee adjourned at 7.13 pm.**