PALASZCZUK'S SECOND YEAR

AN OVERVIEW OF 2016



ANN SCOTT
HOWARD GUILLE
ROGER SCOTT

with cartoons by **SEAN LEAHY**





Foreword

This publication¹ is the fifth in a series of Queensland political chronicles published by the TJRyan Foundation since 2012. The first two focussed on Parliament.² They were written after the Liberal National Party had won a landslide victory and the Australian Labor Party was left with a tiny minority, led by Annastacia Palaszczuk.

The third, *Queensland 2014: Political Battleground*,³ published in January 2015, was completed shortly before the LNP lost office in January 2015. In it we used military metaphors and the language which typified the final year of the Newman Government.

The fourth, *Palaszczuk's First Year: a Political Juggling Act*,⁴ covered the first year of the ALP minority government. The book had a cartoon by Sean Leahy on its cover which used circus metaphors to portray 2015 as a year of political balancing acts. It focussed on a single year, starting with the accession to power of the Palaszczuk Government in mid-February 2015.

Given the parochial focus of our books we draw on a limited range of sources. The TJRyan Foundation website provides a repository for online sources including our own Research Reports on a range of Queensland policy areas, and papers catalogued by policy topic, as well as Queensland political history.⁵ A number of these reports give the historical background to the current study, particularly the anthology of contributions *The Newman Years: Rise, Decline and Fall.*⁶

Electronic links have been provided to open online sources, notably the *ABC News*, *Brisbane Times*, *The Guardian*, and *The Conversation*. Any sources that are behind paywalls, such as the *Courier-Mail*, are given traditional citations.

The TJRyan Foundation is grateful to Sean Leahy for, once again, giving us permission to reproduce cartoons that first appeared in the *Courier-Mail*. Mr Leahy maintains his own online archive of his cartoons.⁷

Drafts of this publication were read by various members of the TJRyan Foundation. I am grateful for their insights and advice. However, the authors take full responsibility for the opinions expressed.

We are most grateful to Dr Chris Salisbury, who is succeeding Ann Scott as Executive Editor, for his keen editing eye and close knowledge of Queensland political history.

Roger Scott

February 2017

¹ An electronic version of this book will be made available at: <u>TJRyanFoundation.org.au</u>.

² Scott R and Scott A, <u>Parliament under Campbell Newman 2012-2013</u> 2013; Scott R, <u>Parliament under Campbell Newman 2014</u>, 2014.

³ 'Queensland 2014: Political Battleground, TJRyan Foundation, May 2015.

⁴ Palaszczuk's First Year: a political juggling act, TJRyan Foundation, May 2016.

⁵ TJRyan Foundation website

⁶ Scott A (ed) <u>The Newman Years: Rise, Decline and Fall</u>, February 2016.

⁷ Sean Leahy cartoon archive

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INTRODUCTION

In Part 1 of *Palaszczuk's Second Year: An overview of 2016*, 'Jobs now and jobs for the future', Howard Guille focuses on the major current challenges for executive government, the budget, infrastructure planning and job creation. The capacity and accountability of politicians and the public service are an undercurrent of much that is happening in Queensland. The Queensland Government (like most Western governments) has less influence over the economy as a result of deregulation, privatisation, commercialisation and competition policy. Economic analysis is a tool in the assessment of infrastructure spending and the approval of mining and other projects. While justified as informing 'rational' decision-making this reduces the political discretion of politicians and is a mixed blessing – it might reduce the risks of calamitous folly but requires trust in the theory and practice of the analysis.

In Part 2, 'Executive Government' we examine the machinery of government and the public service. Like last year, we have not attempted to cover all aspects of public policy. Instead, we concentrate again on the areas which absorb the bulk of direct public expenditure – health, education and the criminal justice system.

In Part 3, 'Politicians and parties' as in previous years, we provide an overview of the Government's performance in what remains a finely-balanced Parliament, and examine the policies, personalities, institutions and events that shaped that performance. We have not aimed at major theoretical insights although others may find an evidence base here for such an analysis. In a year when the outcome of elections outside Queensland has been shaped by prejudices dressed up as rationality and justified with 'alternative facts', our study may help provide a framework for truthful discussion. As we adjust to the seismic shifts that took place in 2016, in the political environment both at home and overseas, and move into this new and turbulent world, the institutions concerned with the democratic aspects of accountability are coming increasingly under pressure. The turbulence is likely to increase as another State election looms on the horizon, particularly within the major political parties.

Finally, we have included two case studies. In the first 'Reaping the whirlwind' Howard Guille and Ann Scott consider the background to problems that beset Queensland Rail in the second half of 2016: the history and impact of successive governments' policy failures. In it they question of ministerial accountability in a corporatised environment.

In the second, 'Coal in a warming world', Howard Guille examines the processes of decision-making, especially the role of the courts, over coal mining approvals. This also raises important issues of public accountability. All levels of government in Queensland, and many interest groups, are challenged by the deeply divided underlying conflicts between the mining industry and environmental protection.

PART 1: JOBS NOW AND JOBS FOR THE FUTURE¹

'THIS BUDGET IS ABOUT GETTING THE BALANCE RIGHT'2

The motif of the Palaszczuk Government is jobs; often in triplicate. The 2015 Budget phrased this as 'jobs now and jobs for the future'. The 2016 Budget was 'at its core about one thing, jobs'. Queensland Treasurer, Curtis Pitt, has linked jobs growth to economic growth saying, for example, that the 2016 Budget will 'drive economic growth across all parts of Queensland'. Federal Treasurer, Scott Morrison also put jobs and growth together in his May Federal Budget. Indeed the phrase 'jobs and growth' became the Liberal Party slogan in the 2016 Federal election.

The Queensland ALP and Federal Coalition governments both used slogans that associated employment growth with economic growth. The link is much less obvious than it sounds and little agreement exists about whether governments can better promote growth by active Keynesian-type spending interventions or by neo-liberal inspired expenditure cuts and withdrawal into smaller government. The Federal Government seems to be in the latter camp with its key policy of cutting expenditure and corporate taxes. A number of commentators have portrayed this as the return of Arthur Laffer and Reaganite 'trickle-down economics'.⁵ The Queensland ALP State Government edges towards a more interventionist approach. Curtis Pitt advocates 'balancing sustainable fiscal management with the delivery of vital services and supporting the transition to a more diversified economy'.⁶ As used for the title of this chapter, 'This Budget is about getting the balance right'.

Curtis Pitt is talking about the fiscal balance - essentially an economic and budgetary question. The hard(er) political questions are about the balances between ecological sustainability, climate change and 'growth'. In 2016, these have crystallised about whether mining, especially the Adani mine in Central Queensland, is an economic saviour or an environmental disaster in the making, not least for the Great Barrier Reef. The Queensland Government has avoided a clear position on this. It has concentrated on the need for jobs especially in regional Queensland and, and usually separately, claimed it is enhancing protections for the Reef.

Labor's emphasis on jobs is explicable since the jobs situation is grim particularly in parts of regional Queensland. The Queensland-wide unemployment rate is bumping along around 6.0 per cent. The economy is sluggish. Participation and employment rates are at long-run lows. The jobs gap between South-East Queensland and the Rest of Queensland has widened. There are also disaster areas. For example, 12,000 jobs were lost in the Townsville area in the year to October 2016. 4,800 jobs of young people were lost in Cairns over the same period. These are seriously bad numbers that deservedly concentrate the mind. Even so, Queensland as a whole is no worse-off than Australia as a whole and the State Government can legitimately claim that the number of jobs has increased in 2015-16, unlike under its predecessor LNP Government.

Budgets are political and economic statements; this was even more so in 2016 since the Queensland Treasurer gave the budget speech on 14 June 2016 half-way through the eight week campaign for the Federal election of 2 July. Jobs was the refrain for Treasurer Scott Morrison in the May Federal Budget and in the Liberal Party's election slogan of 'jobs and growth'. The Federal Budget emphasised a 'National Economic Plan for Jobs and Growth' based on 'investment, facilitating innovation and providing vital infrastructure'. Curtis Pitt's Queensland Budget also had a clear economic plan and was about 'Job creating innovation, investment and infrastructure'.

¹ Author: Howard Guille.

² Queensland Budget 2016-17 Budget Speech, <u>Budget Strategy and Outlook: Budget Paper No.1</u>

³ Queensland Budget 2016-17 Budget Speech, <u>Budget Strategy and Outlook: Budget Paper No.1</u>

⁴ Queensland Budget 2016-17 Budget Speech, <u>Budget Strategy and Outlook: Budget Paper No.1</u>

⁵ See for example, Mike Seccombe, 'Reagan 'voodoo economics' at the heart of Scott Morrison's budget', *The Saturday Paper*, 7.5.16.

⁶ Queensland Budget 2016-17 Budget Speech, <u>Budget Strategy and Outlook: Budget Paper No.1</u>

⁷ Federal Government Budget 2016-17 website: 'Jobs and Growth'.

The use by the Federal and Queensland governments of an identical vocabulary of jobs, growth, infrastructure and innovation shows either a poverty of imagination or a lack of attention by the *spinmeisters*. Both the State and the Federal governments (and by extension the Coalition and the ALP) pledge themselves to 'jobs'. It is a shorthand for their vision of plenty, or more prosaically, 'transitioning to a post-mining boom economy'. Platitudes and tautologies abound of which the following is not atypical. It is tempting to run a sweepstake about which political party was responsible.

Our policy is designed to deliver better jobs and greater opportunities - in short a more prosperous and secure future for them and their children and grandchildren. And above all one that is fair both to those who want to get ahead and those who, for whatever reason, are not able to do so.⁹

Everything is there – jobs, opportunities, security, prosperity and fairness.

Jobs are important to voters and citizens. Liberal party pollster and strategist, Mark Textor, confirmed the importance telling a chastened Coalition after the Federal election that focus group research showed 'the primacy of jobs' as an issue. ¹⁰ But policies are required as well as slogans. There is no longer an automatic relationship that unemployment will fall as gross national product increases. Nor does economic growth benefit everyone - the discredited idea that 'a rising tide lifts all boats'. ¹¹ The security of work and income, contingent employment, and the effect of gender and skill levels are as important as aggregate levels of unemployment and employment. Technological and organisation change also need consideration including automation, contract employment and the 'sharing economy' such as Uber. The starting point is the Queensland economy in 2016.

The Queensland economy in 2016

The Queensland Treasury was more pessimistic about the State economy in the 2016 Budget than it was in 2015.¹² Treasury has reduced expected growth by 1.6 percentage points over the four years to 2018-19. This amounts to a reduction of more than a quarter in the projected compound growth rate.¹³ The biggest single statistical effect is for 2014-15 – the last half year of the Newman Government and the first half year of the Palaszczuk one - the growth measured was 0.8 per cent against the estimated rate of 2.0 per cent used in the 2015 Budget.¹⁴

Employment growth is also estimated to be slower. In the 2015 Budget, the compound growth in employment for the five years 2014/15 to 2018/19 was estimated at 8.0 per cent. The 2016 estimates this at 4.6 per cent. Even with lower projected employment growth, the 2016 Budget forecasts that unemployment rates in each year to 2018/19 will be 0.25 percentage points lower than forecast in 2015. This is counter-intuitive; it seems to indicate the population growth rate and, perhaps, the employment participation rates, will both be lower.

Over the last ten years, Queensland has, with Western Australia, gone from one of the two States with the highest rate of total and per capita economic growth to having the lowest. The Global Financial Crisis and lower capital spending in coal and gas at the end of the resources boom are the usual reasons given for the lower growth in Queensland. This is too simple and population change is also a factor. Gross State Product (GSP) per capita fell in Queensland in four of the ten

⁸ For example, see 'spokesman for Curtis Pitt' in Mitchell-Whittington A, '<u>Three million Queenslanders living in recession, research finds</u>', *Brisbane Times*, 30.11.16.

⁹ Turnbull M, 'Rebuilding Foundations for Reform', speech, 5.11.15.

¹⁰ Greg Jennett, 'Election 2016: Coalition's 'jobs and growth' campaign criticised by surviving MPs', ABC, 18.7.16.

¹¹ Okun's law was a victim of the GFC; see for example, '<u>The Changing Link Between Economic Growth and Jobs</u>', American Institute for Economic Research, 12.7.16.

¹² Budget papers 2015 & 2016. The 2015 Budget but not the 2016 Budget includes a number for 2013-14. Likewise the 2016 Budget but not the 2015 Budget includes a figure for 2019-20.

¹³ Down from 21.7 per cent compound growth to 15.7 per cent.

¹⁴ Because of the timing of statistics, Budget forecasters have to use estimates for the current year. The 2015 Budget used an estimated economic growth rate of 2.0 per cent for 2014-15. The measured growth for 2014-15, available in the 2016 Budget papers, was 0.8 per cent.

years to 2015-16 despite the very high total growth. In comparison, it increased in nine out of the ten years for the whole of Australia, even though total GSP growth was substantially lower.

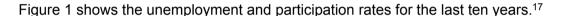
Population growth has been high in Queensland.¹⁵ However, it has slowed in recent years and in 2015-16, the most recent year for which statistics are available, it fell back to the national level; it was 1.4 per cent in Queensland and the whole of Australia. The growth rate was highest in Victoria at 2.0 per cent.¹⁶

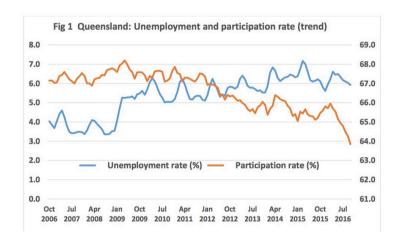
Mining promotes economic growth but it also promotes population growth. Population growth consumes some of the proceeds of the economic growth. For example, the costs of housing and infrastructure for a bigger population have to be met out of the proceeds of the boom – notably through public spending. Moreover, the larger population means that when the boom is over, employment issues will be bigger than if the growth had not occurred. This will also need public spending. In all, another way in which mining booms are mixed blessings.

Employment and unemployment in Queensland

Population growth and economic growth separately affect the levels of employment and unemployment. At the simplest, if the population of working age grows faster than the economy, unemployment will increase; the converse occurs if the economy grows faster than population. However, productivity and the readiness of people to participate in work are complicating factors.

The intricacies are part of what has become a Queensland jobs story with stark regional and local differences.





Unemployment has gone from 4.0 per cent in October 2006 to 5.9 per cent in October 2016. The participation rate has gone from 67.1 per cent to 63.8 per cent. Both measures show a deterioration in the labour market. More people are unemployed – that is out of work and actively seeking work; more people of working age are outside the labour market.

These are the product of short shocks; the unemployment rate went up 2.7 percentage points in 2009 – the impact of the Global financial crisis; it went up another 1.3 percentage points in 2014 mainly as a result of the Newman Government cutbacks. The participation rate was fairly steady (as shown by the flat graph line) from 2006 to 2011. From 2011 to 2015 the participation rate fell

¹⁵ 'Queensland's average annual [population] growth rate over the 10 years to 30 June 2015 was 2.0 per cent, above the Australian average of 1.7 per cent and surpassed only by Western Australia [2.6 per cent]. Peak annual growth in Queensland during this time occurred in the years to 30 June 2007, 2008 and 2009 [2.6 per cent]. The relatively high rate of population growth in these states over this period can be partly attributed to the influence of the resources industry', Queensland Treasury, Population growth highlights and trends, Queensland, 2016 edition. (My insertion in brackets).

¹⁶ Queensland Government Statistician's Office Population growth, Queensland, June quarter 2016.

¹⁷ For a glossary of the terms used in labour force statistics see '6202-0. Labour Force Australia', December 2016.

gradually by 2.0 percentage points overall. There has been a sharp fall of a further 2.0 percentage points in 2016.

The trajectory of the Queensland unemployment is generally the same as for Australia as a whole. The Treasurer, Curtis Pitt said, on the release of the ABS statistics for September 2016, that 'an upturn in the Queensland economy and the Palaszczuk Government's economic plan are setting the right climate for improving labour market conditions'. Yet, the similarity of the pattern in the national and the state unemployment rate suggests that while the ALP Government can say unemployment in Queensland is better than it was, it is not 'all its own work'.

The most recent statistics at the time of writing are for November 2016. There are some small differences in the main aggregates between Queensland and Australia as a whole.

Table 1 Major Labour Market Indicators November 2016				
Trend values (per cent)	Australia	Queensland		
Employment rate	60.9	60.1		
Unemployment rate	5.6	6.0		
Participation rate	64.5	63.9		
Underemployment	9.0	8.9		
Underutilisation rate	14.2	14.1		
Source ABS 6202.0 Labour Force Australia (trend rates)				

The employment rate in Queensland is slightly lower than the national level; the unemployment rate a little higher and the participation rate slightly lower. The underutilisation rate is almost the same.²⁰

The main conclusion from the table is not that Queensland is deviating from Australia but the sheer level of underutilisation. One in seven of the Australian labour force is *not working as much as they want.* The situation is marginally worse for women than for men; the underutilisation rate for women in Queensland is 15.3 per cent compared with 13.1 per cent for men.²¹

The overall summary is:

- A serious level of underutilisation of the labour force
- The unemployment rate in Queensland is falling but is higher than the national rate
- The participation rate is falling showing people are withdrawing from the labour market

The Australian economy is in the doldrums – resource industries have gone from boom to bust and, so far there is no adequate compensating improvement in other parts of the economy except in residential and investment housing. The Commonwealth Government's 'jobs and growth' is based on corporate tax cuts which are to occur at the same time as reductions in public expenditure directed at bringing debt and deficit 'under control'. This makes it even harder for the Queensland Government not least because, as a State government, it has a lesser suite of policy measures than the Commonwealth.

¹⁸ 'Jobless rate proof of economic plan benefits', My Sunshine Coast, 20.10.16.

¹⁹ Nonetheless there are some particular Queensland factors – unemployment increases faster in Queensland and tends to go deeper. This occurred in each of March 2014, March 2015 and March 2016. It suggests the Queensland economy is more susceptible to external shifts- whether greater exposure to mining, drought or closure of a large enterprise such as Queensland Nickel.

²⁰ ABS, 'Labour Underutilisation: More than unemployment', 6105.0 - Australian Labour Market Statistics, Jan 2011.

²¹ The gap is even higher nationally; 16.2 per cent for women and 12.4 per cent for men.

The Queensland jobs story is also distinctly local and regional. Figure 2 shows the unemployment rate for the ten years to October 2016 for South-East Queensland²² and the Rest of Queensland.²³ In October 2016 it had a working age population (that is over 15 years) of 2.185 million. The Rest of Queensland had a working age population of 679,000.

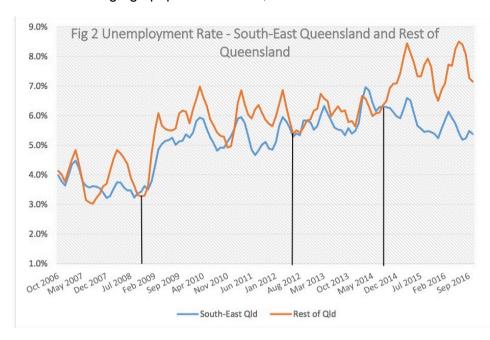


Figure 2 can be divided into three periods, indicated by the three vertical lines, at which the unemployment rate was the same across the entire state. From 2006 to 2008, the unemployment rate in SE Queensland and the Rest of Queensland was generally in the range 3.5 to 4.5 per cent and slightly lower in the South-East. The rate jumped sharply at the end of 2008 and early 2009 in both areas but went higher outside the South-East. The rates came together from mid-2012 to mid-2014. In the last two years, the rate of unemployment outside the South-East has been 2 to 3 percentage points higher than in the South-East; moreover the gap between the two areas has been widening.

The long-run employment rate for the South-East and the Rest of Queensland has similar patterns. Figure 3 shows that the divergence in the employment rates between the South-East and the Rest of Queensland starts at the end of 2012 compared to mid-2014 for the divergence in unemployment rates. As can be seen by the two graph lines, the employment rate was the same (62.5 per cent) at the end of 2012; by October 2016, the employment rate outside the South-East was five percentage points lower than for the South-East.

²² For these purposes South-East Queensland is the statistical areas of Greater-Brisbane (Brisbane City, Moreton, Logan-Beaudesert and Ipswich) plus the Gold and Sunshine Coasts. Note the ABS has stated to use the category 'Greater Brisbane' which does not include the Gold and Sunshine Coasts.

²³ The original data is in <u>ABS Cat. 6291.0.55.001</u>. This is the basis of <u>Conus Trend series for QLD</u> regional labour force data.



Estimates of the economic loss

These are very substantial differences. One way of demonstrating the effect is to calculate what is needed to equate the employment rate. At October 2016:

- 62,000 more people would be employed in the Rest of Queensland if the employment rate was at the same as in the South-East.
- 131,000 less people would be employed in South-East Queensland if the employment rate was the same as in the rest of the State.

The employment rate outside the South-East has been falling consistently over four years and is a substantial loss to the economy. In 2015-16 alone, the five percentage points lower employment rate represented an estimated loss of \$9.3 billion from the Gross State Product; or 3.2 percentage points of economic growth.²⁴ This is almost equal to the total capital spending in the State Budget.

These numbers go some way to showing the scale of the 'jobs issue'. They are not contrived - four years ago the employment rate was the same across the state and more or less the same as that in South-East Queensland in October 2016. Two questions are pertinent; they are, in part, the converse of each other.

- How to prevent the employment rate falling in South-East Queensland
- How to increase the employment rate outside South-East Queensland

Job issues in local areas

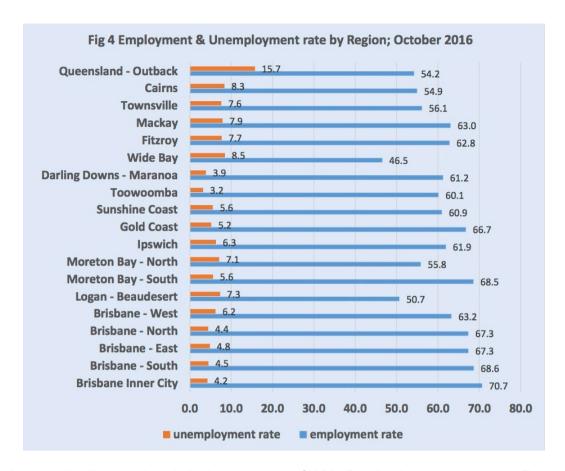
Matters are even more complicated than shown by a SEQ - Regional Queensland comparison and the most distinctive feature is how much things differ across the state For example, in the year to October 2016, the number of unemployed increased in Brisbane-South but fell in Brisbane-West; fell in Logan but increased in Ipswich; fell in Cairns, increased in Townsville but fell in Mackay and Fitzroy. This suggests that the end of the mining boom is not the only part of the 'jobs story'.²⁵

Figure 4 shows the unemployment rate and the employment rate for each of the Queensland statistical areas (SA4) at October 2016.²⁶

²⁴ The estimates are made using average weekly earnings and the compensation of employees from the State Accounts. They are an under-estimate to the extent that the employee compensation figures in the GDP & GSP calculations do not include work done through contracts and sub-contracts.

²⁵ See the tabulation at <u>Labour Market Information Portal (LMIP)</u>.

²⁶ Graph drawn from SA4 data at Labour Market Information Portal (LMIP). Data is also available for each LGA.



Unemployment in all coastal statistical areas north of Wide Bay is above 7.6 per cent. Employment rates in Cairns and Townsville are very low and only in the mid-50 per cents. Four of the five statistical areas in Brisbane have unemployment rates around 4.5 per cent (just under half the northern areas of the state) and employment rates in the high 60 per cents (12 percentage points or nearly a quarter higher than Cairns and Townsville). But not all the South-East is so fortunate – Ipswich has an unemployment rate of 6.3 per cent and a 61.9 per cent employment rate and Logan-Beaudesert has an unemployment rate of 7.3 per cent combined with a very low employment rate of 50.7 per cent. The 'jobs story' is both a north versus south one and disadvantaged areas against advantaged ones. Yet this is still not the entire story. There are further differences within what might at first seem to be areas in similar circumstances. Cairns and Townsville are a case in point. In sum:

- Employment was virtually *static* in Cairns but <u>fell</u> in Townsville.
- In Townsville employment *fell* among those aged 25-44 and over 45 but <u>increased</u> among the 15-24 year olds.
- In Cairns employment *increased* among those aged 25-44 and over 45 but *fell* among the 15-24 year olds.

The Townsville situation started in 2014; it was described by then LNP Minister David Crisafulli as 'a "perfect storm", with numerous industries suffering a slowdown at the same time'.²⁷ Consulting company, Conus summarised the situation in September 2016:

The employment situation in *Townsville appears to be going from bad to worse with only slightly more than half of the working aged population actually in work.*²⁸

²⁷ Horn A, 'Townsville jobs disappear amid 'perfect storm' of economic problems', ABC, 19.9.14.

²⁸ 'Regional jobs - improvement for Cairns but worse for Townsville', 22.9.16. (emphasis original).

Aboriginal people within the Townsville area are even worse off, as demonstrated by Ian Neville at a Townsville Priority Employment Area (PEA) forum.²⁹ His summary, using 2001 Census data, is chilling:

- The unemployment rate for Indigenous residents in Townsville PEA was 19.9 per cent, compared with 4.5 per cent for non-Indigenous residents.
- The participation rate for Indigenous residents was also low in the Townsville PEA (55 per cent) when compared with non-Indigenous population (81 per cent).³⁰

The big difference for Aboriginal people is that they face severe employment disadvantage not just in Townsville but throughout Queensland. The statistics for Townsville in 2011 were almost identical to the state-wide ones. It is very likely that, in 2016, the Aboriginal employment situation in Townsville combines the State disadvantage with the overall collapse of employment in the local area.

The double burden on Queensland

The 'jobs-story' is multi-layered with three main aspects. One is the short-term collapse of employment in particular places such as Townsville and among particular groups such as young people. This usually has a direct and finite cause such as the end of the mining boom, industry downturn such as tourism or closure of a large plant or business. The second aspect is long-run low employment such as in Ipswich, Logan-Beaudesert and Wide Bay. This is usually a combination of the permanent decline of an industry, for example railway workshops and underground mining in Ipswich and structural disadvantage. The third aspect is enduring low employment such as that inflicted on Aboriginal people.

Policy and employment

Employment issues need a mix of policies. While dealing with a situation like Townsville is different to encouraging long-run employment, the starting point for both is to acknowledge that State and, indeed, local governments can realistically aspire to affect the employment situation in their jurisdictions. Employment policy is about 'thinking locally and acting locally' and about 'thinking nationally and acting nationally'. The current sluggish national and state economy justifies public spending and traditional Keynesian stimulus. Ian McAuley's comments in December 2016 about the Australian economy are very apt:

In a situation where private investment is falling we might expect an economically responsible government to step in with public investment. Economists of both 'left' and 'right' persuasion, and from conservative institutions such as the OECD and IMF, are urging governments³¹ to turn away from 'austerity' and to stimulate growth.³²

The Federal Government is far from being wholehearted about stimulating growth.

The Palaszczuk Government's efforts to stimulate employment are hampered by the Federal Government's goal of bringing its budget into surplus through expenditure restraint. The Commonwealth's approach puts a double burden on the State. For example, the Federal Government's controls on welfare and social spending have the worst impacts on structurally disadvantaged areas like Logan-Beaudesert and Ipswich. Not only has the State Government to try to bring these areas up to the State level of employment, it has also to offset effects of Federal austerity. In places like Townsville, the double burden is to counter the absence of Federal spending and demand stimulation while doing the best it can to address the local factors that have led to job losses.

Depending on the particular statistics, employment in the Townsville area in late 2016 is some 12,500 less than it was a year earlier. This is around one-eighth of the total employment. It needs

²⁹ Data from slides provided by Neville I, <u>Townsville Priority Employment Area Presentation</u>, 2013.

³⁰ Data from slides provided by Neville I, Townsville Priority Employment Area Presentation, 2013.

³¹ Gittings R, 'Global leaders change direction while we play games', Sydney Morning Herald, 26.9.16.

³² McAuley I, 'No Dollars, No Sense: A Government Beholden To 'Economic Morons', New Matilda, 12.12.16.

immediate action to put income into the local economy. It might also be possible to give direct assistance to local industries through subsidies or, more likely, increasing public sector purchasing of the products. However such assistance is more difficult for export industries, including tourism.

Government spending on projects – roads, facilities, hospitals and schools- is the most feasible immediate action. The Queensland Government enhanced its Regional Jobs program; 'Almost half of the \$10.7 billion capital works program, \$4.9 earmarked for regional projects to help get contracts for local firms'. ³³ The 2016 State Budget fine-tuned the scheme with the *Back to Work Regional Employment Package* 'to directly fund getting around 8,000 regional Queenslanders Back to Work'. This is supported by the State Infrastructure Fund with \$180 million towards the *Significant Regional Infrastructure Projects Program.* Projects include a new paediatrics wing at Townsville Hospital, and bridges and road works at Cairns, Rockhampton, Bundaberg, Mackay and Mount Isa.³⁴

The Government received some good fortune in the Mid Year Fiscal and Economic Review (MYFER). In particular:

A temporary surge in coal prices is providing additional support to the Budget position in the near term, with royalties contributing to a projected net operating surplus of just over \$2 billion in 2016-17.35

This better than expected surplus gives the Government some 'one-off' extra funding that can be directed at the regional job situation. Part of this has been allocated for new support including a \$200 million Jobs and Regional Growth Package and a \$200 million two-year Works for Queensland infrastructure projects for local governments.³⁶

Even so, the economy remains sluggish. On one hand, State economic growth is improving mainly because of LNG exports so that 'Queensland is expected to have the fastest growing state economy in 2016-17 and 2017-18'. However, 'the less labour intensive LNG exports' mean this will not translate into income and employment.³⁷ This is a continuing problem with capital intensive resource industries; they produce exports and some (though arguably insufficient) royalties to the State but limited employment.

Looking to the longer-term, much is made of the 'post-mining economy'. Treasurer Curtis Pitt says 'the government was now focused on transitioning the state to a post-mining boom economy'.³⁸ However, orthodox market economists think little intervention is needed and there will be a seamless transition. Ian Harper of Deloittes, fresh from a review of competition policy, said in 2013:

Queensland's economy wasn't facing a major slump but was instead travelling through a period of transition as mining shifts from construction into production and exports; non-resource industries would sustain the growth rate.³⁹

In other words, leave it to the market.

Environmental and social progressives almost wish the employment problem away by emphasising that the contribution of mining to jobs is over-egged. In 2016, The Australia Institute, recognised that 'Regional unemployment remains the greatest jobs growth challenge for Queensland' but said mining in Queensland was not as important as it (mining) claimed.⁴⁰ Its solution, given the presumption that mining was not important, was to ask for more research – 'the first step is to

³³ Queensland Budget 2016-17 Budget Speech, Budget Strategy and Outlook: Budget Paper No.1

³⁴ Queensland Budget 2016-17 Budget Speech, Budget Strategy and Outlook: Budget Paper No.1

³⁵ Queensland Budget 2016-17 Mid Year Fiscal and Economic Review.

³⁶ Revised \$2 billion surplus for 2016-17 – largest in a decade, Media Statement, 13.12.16.

³⁷ Queensland Budget 2016-17 Mid Year Fiscal and Economic Review, p.17.

³⁸ Queensland Budget 2016-17 Mid Year Fiscal and Economic Review.

³⁹ Stephens K, 'Queensland economy bright despite mining downturn', Brisbane Times, 30.11.16.

⁴⁰ Swann T, Ogge M, Campbell R, Jobs Growth in Queensland; Trends and Prospects, April 2016.

understand which industries are, and will continue to be the real drivers of jobs growth'.⁴¹ This is not too helpful to anyone but researchers –progressive and orthodox.

The harshness of daily life

The ability to 'communicate' about jobs on multiple platforms' should not be conflated with the capacity to control what is happening. As George Megalogenis writes, 'Deregulation meant that politics had less control of the public'.⁴² The set of policy tools available for economic management and employment has shrunk.

The current Queensland Government is dealing with the consequences of resource industry expansion unleashed by previous LNP and ALP governments in the name of 'economic growth'. It is also dealing with the consequences of population growth set in train in the 1970s-80s under the National Party and fuelled further under the ALP during the mining boom. Employment issues in 2016 are most severe in some North and Far-North areas and are creating considerable economic and social loss and distress. The seven-eighths of the workforce not directly affected lose vitality and cling to whatever security is possible – not changing jobs, not risking capital, not buying domestic assets and not being militant or protesting bad employer practices.

The Queensland Government is correct in using the small windfall of a \$2b surplus to assist people and places such as Townsville. It can do this more easily because it defused the issue of public debt in its 2015 Budget.⁴³ Yet, such spending should be seen as an immediate act of triage; it may not be adequate for the short-term problems and it certainly does not address the structural longer-term issues that affect all parts of the State. These have much more to do with economic and social inequality than short-term economic fluctuations. Three 'long' questions are involved – how to diversify the economy; how to best provide secure incomes and how to achieve more equality.

Advance Queensland and solar energy are part of diversifying the economy; but only part. They are 'top-down' when, as the current jobs story shows, local solutions are needed *as well as* State (and national) ones. Almost every LGA has an 'economic development plan', howsoever named; these typically have a list of strengths and possibilities, an arts or sports festival and a committee of notables to help attract 'new' enterprises. There is very little about measures to retain current enterprises and even less about how to build a local economy upwards from the community. Townsville is the site of the first 'City Deal'. This is a 15 year agreement between the national, state and city governments 'to work together to plan and deliver transformative outcomes for Townsville and its residents'.⁴⁴ It is part of the Federal Government's Smart City Plan which 'help build an agile, innovative and prosperous nation'.⁴⁵

A job for life, or even a permanent job for some of one's working life, are fond memories. Technological change is viewed as a further threat – whether driverless vehicles, automated warehouses, robots providing human and personal services or artificial intelligence taking over basic business, legal, education and health tasks. It may or may not be an exaggeration. Yet the political economy of the distribution effects (more income for Apple, Google and Microsoft; less for bus and train drivers, public and private bus and train operators) are much more profound than the technological ones.

Technology used to be seen as liberating. Marx talked about the productive potential being such that:

... makes it possible for me to do one thing today and another tomorrow, to hunt in the morning, fish in the afternoon, rear cattle in the evening, criticise after dinner, just as I have a mind, without ever becoming hunter, fisherman, herdsman or critic.⁴⁶

⁴¹ Swann T, Ogge M, Campbell R, Jobs Growth in Queensland; Trends and Prospects, April 2016.

⁴² Megalogenis G, *The Longest Decade*, Scribe Publications, revised edition, 2008.

⁴³ Scott R and Guille H, Palaszczuk's First Year' TJRyan Foundation, 2016.

⁴⁴ Townsville City Deal, December 2016.

⁴⁵ Australian Government, <u>Smart Cities Plan</u>.

⁴⁶ Marx K, The German Ideology, 1845.

In 1930, at the height of the Great Depression, John Maynard Keynes wrote to his grandchildren saying that within a hundred years there would be 'freedom from pressing economic cares' with working hours at three per day, fifteen per week. He did not mean casual hours. The big problem would be how to occupy the leisure won by 'science and compound interest' so as to 'live wisely and agreeably and well'.⁴⁷ Keynes makes the strong point that people need to be trained for this.

Instead of being liberated by technology and 'living wisely', daily life is more stressed. Economic reforms since the 1980s have increased inequality. Jobs and incomes are less secure and the handling of 'life-risks' have been shifted from the state and employers on to individuals. For example, the costs of learning and gaining life and career experience are put on to individuals. Around 40 per cent of the work-force have contingent employment. Yet nearly two-thirds of full-time workers are doing more than 40 hours per week⁴⁸ and average paid weekly hours (let alone unpaid overtime) in Australia are among the longest in the OECD.⁴⁹ Australia compares very badly with the European Union Working Time Directive that limits work to 48 hours per week.⁵⁰

A summary, and the electoral politics of jobs

The Government deserves credit for its response to the immediate regional employment issues. It is spending in places like Townsville and can do so because it has rejected austerity economics. In turn, it retains a budget surplus without recourse to privatisations.

Yet the Government still seems to believe that mining will bring jobs and material plenty. This is a mistake; the number of jobs in mining are exaggerated, so are the contributions to the State's economy and public revenue. The Government is correct on trying to diversify the economy though this needs wider participation and is too important to be left to medical companies and corporate universities.⁵¹ The question of 'how to diversify' is a genuine 'strategic' topic for the State Government, communities and Local Governments. At one end of the scale, solutions lie in goods and services produced locally for local consumption. At the other end, new industries of national and international scale that contribute to gross state product and public revenues.

The Government should launch a political narrative about the 'new' questions of 'under' and 'over' employment. This would be about how to repair the structural and geographical patterns where too many people without enough work coexist with too many people working too much. It needs a 'community dialogue' about the best route to get more equality into working life. Similar thinking is required about the progressive possibilities of universal guaranteed income arrangements.

Policies in these areas offer a route to economic security and social equality. That is a very suitable journey for a Labor Government. It could deal with the politics of resentment and reduce the attractions of One Nation. Rhetoric and spin will not protect the ALP electorally. If as Minister Lynham said, 'the LNP clearly has no policies to drive the industries and jobs of the future',⁵² it is open to the ALP to involve the community in an open dialogue about 'real alternatives' and an effective and equal transition. There is nothing to lose and maybe some votes to be won. It is much preferable to relying on Adani.⁵³

⁴⁷ Keynes J M, <u>Economic Possibilities for our Grandchildren</u>, 1930.

⁴⁸ Peter Martin, 'The 38-hour week a rarity among full-time workers, new data shows', Sydney Morning Herald, 28.10.15.

⁴⁹ This is long-standing; throughout the 2000s there are reports that 'We've got some of the longest working hours among full-time employees in OECD countries'. See Tiffen R and Gittins R, *How Australia Compares*, Cambridge University Press; 2nd ed, 2009; also Knight A, 'A long work hours culture', Sydney Morning Herald 25.11.09.

⁵⁰ EU Working Time Directive, first issued in 1993 and amended 2003 and 2008. See European Trade Union Congress.

⁵¹ See Scott R and Guille H, 'Palaszczuk's First Year', 2016, pp.59-60.

⁵² Hansard 16 June 2016, p2413

⁵³ See Guille H, 'Coal in a warming world', the case study at the end of this paper.

INFRASTRUCTURE1

SHOVELS IN THE GROUND

In January 2017, News Ltd gave rare praise to the Queensland Government. Under the banner headline 'We are for progress' the *Sunday Mail* reported:

More than \$80 billion worth of major projects are due to start or ramp up this year in a job-boosting bonanza across the state. ... From Cape York to Surfers Paradise, mines to high-rise apartment blocks, big-money building initiatives are posed to power ahead, creating more than 73,500 jobs for Queenslanders.²

Acting Premier and Deputy Premier, Jackie Trad, was quoted saying 'the Government is about "Ensuring there are shovels in the ground". And, the Mayor of the Gold Coast, in good Queensland fashion set by former Premiers Bjelke-Petersen and Beattie, is quoted counting the cranes on the skyline.

The use of capital spending to create and support jobs was a major theme of the State Government budgets of 2015 and 2016. In 2016, out of a total of \$35.4b over the four years 2015-16 to 2018-19, \$10.7b was allocated to capital spending. According to Treasury estimates the capital works program (more than 500 projects) will support 27,500 full-time equivalent jobs in a year.⁵

The 2016 Mid-Year Fiscal and Economic Review pledged a portion of the windfall \$2b in mining royalties to capital works, with a new 'Works for Queensland program' spending \$200m in the North and Far North.⁶ An additional \$200m was allocated to the new Jobs and Regional Growth Package.⁷ Most of the latter was for the Industry Attraction Fund to assist with private sector projects in areas with high unemployment.

The State Infrastructure Fund and the 2016 Budget

The word 'infrastructure' was one of the three refrains of the Budget along with jobs and investment. The 2016 Budget allocated \$2b over five years to the new State Infrastructure Fund.⁸ While such spending is also an immediate stimulus for employment, the SIF has been given a longer-term purpose 'to help plan and deliver the transformational infrastructure Queensland needs to drive economic growth and jobs right across the state'.⁹ This makes infrastructure an omnibus term for a wide set of government objectives and policies including economic development, state competitiveness, urban and regional planning, roads, rail and ports, health, education and community services. The length of this list suggests an overload. Though, the Queensland Government's emphasis on 'infrastructure' is similar to that of the Federal Government and, indeed, the Trump regime.

The State Infrastructure Fund is central to many aspects of the Palaszczuk Government. The plainest definition of the term 'infrastructure' is the stock of structures and facilities needed to support a society. Conventionally this covers hard (physical) items such as roads, railways and

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¹ Author: Howard Guille.

² Courier-Mail (Sunday), 8.1.17.

³ Courier-Mail (Sunday), 8.1.17.

⁴ Yet there is concern about a glut especially of apartments (units) with a report from Property Consultants that in Brisbane 56.8 per cent of cranes are in 'blacklisted' postcodes – that is areas ranked as risky by bank and mortgage lenders. 'A third of apartment building cranes in bank blacklisted areas', *Australian Financial Review*, 19.12.16.

⁵ Queensland Budget Papers, '\$10 billion infrastructure investment to support 27,500 direct jobs in 2015-16'.

⁶ Works for Queensland program.

⁷ Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Sport, The Honourable Curtis Pitt, 'MYFER outlines \$400M initiatives to step up job-creation commitment', 13.12.16.

⁸ State Infrastructure Fund

⁹ Deputy Premier and Minister for Infrastructure Jackie Trad, '\$1.5 billion boost for State Infrastructure Fund to drive Queensland's infrastructure priorities', 14.6.16.

dams and 'soft' (institutional) items such as education, caring and health. The focus is on shared and public use as against those items used in and for private production (such as farms or factories) and consumption (such as shops or private houses). But, 'public use' no longer means exclusive public provision as the expansion of privately owned toll roads and airports demonstrate. In the last decade, infrastructure has become very modish in policy circles; the soft-left support it as a 'Keynesian' policy for creating demand and jobs; the centre-right support it for orthodox economic reasons of boosting productivity especially if it is 'priced' while neo-liberals support it so long as it is privatised. Even so, take note of the US caution that "Infrastructure spending" is a magical phrase; ... It makes hard questions disappear in an impressive but vaguely foul-smelling puff of red and blue smoke.'11

A more efficient and effective approach to the provision and management of public infrastructure is beneficial. The International Monetary Fund shows that 'the most efficient public investors get twice the economic return from their investment than the least efficient'. Typically the recipe for efficiency is a greater state role in project analysis, planning and coordination which is not the same as handing the provision over to the private sector. The usual organisations including the OECD and the Bretton Woods institutions have strongly promoted increasing the scope and scale of private investment in public infrastructure over at least two decades. The generic term has been 'Public-Private Partnerships' (PPPs). Yet, even the Productivity Commission in a recent report says 'Private financing is not a "magic pudding": 13 They note mixed outcomes from PPPs and especially the lessons from the failures of toll roads and tunnels including CLEM7 and Airport Link in Queensland.

Complexity of arrangements for infrastructure planning and management

The ALP was very vocal about the failure of the Newman Government to adequately evaluate infrastructure spending and made effective political play about its decision to build 1 William Street, the new Administration and Executive building. 14 This project was also criticised by the Auditor-General for not properly analysing alternative projects and financial models. 15

The ALP took its 'Building Queensland; Infrastructure for stronger growth' policy to the January 2015 election. ¹⁶ The principle of this policy was:

Queensland needs to be investing in the infrastructure that will improve our national and international competitiveness, and benefit the community.

The policy document envisaged a new independent statutory authority (Building Queensland) to draw up a priority list of projects based on 'rigorous cost-benefit analysis and community benefits'. The policy cited the Reserve Bank of Australia and orthodox economists from the Melbourne Institute in support.

Building Queensland¹⁷ was established in 2015. Minister Trad said, on announcing the first Board:

¹⁰ For a discussion of the definition of infrastructure see Productivity Commission Inquiry Report, <u>Public Infrastructure</u>. <u>Volume 1 No. 71</u>, 27 May 2014 , Canberra, p.54.

¹¹ Gobry P-E, 'How to do infrastructure spending the right way', *The Week*, 26.9.16.

¹² International Monetary Fund, Making Public Investment More Efficient, 2015, p.6.

¹³ International Monetary Fund, Making Public Investment More Efficient, 2015, p.2.

¹⁴ The industry superannuation fund Cbus won the contract to build the tower in 2012 with a 99-year lease over the public land and a guaranteed 15-year government lease for office space. MacDonald A, 'Newman Government's controversial 1 William Street project has received the official go-ahead' News.com.au, 21.5.13.

¹⁵ See Wardill S, 'New state government HQ will cost Queensland taxpayers \$1b in rent', Courier-Mail, 11.12.13; and 'Newman Government risks 200m on William Street HQ', *Australian Financial Review*, 5.3.15.

¹⁶ Annastacia Palaszczuk MP, Leader of the Opposition, <u>Building Queensland Infrastructure for stronger growth</u>.

¹⁷ Building Queensland: Independent, expert advice on major infrastructure

Building Queensland will take the politics out of infrastructure as experts, not politicians, evaluate proposals, and develop rigorous business cases using transparent and disciplined frameworks.¹⁸

The agency provides a six-monthly 'pipeline report' to Government; in June 2016 it recommended four projects, <u>Cross River Rail</u>, <u>European Train Control System</u>, <u>Cunningham Highway</u> and <u>Pacific Motorway</u> as 'Ready for Government consideration as part of Budget processes'. In December 2016, it added the <u>Beerburrum to Nambour Rail Upgrade</u>.¹⁹

The State Infrastructure Fund (SIF) is linked to a State Infrastructure Plan (SIP) issued in March 2016. The SIP contains both a strategy document (Part A)²⁰ and a program of funded projects for the next four years and a list of potential future investments (Part B).²¹ The overall objective of the SIP is to set out a 'cohesive model for infrastructure planning and delivery which integrates with land-use and economic planning'.²² It is to be 'informed by the independent advice of Building Queensland'.²³ Local Government Councils administer about a third of all public (non-financial) assets across the State and there is a formal agreement with Councils 'to cooperate and coordinate activities'.²⁴ A new agency, the Infrastructure Portfolio Office will be to 'coordinate and integrate state government infrastructure, land-use and economic planning'; there will also be an Infrastructure Cabinet Committee.²⁵ Notably, and for later discussion, the Government lays great stress on how it is:

completely transforming how our state prioritises infrastructure, by taking the politics out of the planning process.²⁶

Despite the detail in the SIP documents and the claim to be cohesive, government provision of infrastructure seems complex. There are several infrastructure programs. The table below is a compilation of those extant at January 2017; some of these are and some are not in the SIP.²⁷ Each of the programs listed, and in some cases the individual projects, have a different 'sponsor' which may be a government department or agency or a private corporation; direct investment by government-owned corporations are outside the SIP. There are also different levels of cooperation with Local Government Councils and, in some cases, with the Commonwealth funding and other agencies.

The various infrastructure programs seem to have different relations with other policy areas – for example the Priority Development Areas (PDAs). The Treasury Commercial Group and Economic Development Queensland, both of whom deal with private sector proposals and funding for public infrastructure are undertaking their own economic evaluations of projects, seemingly separate to Building Queensland. The Treasury Commercial Group is dealing with 'market-led proposals' put up by non-governmental, commercial interests. Economic Development Queensland was established by the Newman Government. It was the agency for land development through what were then called Urban Development Areas and are now called Priority Development Areas (PDAs); it is now within the Department of Infrastructure, Local Government and Planning (DILGP)

¹⁸ 'Expert-led board appointed to build Queensland's future', 28.10.15.

¹⁹ 'Palaszczuk Government's vision for Queensland's infrastructure released', 13.3.16.

²⁰ State Infrastructure Plan Part A: Strategy, p.7.

²¹ State Infrastructure Plan Part B: Program, March 2016.

²² State Infrastructure Plan Part A: Strategy, p.7.

²³ State Infrastructure Plan Part A: Strategy, p.7.

²⁴ State Infrastructure Plan Part A: Strategy, p.10.

²⁵ 'Palaszczuk Government's vision for Queensland's infrastructure released', 13.3.16.

²⁶ 'Palaszczuk Government's vision for Queensland's infrastructure released', 13.3.16.

 $^{^{27}}$ For example, the construction for the Commonwealth Games is not in the SIP; nor is the 'Building our Regions' Program.

as 'a specialist land use planning and property development unit'.²⁸ It describes itself as 'a self-funded commercialised business unit'.²⁹

Queensland Government Infrastructure Programs					
Program name	Amount	Details			
Statewide capital works program	\$10.7b for 2016-17	Half of the funds earmarked for projects in regional Queensland			
State Infrastructure Fund	\$2b in 2016-17 Budget (\$0.5b pa) for items in State Infrastructure Plan	Includes \$800m to Cross River Rail			
Works for Queensland program	\$200m in Jan 2017	Allocated to 65 regional councils for local roads & community & sport facilities.			
Accelerated Works Program	\$440m in 2015 Budget over 3 years	Projects to stimulate economic activity in regions.			
Building our Regions Program	\$375m over 3 years starting in 2015-16	Regional Capital Fund; Royalties for Resource Producing Communities; Remote Communities Infrastructure Fund; Transport Infrastructure Development Scheme			
Treasury Commercial Group Market-Led Proposals program	Assessment of MLPs can lead to Government contracting exclusively with proponents rather than through a competitive tender process.	Private sector 'Fast-track good ideas'; first project is \$512m Logan Motorway Enhancement Project; Brisbane International Cruise Terminal & Queensland Aquarium are under assessment			
Treasury Commercial Group	Privately financed projects (including public private partnerships)	Herston Quarter Redevelopment Project, Sunshine Coast University Hospital and Toowoomba Second Range Crossing			
Advancing Our Cities and Regions, led by Economic Development Queensland	Investigating innovative ways of boosting investment.	First four priorities are: Cross River Rail Economic Development Strategy; Townsville Transformation; Rockhampton Revival; Moreton Bay Renewal.			
Commonwealth Games	\$320m capital investment (2013) with a total Queensland Government contribution of \$1.5b.	In addition \$420m funding for Gold Coast Light Rail Stage 2 with \$270m from Queensland			
Table compiled from Queensland government department sources (esp. Queensland Treasury and the Department of Infrastructure, Local Government and Planning)					

An undated newsletter from 2016 lists 27 PDAs for which the Economic Development Queensland is responsible. The agency states that it has 'established a funding framework that ensures there is adequate funding to invest in vital infrastructure' for each PDA. The 'Advancing our cities and regions strategy' currently involves 'eight economic and community zones' where Economic Development Queensland will lead 'iconic developments'. Notably these include Cross River Rail for which the Government has created the CRR Development Authority. These are becoming complicated arrangements; add to them, in the case of the 2018 Commonwealth Games, another Department - the Department of Tourism, Major Events, Small Business and the Commonwealth Games with responsibility shared between two ministers: the Minister for Tourism and Major Events, Kate Jones, and the Minister for Transport and the Commonwealth Games, Stirling Hinchliffe. Hinchliffe.

The complexity of the administrative arrangements are mild compared with the scope of the issues at which 'infrastructure' is being directed. They include:

²⁸ Economic Development Queensland

²⁹ About Economic Development Queensland

³⁰ Economic Development Queensland Priority Development Areas. To which add Herston Village and Carseldine.

³¹ 'Cross River Rail Delivery Authority established', 2.12.16.

³² Ministers and Director-General

- Population pressures: the South East Queensland population is forecast to grow from 2.45m in 2001 to 5.35m in 2041.³³
- The 'catch-up' effort required for the past population increases and inadequate provision of public facilities. The deficiencies have become greater in the very recent past, not just in Queensland.³⁴
- The inadequate public revenues in Queensland, especially with the continuing insistence by the ALP and the LNP on being a 'low tax' State.
- The intensification of environmental issues: notably coastal protection, water quality, habitat and biodiversity loss and climate change.

Recent history of Queensland's approach to land-use planning

The explicit link made in the State Infrastructure Plan between infrastructure and land-use planning is a return to the approach of the Beattie-Bligh Governments. A Regional Infrastructure Plan drawn up by the State in 2004-5 gave the State Government the ability to implement regional land-use plans including the South East Queensland Plan.³⁵ These were decisive changes since prior to this the State Government had had no directive role in land-use planning across the state. As John Abbott shows, between 1990 and 2010:

Governance and planning in SEQ evolved, by agreement of all the parties, from a voluntary model to a statutory model of metropolitan planning.³⁶

The SIP gives the State *the* central coordinating role in infrastructure planning and delivery and enables it to use this to control land-use planning. It also has responsibility for demand management and new forms of funding and maintenance.³⁷ The SIP adds to the 'statutory planning instruments' available to the State. The State Planning Policy (SPP) is the most powerful.³⁸ It specifies the 'State Interest' in 16 planning areas including housing, environment and heritage, hazards and transport and water infrastructure. These are mandatory requirements for statutory regional plans (also drawn up by the State) and Local Government planning schemes.

The Palaszczuk Government has accepted revisions to the SPP made by the Newman Government with the additional of a section on affordable housing, recognition that the economy is made up of more than agriculture, resource, tourism and construction³⁹ and a more direct consideration about climate change is included as part of natural hazards.⁴⁰

The expanded State presence in planning, of which the most recent SIP is a part, is very much a product of the ALP Governments from Goss onwards. Tom Burns and Terry Mackenroth are owed the greatest credit for this. Prior to the 1990s, 'private sector interests dominated planning and development processes in South East Queensland' which 'resulted in piecemeal and unrestricted development of mostly low-density residential estates around Brisbane.⁴¹ This was combined with

³³ Shaping SEQ Background Paper 1: Grow, October 2016.

³⁴ 'Since 2012, the ABS figures show, public sector investment in infrastructure has collapsed even faster than private sector investment. In 2014 alone, it shrank 15 per cent. Since 2012, it has shrunk 20 per cent', Colebatch T, How to bridge the infrastructure gap, Inside Story, 8.4.15.

³⁵ The details of this are very clearly stated by <u>Terry Mackenroth in his interview for Queensland Speaks</u>.

³⁶ Abbott T, Collaborative governance and metropolitan planning in South East Queensland 1990-2010: from a voluntary to a statutory model, March 2012.

³⁷ State Infrastructure Plan Part A: Strategy, p.6.

³⁸ State Planning Policy revised and reissued in <u>State Planning Policy</u> April 2016.

³⁹ The ALP revision includes education, manufacturing, knowledge-intensive industries (research and development, biotechnology) and the services economy.

⁴⁰ See State Planning Policy April 2016.

⁴¹ Raynor K, Matthew T, and Mayere S, 'Shaping urban consolidation debates: Social representations in Brisbane newspaper media, *Urban Studies*, 22.1.16.

little or no environmental and heritage protection, limited enforcement of controls over what could be built where and a general notion that development was good. Railways to the Gold Coast and to Cleveland were closed and the lines pulled up.

The ALP started the process of cooperative and then coordinated planning, first in South East Queensland and then Cairns and Far North Queensland. The planning arrangements were broadly supported by the National and Liberal Parties in opposition and their short periods in Government though this support has been interspersed with demands to cut red and green tape.⁴² Even more crucially, local government especially the Council of Mayors of South East Queensland supported the changes.⁴³ The 2005 SEQ Regional Plan set out an urban footprint aimed at a clear boundary to stop urban sprawl and protect the natural environment. This has since been extended to a strategy of urban consolidation and greater residential densities.⁴⁴

The 2009 SEQ Regional Plan, for example, called for 'infill development' with 156,000 additional homes to be built in Brisbane, of which 138,000 would be high rise units. Of new homes in Brisbane, 88 per cent would be units and flats. In 2016, the effects of the plan for 'urban density' are prominent in the high rise developments in the inner Brisbane city, South Brisbane, West End, and in various 'transit-orientated developments' near railway stations. This emphasis is not peculiar to Queensland; urban consolidation and higher population density are a feature of planning in all Australian metropolitan centres. The 'Transport-Oriented Developments' (TODs) are very much an American model.

The planning push to get more people into inner cities is not without controversy. It is very much a push by planners and 'top down'; as a group of planning academics from the University of Western Sydney say, 'The assertion that these changes are reflective of the desires, wants and needs of the wider society is highly contested'. ⁴⁷ Brendan Gleeson, the Inaugural Director of the Urban Research Program at Griffith University ⁴⁸ uses the phrase 'density fundamentalism'. Writing with Jago Dodson, he contrasts the twentieth-century rationale for moving the working class out of the inner city with the twenty-first century one rationale for moving the middle-class back in. The working class were moved out for their own good – and to protect public morals; the middle class are being enticed back into the city by 'village concepts' and 'consumption experiences such as the café society'. ⁴⁹ 'Community' is the neighbourhood renewal 'flavour-of-the-month'. ⁵⁰ One developer of an 'urban village' (not in Brisbane) even uses 'lattes by the lake' as a marketing tool.

Gleeson makes the strong point that the technical planning is often 'politics by other means'. Moreover, the rash of competing models of providing infrastructure (including housing) through various public, private and public-private-partnership schemas are splintering cities and regions. They are 'inevitably imbued with biased struggles for social, economic, ecological and political

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⁴² Terry Mackenroth, for example states that the 'new' planning act introduced by the Borbidge Coalition Government was effectively the one prepared by the Goss ALP Government. See Queensland Speaks interview.

⁴³ See Mackenroth, T, Queensland Speaks interview

⁴⁴ See also Mayere A and Dedekorkut-Howes A, <u>Managing Growth in the Sunshine States: Urbanization and Planning in Queensland and Florida</u>, 49th International Planning Congress - Frontiers of Planning: Evolving and Declining Models of City Planning Practice, April 2013.

⁴⁵ Calligeros M, 'Queenslanders won't trade backyards for balconies', Brisbane Times, 29.07.09.

⁴⁶ The Bligh Government's agency Growth Management Queensland promoted transport oriented development; see media release, '<u>Transport oriented development</u>: the way of the <u>future</u> 6.10.10.

⁴⁷ Piracha A, Dunn K M, Goodman R, Maginn P J and Phibbs P, 'Australian public attitudes towards town planning: towards a research agenda' Proceedings of the World Planning Schools Congress 2011: Planning's Future - Futures Planning: Planning in an Era of Global (Un)Certainty and Transformation: 4-8 July 2011, Perth Convention Exhibition Centre, Perth, Western Australia.

⁴⁸ Now Professor of Urban Policy Studies, University of Melbourne and Director of the Melbourne Sustainable Society Institute.

⁴⁹ Dodson J and Gleeson B, 'The use of density in Australian planning' 30.11.07.

⁵⁰ Flanagan K, <u>There are people living here: exploring urban renewal and public housing estates</u>, Social Action and Research Centre, Anglicare Tasmania, 2010, p.15.

power'.⁵¹ These observations are pertinent to the policy and administrative arrangements being made to planning and infrastructure in Queensland in 2015 and 2016. New inequalities are being created and existing ones reinforced by urban density. As Graeme Davison, arguably the doyenne of urban historians says,

The suburban fringe has become the refuge of the new poor rather than the new rich. It residents must endure not only the disadvantages of inferior public transport and services, but also the disdain of the inner-city intelligentsia.⁵²

Flanagan writing of the outcomes of urban renewal is just as blunt:

The price of success appears to be the exclusion of the most disadvantaged from redeveloped areas: those most in need are most likely to miss out.⁵³

An academic report, 'Investing in Australian Cities: the Legacy of the Better Cities Program', commissioned by the Property Council, examined the long-term effects on the Teneriffe / New Farm areas of Brisbane from the 1990s Federal Building Better Cities program. It concludes that:

Brisbane's urban renewal suburbs are the suburbs of choice for Brisbane's young affluent professionals. ... Previous industrial wasteland and unsavoury neighbourhoods are now thriving communities in some of Brisbane's most sought after suburbs.⁵⁴

The report looks very similar, with its photographs and graphics, to the publications of Economic Development Queensland (and to the material from the 'latte' material of developers and real estate agents). It confirms, though in an unreflective way, the lessons about inequality.

CONCLUSION AND CONTRADICTIONS

The Palaszczuk Government has given the State considerable powers in establishing the State Infrastructure Fund and Plan. The Government's initiative is a significant one though it has not much ventilation in the everyday public-political discussion. Nonetheless, housing, transport, roads, hospitals, and schools are the stuff of everyday convenience and inconvenience. The shape and utility of cities and living spaces are more important than the dreaming of architects, while things like football stadiums and art museums are both extremely well used and part of collective well-being and memories.

However, while it is explicitly positioning the State to take the lead in infrastructure planning and delivery⁵⁵ the Government is also claiming to have 'taken the politics' out of planning. There are many contradictions. The approach seems conceptually confused and administratively muddled. Moreover, taking the politics out of public decision-making often seems to make governments more susceptible to political shocks and 'realities'. Some of the issues are explored briefly:

• Queensland Government policies from the Goss Government onwards are concerned with 'managing', adjusting to population growth. This contradicts convincing survey evidence that people want the growth of population limited; put plainly, 'most

⁵¹ Gleeson B and Steel W, 'The Bellwether Zone? Planning Infrastructure in South-East Queensland' State of Australian Cities Research Network, 27.11.09.

⁵² Davison G, 'The war on sprawl', Inside Story, 31.8.16.

⁵³ Flanagan K, <u>There are people living here: exploring urban renewal and public housing estates</u>, Social Action and Research Centre, Anglicare Tasmania, 2010.

⁵⁴ Bryant L, <u>Investing in Australian Cities: The Legacy of the Better Cities Program</u>, Property Council of Australia and the Queensland University of Technology, 2016.

⁵⁵ State Planning Policy April 2016.

Australians want stability'.⁵⁶ Notably, Queensland recorded 70 per cent wanting a limit on population, the highest proportion of those surveyed.⁵⁷

- Planning is very much 'top down'; consultation is mandatory but is not a dialogue. There is new 'industry' to perform the rituals. As planning researcher Brian Feeney puts it, 'stakeholders' are more influential than 'citizens'. In the consultations for the SEQ Regional Plan the wider community was limited to making submissions.⁵⁸
- Considerable opposition can arise about particular developments and development of particular areas. In 2016, for example, the Toondah Harbour PDA is receiving considerable community and professional opposition.⁵⁹ Opposition to 'urban consolidation' (aka high rise) on South Brisbane and West End is widely seen as one of the causes for the ALP losing the BCC Council Ward to the Greens.
- As the powers of the State increase and those of Councils correspondingly diminish, there is less incentive for Councils to be responsible. This may well encourage petty squabbles between the State and Councils – especially in and around Local Government elections. In 2016, the LNP proposed a 'Metro' for inner Brisbane (essentially a wheeled tramway) very much in competition with the ALP State Government's 'Cross River Rail'.
- Even though much of the infrastructure spending is justified by the State Government as 'job creating', planning and job creation have different logics. Capital spending is a short-term way of stimulating local economies; often the products, whether repairs to schools and parks or a new stadium for the North Queensland Cowboys or the Logan City Netball Association and become important community assets. Yet building infrastructure needs particular kinds of jobs experienced construction workers and their trades. It is a male dominated industry. It is capital intensive which depends upon a 'pipeline of projects' for which industry is an ardent and effective advocates.
- A multiplicity of agencies are involved in 'infrastructure' and have different rationales and, different evaluation criteria. The most obvious is that while Building Queensland is required to concentrate on 'public (social) benefit, Economic Development Queensland has commercial objectives more akin to private property development.
- Reliance on agencies such as the Infrastructure Portfolio Office and Building
 Queensland presumes they have adequate capacity. Infrastructure Australia's situation
 in February 2016 is instructive;

The little engine of whom we expect so much, reveals that it has had time to evaluate only two of the ninety-three infrastructure proposals that state and territory governments have proposed for federal funding.⁶⁰

• The 'politics-less' infrastructure planning to be undertaken by Business Queensland or Infrastructure Australia⁶¹ rests heavily on cost-benefit analysis and a particular type of economic rationality and methodology. Cost benefit analysis is not technically neutral; it requires very considerable values choices especially about the costing of

⁵⁶ Betts K, 'Population growth: what do Australian voters want?', People and Place, vol 18, no 1, 2010.

⁵⁷ Importantly, this is not only about migration; natural increase is the main cause of population growth so a discussion of contraception could have been more sensible than baby bonuses and 'having one for the country'.

⁵⁸ Feeny B, '<u>ShapingSEQ regional plan gives 'stakeholders' a bigger say than citizens</u>' *The Conversation*, 1.12.16. See '<u>Lodge your submission</u>'

⁵⁹ See for example 'Redlands 2020. Our Redlands. Our Future'.

⁶⁰ Colebatch T, In infrastructure, you get what you're willing to pay for, Inside Story, 19.2.16.

⁶¹ Infrastructure Australia

- environmental degradation and community disruption.⁶² The experience of economic analysis with mining (discussed later in this monograph) ought to be salutary.
- Cost benefit analysis, even if 'technically' perfect, does not assess distributional effects

 that is who wins and who loses. The current forms of planning and infrastructure are
 not making life any better for the already disadvantaged. Unless they have politicians
 and political voices this is unlikely to change.

And finally, governments (as against state agencies) have a direct electoral interest in avoiding shocks. Planning and projects that go 'wrong' lose elections. The unexpected can become public and reveal the backroom deal or the corruption which seldom seem far away with development. Or the plan does not work – the Health Payroll system in 2010-11, for instance.⁶³ Or the unplanned occurs such as cost blowouts and lower than expected income. As a possible small irritant, the commercial revenue budgeted for the Commonwealth Games was \$272m in 2014 but fell to \$240m in 2016.⁶⁴

Even though there are frequent references to working in cooperation with local government, the statement from the State of 'taking the lead' needs to be acknowledged. While this is very much the case paying the piper to call the tune, it also means accepting the political risks of bad outcomes. It is one thing to put on 'Hi-Vis' vests for announcements and unveiling plaques; it is another to get the politics and the projects 'right'.

⁶² For discussion, see the chapter on cost-benefit analysis in Denniss R, <u>Econobabble: How to Decode Political Spin and Economic Nonsense</u>, Redback, 2016.

⁶³ The Chesterman Inquiry concludes 'The replacement of the QH payroll system must take a place in the front rank of failures in public administration in this country. It may be the worst' (para 2.15). Chesterman R, <u>Queensland Health Payroll System Commission of Inquiry</u>, 31.7.13.

⁶⁴ Ahead of the Games, various editions 2014 to 2017.

PART 2: EXECUTIVE GOVERNMENT

THE POLITICS OF BUREAUCRACY

The assessment of the ALP in government can be made on several levels: the perception of the effectiveness of individual Ministers; the group dynamics within the party; the capacity of the State ALP to manage the challenges posed by the other minor and major parties; and, finally, the Premier's leadership under these complex pressures.

The first level is the engagement of Ministers with Parliament and the media. The effectiveness of a Minister can be undermined if there is a suspicion of unethical behaviour. In 2015, the Police Minister, Jo-Ann Miller, had become vulnerable to such criticism, and she left the Cabinet at the end of the year. During 2016, another Minister, Leanne Donaldson, promoted into Cabinet as Minister for Agriculture and Fisheries in the reshuffle that followed Miller's exit, found herself in trouble. In this case, the problem concerned personal debt problems and, flowing from them, acting illegally while driving a non-registered vehicle. Again, as so often occurs, the problem tended to escalate - accumulating evidence of indiscretions prolonged their coverage in the media. Donaldson was already a 'soft' target, promoted into the Department of Agriculture after a suburban existence in Bundaberg and sniped at about her lack of familiarity or even enthusiasm for attending agricultural events. She resigned from Cabinet in early November.

Minister Stirling Hinchliffe was one of the Government's most experienced performers inside Parliament and a 'factional heavyweight' close to the Premier. Even though he failed to satisfy his media and internal party critics, he survived when the rail crisis emerged. While critics suggest that there was some hypocrisy in the speed of the Donaldson dismissal and the survival of the Transport Minister, this overlooks the distinction between poor judgment on a personal issue and failure to identify and react to a policy failure within the system as a whole.³

The approach commonly used by government, and used by Hinchliffe, to appoint an inquiry, was applied by the Minister of Child Safety, Shannon Fentiman when two tragic failures in the management of particular child safety cases came to light. In the first case a report was used as a basis for action against a dozen front-line staff, not senior managers, while accepting that the problems arose from severe understaffing.⁴ In November, an interim report on the first case was received but not released. The final report was due to be submitted in 2017.⁵ Money was later found to appoint new staff but the union official representing the staff who had been dismissed suggested that these people 'had been used as scapegoats for the Department's underresourcing'. He questioned whether an internal investigation was ethically sound since it avoided targeting the senior managers who had been allowed to shape the nature of the overall investigation.⁶

Nevertheless, Minister Fentiman, like the Transport Minister before her, felt able to reject any calls for her own resignation. She was probably under less pressure than the Transport Minister because Queensland has a long and poor record on its handling of child safety, which has been subjected to numerous inquiries, so expectations were low. Unlike commuters and holiday-makers experiencing rail failures, large numbers of voters were not directly affected.⁷

¹ Caldwell F, 'Agriculture Minister Leanne Donaldson resigns her position', *Brisbane Times*, 3.11.16; 'Queensland Labor MP Leanne Donaldson stands down from Cabinet amid controversy over unpaid rates, *ABC*, 4.11.16.

² Courier Mail 21.5.2016

³ As will be seen from the case study on Transport at the end of this document, the Minister did eventually resign.

⁴ McKinnell J, 'Queensland child safety staff stood down', 23.11.16; Wiggins N, 'Mason Jet Lee: Child protection staff stood down over 'errors of judgement' after report into toddler's death' ABC, 23.11.16.

⁵ Wiggins N, 'Mason Jet Lee: Child Safety Minister defends decision not to release report on dead toddler', ABC, 24.1.16.

⁶ Courier-Mail, 23.11.16

⁷ Queensland Ombudsman, Management of Child Safety Complaints, July 2016.

One strength of any good public service should be continuity, the institutional memory that comes from learning from experience. The Newman Government's rush to 'downsize' the Queensland public service in 2012 destroyed some of this continuity. At the same time, Newman appointed new people in many of the senior positions, including people Newman had worked with at the Brisbane City Council. A major question for the incoming Palaszczuk government was whether it should follow the Newman lead and install new people with undoubted commitment to the new regime.⁸

Almost inevitably, the Palaszczuk Government settled for a mixture between the two. In some areas, the virtues of continuity were clear, as in Education, in Police and in Emergency Services. In other areas, most infamously in the Transport Department, the inherited structure appears to have led some bureaucrats to be unwilling to warn the Minister of potentially disastrous problems that they themselves were aware of.

Another problem was created by the scale of the Newman cuts and the effect on departments of the loss of expertise both in support positions and the 'front line'. The Public Service Commission reported on what the media identified as 'spending sprees' in the departments of Health and Education. The inevitable increase in public service numbers became an easy target for the media and the Opposition, but they were as quick to condemn loss of services such as the tragedies associated with child safety services. Nobody seemed to join up the dots between public service numbers and ability to provide adequate levels of service.

The government emphasised that money being spent on new appointments was being devoted to increasing 'front-line' service providers. Staff working behind the 'front-line' were presumed to be unproductive when in fact the cuts had weakened the services as a whole, increasing administrative burdens on front line staff.

As Ken Wiltshire wrote during the Queensland Transport fiasco:

Good governance is essential for Queensland. Australia's most decentralised state where the role of government has long been crucial economically and socially, and the public sector is the largest employer in the state. Yet the current fiascos in rail, health, and welfare are symptomatic of a serious decline in standards over the past three decades. Both sides are to blame.

The most obvious evidence comes from the direction which the troubled public service has been travelling. Once it was a career service - expert, vocationally oriented and operating on the Westminster principles where public servants were given permanent tenure in return for always providing ministers frank and fearless advice. Queensland was blessed with many great public servants under that system.

Today the public service is fearful rather than fearless, largely because it has been politicised. Senior public servants have been placed on contracts, many of them short term. ... Whereas once the senior ranks of the service were filled by specialists in the work of the department, today the dangerous assumption is that any manager can manage any department.⁹

There was also the grey area where the norms of public service employment practices did not automatically apply, such as appointments to a large number of statutory authorities where both full-time and paid part-time appointments were effectively controlled at the Ministerial or Cabinet level. The media and the Opposition seized on any hint of Labor 'mateship' in such appointments, rejecting the often valid argument that Ministerial or trade union experience might be relevant to particular positions.¹⁰

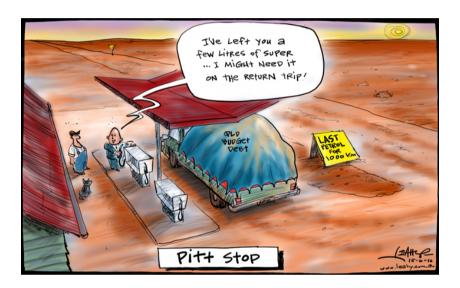
⁸ This was a familiar pattern with changes of government since the early 1990s when the Goss Government 'purged' the previously highly stable public service.

⁹ Wiltshire K, 'No avoiding accountability', *Courier-Mail*, 3.11.16. The malaise began in the 1990s when many of the outstanding public servants who had served under Joh Bjelke-Petersen lost their jobs, often because they were assumed to be 'political' when, in fact, many welcomed the change of government.

¹⁰ 'Labor mates appointed to board spots, Courier-Mail, 6.12.16.

Some of this criticism was somewhat hypocritical, but it also rested on the assumption strongly promoted in the media as well as by the Opposition that businessmen and business practices were automatically preferable to the traditional public service and its methods. The alternative view was that departures from the standard should be rare, and only occur where there were special reasons to vary the tradition of direct Ministerial accountability through Parliament to the electorate. An alternative structure might be devised for a specific purpose. But the case needed to be closely examined on grounds other than presumptions of greater economic efficiency. As will be seen, transport services are a more open question, with private providers in some areas and statutory boards in others.

Public servants were aggrieved when the Treasurer announced changes to the superannuation rules so that eligible public servants who had rolled allowances into their salary would have the multiple used to determine their retirement payout under the fund lowered by the Treasurer.¹²



Public service unions found themselves in the unusual position of making common cause with the LNP Opposition. Ultimately, the Government was spared any embarrassment when the major public service union did deals with the Government and with Katter and the various Independents, removing any LNP influence over the outcome.¹³

The Treasurer also raised some eyebrows when he announced that the Government's intended to pay for expanding the state's infrastructure by using the accumulated defined benefit balances built up by the State superannuation fund where liabilities were fully-funded from reserves, an arrangement unique among the Australian states.

The Treasurer explained this move:

The defined benefit fund currently invests Queensland money in a range of interstate and overseas infrastructure, including Thames Water in the UK and the Ohio car parking system in the US. The fund is also carrying historically high levels of cash that could be responsibly invested in Queensland to deliver much needed employment and economic growth.¹⁴

¹¹ John Quiggin summarized these arguments in a general review which has particular resonance within Queensland, his home state, asking the voting public as well as politicians to 'face the facts – competition and profit don't work in health, education or prisons', Quiggin J, 'Face the facts: competition and profit don't work in health, education or prisons', The Guardian, 12.9.16.

¹² Remeikis A, <u>Public servant superannuation: LNP, union unite to oppose 'Pickpocket Pitt'</u>, Brisbane Times, 23.8.16; Remeikis A, <u>Super changes could struggle to pass as union and LNP unite</u>, <u>Brisbane Times</u>, 238.16. The superannuation changes only applied to the defined benefit fund which is not accepting any new members.

¹³ Caldwell F, 'Public servant super laws passed overnight', Brisbane Times, 1.12.16.

¹⁴ Remeikis A, 'Queensland may raid Defined Benefit Scheme surplus', Brisbane Times, 24.5.16.

HEALTH¹⁵

Health remains the largest department in terms of staffing and overall recurrent costs. The building of hospitals and other facilities absorbs significant infrastructure spending. The portfolio takes up 29 per cent of government spending ahead of Education on 24 per cent.¹⁶ Health issues are always near the top of voter concerns and the last federal election showed the electorate's responsiveness to any health scare campaign. Given the range of staff involved, a strong tradition of industrial action, the existence of a strong private sector and the sheer size of the workforce, it is often the most difficult department to manage. Added pressures on the health sector include a growing Queensland population leading to overall increases in the number of hospitalisations.¹⁷

A *Sydney Morning Herald* journalist noted that Queensland Health is a bureaucracy with a long record of maladministration ranging from the Patel scandal, to the payroll brouhaha, to the premature opening of the Lady Cilento Children's Hospital, to current issues in maternity care at the Rockhampton Base Hospital. ¹⁸ The fake Tahitian Prince is another example. ¹⁹ Being made Minister of Health is sometimes regarded as drawing the 'short straw' - offered from a leader concerned to recognize the seniority of his or her best qualified challenger but hoping for the worst.

After a busy year in 2015, Cameron Dick's performance in 2016 has suggested he is up to this challenge. Some of the intractable problems he faced were beyond his control as they related to wider issues of access to public funding or to misjudgments by predecessors.

There was the major structural funding problem related to the federal government search for budget savings and the Premier's counter-proposal of doubling the Medicare levy. More targeted responses were required in response to evidence of the poorer health status of residents in some of the outlying regions. The major management issue still unresolved related to the errant behaviour of independently-minded regional hospital authorities.

Finally, there were public health issues where best professional advice conflicted with strongly-held minority attitudes opposing fluoridation of water supplies and mass vaccination but there was a surprising degree of consensus, in Parliament at least, concerning the medical use of cannabis.

Inherited problems

One inherited problem, managing the computerised health payroll system, had existed since a former ALP government first signed the contract with IBM in 2007. The system failed dramatically when it went 'live' in 2010.²⁰ Action to seek restitution from IBM, initiated by the Newman government, failed.

An equally doubtful decision by the Bligh Government was to relocate an expanded children's hospital in South Brisbane on an inappropriate site. This was compounded by the Newman Government's decision to cut corners which left major omissions in key facilities and services in order to allow it to be opened, unfinished, while Newman was still in office.²¹ What were represented as 'teething problems' remain unresolved structural difficulties relating to these earlier decisions but regularly blamed on the current Minister all through 2015 and 2016.

¹⁵ Author: Roger Scott.

¹⁶ Queensland Health, <u>The Health of Queenslanders 2016</u>; <u>Report of the Chief Health Officer 2016</u>, Queensland Government, Brisbane, p.47.

¹⁷ The Health of Queenslanders 2016.

¹⁸ Harrison J, 'LNP's Barrett Centre closure inquiry response was in bad taste', Sydney Morning Herald, 24.7.16.

¹⁹ 'Fake Tahitian prince sentenced to 14 years', ABC, 19.3.13.

²⁰ 'An inquiry found the system failure, <u>one of the worst public administrations failures in Australia's history</u>, was partly the fault of public servants who failed to manage the project properly', O'Brien C and Hamilton-Smith L, '<u>IBM's legal stoush</u> <u>with Queensland Health over payroll debacle ends</u>', *ABC*, 7.4.16. IBM won the contract to design and deliver a whole-of-government payroll system in 2007 but its rollout was plaqued by delays and budget blowouts.

²¹ These problems were referred to by Amy Remeikis, in '<u>Lady Cilento Hospital may be renamed</u>', *Brisbane Times*, 24.8.15. Newman's decision on the name of the hospital rankled with many of the medical staff.

During 2016, he had to deal with another inherited problem, the decision by the Newman government to close the Barrett Centre for adolescent mental health in 2014. The Palaszczuk government had established an inquiry into the closure after several former patients, in the absence of any alternative service, had committed suicide. The report castigated many of the public servants linked to the closure.²² The former Minister, Lawrence Springborg and the issue of accountability was raised when it was alleged the Minister had received a briefing warning of the potential problems, and he asserted he had not read the briefing.²³ The response of the LNP opposition to the report was swift and damning - 'a political witch hunt'. This response was, in turn, criticised in the media as in poor taste as well as premature: 'The report released yesterday should not provide a platform for cheap and cynical political point scoring over events that are still today so very raw'.²⁴ The Minister subsequently announced that a new adolescent health centre would be built on the Prince Charles Hospital campus.²⁵

Federal/State issues

The Palaszczuk Government faced the continuing intransigence of the (by 2016) Turnbull federal government. Turnbull had moved to mollify some of the criticisms of inequity in the 2014 Abbott-Hockey budget, but spending on health was escalating and absorbing increasing amounts of national and well as state funding. More spending was in prospect with the implementation of a National Disability Insurance Scheme (NDIS).

At meetings between Commonwealth and State Ministers and at summit meetings, Prime Minister Turnbull sought to demand performance indicators in order for states to qualify for specific areas of funding.²⁶ The Premiers of two states - Victoria and Queensland - responded by proposing an overall increase in funds generated through doubling the existing Medicare levy which is charged through the national income taxation mechanism. The local ALP cause was not helped when federal Opposition Leader Bill Shorten made an alternative offer which fell short of perceived State needs during the election campaign.²⁷

Tensions between state and federal counterparts also erupted around the management of asylum seekers transferred for treatment from off-shore detention centres. The 'Baby Asha' case, when doctors at the Lady Cilento Children's Hospital refused to discharge a 12-month-old asylum seeker baby from their care, fearing her return to Nauru, brought demonstrators out for days in front of the hospital to highlight the cause.²⁸

Hospital boards

Imposing the required financial discipline over Queensland's hospital boards proved challenging. In September, the *Courier-Mail* reported that Minister Dick was threatening to sack the Board of the Cairns and Hinterland Hospital and Health Service. The Board subsequently stood down of their own accord, even though some had only served for a few months.²⁹ An independent audit had found the health service 'mired with budget blowouts', with a projected operating deficit of \$80 million dollars: 'This had occurred even though there had been a \$110 million increase since the Palaszczuk government had come to office'.³⁰

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²² 'Barrett Adolescent Centre Commission of Inquiry' 24 June 2016. Barrett Adolescent Centre Commission of Inquiry report, vol 1, June 2016; McLeish K, 'Public servants linked to Barrett Centre closure could face disciplinary action' ABC, 21.7.16.

²³ Barrett Centre inquiry: Lawrence Springborg did not read expert report advising against centre closure', ABC, 29.2.16.

²⁴ Harrison J, 'LNP's Barrett Centre closure inquiry response was in bad taste', Brisbane Times, 24.7.16.

²⁵ Courier-Mail, 19.7.16; Caldwell F, 'Barrett Centre closure: New teen mental health centre at Prince Charles', Brisbane Times, 14.10.16.

²⁶ Turnbull ties state hospital funding to standards', *Courier-Mail*, 4.1.16.

²⁷ Labor deal creates state health shortfall', *Courier-Mail*, 13.6.16.

²⁸ Premier and Minister for the Arts, The Honourable Annastacia Palaszczuk, '<u>Statement regarding Baby Asha</u>', 21.2.16; Snowdon T, Brennan R, Akers T and Price A. 'Protesters check cars leaving Brisbane hospital after fears baby Asha to move' *Courier-Mail*, 21.2.16.

²⁹ McKinnell J, 'Qld health board take fall for minister', News.com.au, 19.9.16; Courier-Mail, 16.9.16.

³⁰ Cairns Hospital board resigns in response to questions from Health Minister over \$80m deficit, ABC,19.9.16.

The Minister went on to assure staff that 'the government's policy of no forced redundancies would be strictly enforced' but inevitably, industrial relations issues emerged at subsequent Parliamentary Estimates committee hearings focusing on cutbacks to temporary staff numbers by regional boards. Similar issues emerged in Townsville.³¹

The health of Queenslanders

In July the Grattan Institute produced a research report identifying 'hotspots of health inequality' in Queensland and Victoria.³² Mount Isa was identified as the sickest city in the state, followed by the Indigenous settlement of Palm Island off Townsville.

Using data that were available for two states, this report identifies 38 places in Queensland and 25 in Victoria that have had potentially preventable hospitalisation rates at least 50 per cent higher than the state average in every year for a decade. This is unacceptable place-based inequality.³³

A similarly bleak research report was later presented to mayors from rural Queensland which showed that country towns across Queensland were battling the scourge of 'an ice age'. Use of crystal methamphetamine in rural Australia had jumped by 150 per cent since 2007, but increased by just 16 per cent in the cities.³⁴

Water fluoridation

In 2007, local authorities were mandated to introduce fluoride into the public water supply (several had already done so, including Townsville in 1964.) In 2012, Campbell Newman removed the mandate after a vocal minority objected to what they saw as compulsory mass medication. Premier Palaszczuk did not reverse Newman's decision. The *Courier-Mail*'s Terry Sweetman described this as 'the most painful case of political skittishness ever ... bi-partisan cowardice rules, OK'. 35

In 2013 Cairns was one of the majority of local councils (51 out of 77) which chose to end fluoridation. A survey in 2016 showed rapidly deteriorating dental health in children who had missed out on fluoridation. Later in the year, the same debate occurred when two other local councils – Mackay and Gladstone – decided to stop fluoridating after a campaign by the antifluoridation group 'Queenslanders for Safe Water'. On Cape York the Aurukun council rejected fluoridating the water supply 'mainly due to a lack of resources or local support'. So while less than 5 per cent of Queenslanders had access to fluoridated water in 2008, this had grown to 87 per cent in 2012, only to decline to 79 per cent in early 2016.

The Mayor of Mackay placed himself in the unusual position of voting with the majority to remove fluoride from the water supply and then complaining that the Council should have never been given the power to exercise. He justified his vote on the grounds of respecting community wishes but he went on to argue that:

This [the choice about fluoridation] should not be a decision of local government because public health is not our domain and quite clearly fluoridation of water supply is a public health method. And public health is the domain of the state government – but of course it got too hot for them a few years ago and they shelved it back to local government.³⁸

³¹ Caldwell F, 'Queensland health job losses in Cairns, Townsville predicted for coming year: union', Brisbane Times, 14.10.16.

³² Duckett S, 'Perils of Place Identifying hotspots of health inequality', Grattan Institute, July 2016.

³³ Courier-Mail, 14.8.16.

³⁴ '<u>Ice use soars in rural Australia, study finds</u>', SBS, 31.10.16. The research was conducted by Professor Ann Roche from Flinders University's National Centre for Education and Training on Addiction.

³⁵ Sweetman T, 'No government has the courage to push fluoridation of the water supply despite dental benefits', *Courier-Mail*, 31.1.16.

³⁶ Miles J and Snowdon T, 'Councils close taps on fluoride', *Courier-Mail*, 13.11.16.

³⁷ The Health of Queenslanders 2016, p.107.

³⁸ Branco J, 'Mackay fluoride removal vote sparks calls for government action', *Brisbane Times*, 28.9.16; McKinnell J and Grant M, 'Qld council's fluoride removal "misguided", *News.com.au*, 28.9.16.

This outcome led to frustrated dental health experts, including the specialist from the Australian Dental Association (ADA), to join the Mayor's appeal to the State to take over responsibility for fluoridating water, including bearing the sometimes not-insignificant costs:

The ADA spokesman said most politicians avoided the issue because they don't want to face the wrath of the extremist fringe groups when they don't see any benefits for at least another decade. Surely both sides of politics can get together to stop this lunacy.³⁹

Immunisation and 'anti-vaxxers'

Immunisation is widely considered one of the most successful and cost effective health interventions.⁴⁰ Yet there are 'pockets of resistance' to vaccination in Queensland, most notably in areas around the Sunshine Coast, and a significant media voice is afforded the anti-vaccination cause. This precipitated Brisbane and Canberra to cooperate by developing complementary state and federal immunisation laws. This included amendments to the *Public Health Act* 2005.⁴¹ Penalties for parents who did not fully immunise their children could include withholding welfare payments ('No Jab No Pay') and banning the children from childcare centres (subject to the operators wishing to do so). The Nursing and Midwifery Board of Australia similarly could impose sanctions on members who disseminated anti-vaccination propaganda.⁴² This would allow vaccination to be promoted and used by those in higher risk groups such as during pregnancy.

Predictably, there was strong resistance from the 'anti-vaxxers' lobby. Some private childcare centres declined to impose an embargo where it was not in their commercial interests. Statistical analysis of the 2015 figures suggested that coverage was satisfactory among the very young but less so among the older pre-school group, with an estimated 11,000 four-year-olds not adequately covered.⁴³ Efforts were redoubled to reach the 95 per cent target level of immunization needed to provide, as the farmers would put, 'herd immunity'.⁴⁴

The big difference from fluoridation is that expert opinion on vaccination was accepted on both sides of the political divide. This was seen as justifying imposing a public health imperative on reluctant individuals for the greater community benefit. You don't 'catch' bad teeth. And whooping cough tomorrow is a clearer threat than tooth decay in ten years' time.⁴⁵

The medicinal use of cannabis

Even more obvious, because the substance only relies on the choice of the recipient, was the approval of medical cannabis in relation to public health.⁴⁶ There has been continuing discussion across Australia about this issue⁴⁷ but Queensland was one of the first to take action.⁴⁸ This led to sympathetic consideration of how to manage the medical role without opening up perceived floodgates associated with recreational use of the same drug. A parliamentary committee and then the Parliament itself dealt sensitively with the issue and the legislation passed unanimously.

³⁹ Miles J and Snowdon T, '<u>Dental expert outraged by string of councils banning addition of fluoride to local water supplies</u>', *Sunday Mail*, 30.9.16.

⁴⁰ The Health of Queenslanders 2016, p.108.

⁴¹ The Health of Queenslanders 2016, p.109.

⁴² 'Any published anti-vaccination material and/or advice which is false, misleading or deceptive which is being distributed by a registered nurse, enrolled nurse or midwife (including via social media) may also constitute a summary offence under the National Law and could result in prosecution by AHPRA.' *Position statement on nurses, midwives and vaccination*, Nursing and Midwifery Board of Australia, October 2016.

⁴³ 'Chief Health Officer Dr Jeannette Young said the next phase of the campaign would target the parents of four-year-olds, who now need an extra vaccine following recent changes to the schedule. The parents of more than 11,000 children who are not adequately immunised will be contacted by Queensland Health via mail or phone this year' (Brennan R, 'Anti-vaxxers not getting the point as number of immunised five-year-olds falls', *Courier-Mail*, 16.5.16.)

⁴⁴ 'Not getting point across – anti-vaxxers holding out', *Courier-Mail*, 16.5.16.

⁴⁵ Science delivers another jab to anti-vaxxers, Australian Medical Association, October 2016.

⁴⁶ Burke G, 'Medicinal cannabis: New laws allow access for Queensland patients of any age', ABC, 13.10.16; Barrett A and J, 'Medicinal cannabis in Queensland: your legal rights', Brisbane Times, 16.10.16.

⁴⁷ Wodak A and Tregoning W, 'Regulating cannabis is inevitable. We should talk about getting it right', *The Guardian*, 5.1.17.

⁴⁸ Burke G, 'Medicinal cannabis: New laws allow access for Queensland patients of any age', ABC, 13.10.16.

The AMAQ expressed some reservations about the need for a strong regulatory framework and the need to collect evidence about long-term effects but these were not seen as inhibition for action after Parliament heard reports from members on both sides of deserving individual cases.

The new legislation would give doctors, particularly specialists such as oncologists, paediatric neurologists and those involved with palliative care, the chance to apply to prescribe the drug. It would remain illegal without the appropriate approvals but could be prescribed to treat problems such as chemotherapy-induced nausea and epilepsy.

Members on both sides expressed pride in their collective achievement, with LNP member Steve Dickson saying it was "possibly the most important bill we will see before the House this year'49 and the Premier herself saying it was a milestone for tireless campaigners.

Even the comments columns of the *Brisbane Times* - frequently abusive towards politicians – acclaimed them this time: 'Who would of thought that QLD actually seems to be ahead of the curve?', or:

An excellent outcome for the public of Queensland. Credit where credit is due. Well done Queensland Health and well done Minister. This is what good governance and policy looks like. Please could we have some more.⁵⁰

The euphoria even extended to suggesting that Queensland could now pursue a cannabis-led economic recovery. Sour notes then sounded. The AMA raised difficulties about the lack of normal controls usually applied to new pharmaceuticals. Supporters were concerned when access to the medication was limited by age when some of the most deserving cases were children. And Steve Dickson castigated the tepid support he had received from the LNP over the issue and announced his defection to become the Parliamentary leader of the One Nation party.

⁴⁹ Branco J, 'Medicinal cannabis laws passed in Queensland Parliament', *Brisbane Times*, 13.10.16. In January 2017 Dickson changed his allegiance from the LNP to Pauline Hanson's One Nation party, ostensibly over the LNP's tepid attitude to this issue.

⁵⁰ Branco J, 'Medicinal cannabis laws passed in Queensland Parliament', Brisbane Times, 13.10.16.

EDUCATION1

If Health had been superseded by Transport as the bearer of the poisoned chalice, Education often served as the golden apple. In 2015 incoming Education Minister Kate Jones took over a portfolio that had been well run by her predecessor, the LNP's John Paul Langbroek.² Although there were some contentious issues that emerged in 2016, particularly in relation to the school at Aurukun, the education portfolio was faced by a relatively predictable series of long-term issues such as the perennial debates over funding, curriculum, testing and standards.³

Federal funding and the future of the Gonski reforms continued to be debated as budgets and national meetings came into view.⁴ The state complained about the federal budget when it was brought down in March and the Prime Minister's stated preference for revenue sharing between the states which would lead to the federal government withdrawing from state school funding allocations.⁵ The Minister responded that regional Queensland (where both major parties are losing votes) would be hardest hit by the budget cuts because more than 80 percent of Queensland's public schools were in regional communities.

We have more than 1,000 state schools in regional Queensland educating 380,000 students. ... If Malcolm Turnbull turns his back on public education funding he is turning his back on regional Queensland.⁶

The state budget allocated \$9.1 billion⁷ to education - one of the big 'spending' departments (like health and police) largely because of the number of employees on the payroll and its capital works program. With its budget in place the government then reached an industrial agreement with the Teachers Union covering more than 40,000 classroom teachers, heads of programs and school leaders.⁸

In 2011 Premier Anna Bligh had initiated the move, long advocated by many groups, to bring Queensland in line with its interstate counterparts, and move Year 7 students from primary into secondary schools. The LNP oversaw preparation for the move through 2012-2014 and the change took place at the beginning of the 2015 school year. This is mentioned here because of the plaudits received in 2016, when South Australian school principals recorded the success of this policy implementation in a position paper for their own state, outlining just why the careful preparation, and running of a trial program, had benefited the final implementation:

On 27th January 2015, approximately 60,000 Year 7 students transitioned into Queensland secondary schools. From the public education perspective, it has been described by Education Queensland officers and Queensland Secondary Principals Association (QSPA) principals as 'the most effective system-wide change process in living memory'. They credit the success of this "well planned, well-resourced and well-implemented" change.⁹

¹ Author: Ann Scott.

² See Scott R and Guille H, Palaszczuk's First Year: a political juggling act, TJRyan Foundation, 2015, p.29.

³ For an overview of national developments in education in 2016 see: Shaw C, <u>2016, the year that was: Education</u>', *The Conversation*, 28.12.16.

⁴ Goss P and Sonnemann, 'Split funding idea for schools has big risks and few clear benefits', *The Conversation*, 1.4.16; 'School funding: Grattan's timely circuit breaker', *John Menadue - Pearls and Irritations*, 29.11.16; Savage G, 'Education funding is a mess, and schools, teachers and young people will suffer', The Conversation, 29.4.16.

⁵ Knott M, 'Malcolm Turnbull's education revolution: end federal support for public schools', *Brisbane Times*, 11.3.16; Turnbull turns back the clock on education, Media Release, 31.4.16; <u>Turnbull locks in \$6 billion cuts to education in Queensland</u>, Media Release, 1.4.16.

⁶ Any cuts to education will hit regional Queensland the hardest Media Release, 5.4.16.

⁷ \$9.1 billion for education in State Budget, Media Release 14.6.16.

⁸ Agreement reached with Queensland Teachers Union, Media Release, 3.8.16.

⁹ Board Position Paper: Year 7 in Secondary Schools in South Australia, 25.2.16.

Praise indeed for what amounted to a bipartisan achievement. In an era in which brickbats catch public attention, this apparent success needs recognition. For years the issue had sat in the 'too hard' basket because of the cost and implementation challenges.

Provisions for making the Prep year compulsory were enacted into law in September as one of a number of education reforms in the *Education and Other Legislation Amendment Act 2016*. The vast majority of eligible children were already attending prep in 2016 and so the introduction of compulsory prep in 2017 formalised the big change that originated in 2007 onwards with the decision to gradually merge the prep year itself into Queensland primary schools.

With these two reforms, Queensland, at last, shed its reputation of being the least-schooled population in Australia.¹¹

The government also made an allocation of \$43m in the 2016 budget to fulfil an election commitment to ensure all Queensland children have access to at least 15 hours of kindergarten per week in the year before they start school.¹²

The most vexed area was the quality and monitoring of privately-provided daycare centres. The cost of compliance testing, a State responsibility, became an issue between the State and Federal governments, especially when it emerged that 'hundreds of operators were yet to be rated years after the scheme started'. A quarter (605) of the Queensland childcare operators that had been inspected were failing to meet national standards.¹³ It was also reported that 'black market' childcare centres were emerging to avoid vaccination requirements, or 'transitioning to a vaccine-free environment'.¹⁴

A TESTING TIME

In December 2014, the month before the state election in which the LNP lost office, Langbroek had accepted the recommendations of a review by the Australian Council for Educational Research for changes to senior secondary school assessment and tertiary entrance to replace the OP ('Overall Position') assessment system that had existed since 1992. ¹⁵ One of the most significant changes was the reintroduction of external examinations. ¹⁶

These proposed changes were accepted by the ALP, but they are complex to introduce. After a trial in selected schools¹⁷, the Queensland Curriculum and Assessment Authority (QCAA) advised that they would require an extra 12 months to implement the changes and implementation was delayed by a year to 2019.¹⁸ It was the first time 80 courses had to be rewritten simultaneously and the delay was supported by members of the profession and parent organisations, but not the LNP. Nicholls' unconvincing response was that the LNP government had 'intended to enact the changes by 2017'.¹⁹

Palaszczuk's Second Year 30

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¹⁰ Prep year now compulsory in Queensland, Media Release, 1.9.16.

¹¹ Queensland youngsters to benefit from compulsory full-time Prep year, Media Release 24.1.16: Fox S and Geddes M, Preschool – Two Years are Better Than One Developing a universal preschool program for Australian 3 year olds – evidence, policy and implementation, Mitchell Report No. 03/2016, October 2016.

¹² State Budget delivers \$43 million for universal access to kindy, Media Release, 16.6.16.

¹³ Akers T and Fraser K, 'Overdue duty of care', *Courier-Mail*, 13.11.16; 'Stop squabbling on childcare and get to work fixing the system', *Courier-Mail*, 15.11.16.

¹⁴ Brennan R, 'Daycare danger in black market', Courier-Mail, 30.11.16.

¹⁵ New assessment and tertiary education systems proposed by Queensland Government, *ABC*, 29.12.14; Redesigning the secondary-tertiary interface:Queensland Review of Senior Assessment and Tertiary Entrance: Recommendations, September 2014.

¹⁶ External examinations had been abolished in the 1970s. See Clarke E, <u>Assessment in Queensland Secondary Schools: Two decades of change 1964-1983 Historical Perspectives on Contemporary Issues in Queensland Education No. 4, May 1987.</u>

¹⁷ Trial of external assessment for Year 11 students. <u>External assessment begins for Year 11 students</u>, Media Release 26.5.16.

¹⁸ New senior schooling system to commence in 2019, Media Release, 18.10.16

¹⁹ Briggs C, 'Queensland education groups back move to delay secondary assessment overhaul', ABC, 19.10.16.

NAPLAN²⁰

The National Assessment Program — Literacy and Numeracy (NAPLAN) tests were held in June. Concern at the high level of 'withdrawals' from the test in 2015 led to parents being urged to ensure their children sat the tests in 2016, and advice on how to manage children's stress.²¹ The results were published in August, leading to the usual combination of selective reporting and handwringing: 'Queensland students outshine the nation' from the Minister²², 'Queensland students doing well'²³ according to one *Brisbane Times* reporter and 'Queensland still behind, but improving'²⁴, and the one which caused the most discussion 'Queensland records second-lowest writing test score'.²⁵ Federally, the well-worn debate over phonics surfaced when it turned out that the federal government had allocated funding for the purchase of a phonics test from the UK.²⁶

Minister for Education Kate Jones welcomed the 2016 achievements of Indigenous students in the Queensland NAPLAN tests:

ACARA released preliminary NAPLAN results in August and now they have released a final report that breaks down student results by gender, Indigenous status, language background, geolocation, parental education and occupation. This breakdown has shown Queensland's Aboriginal and Torres Strait Islander students have outperformed Indigenous students across the country in all 20 test areas in the mean scale score and national minimum standard.²⁷

STEM²⁸

STEM (Science, Technology, Engineering and Mathematics) featured frequently in public discussion and government statements on education and the curriculum. In April 2016 the State of Our Schools report highlighted the shortage of qualified maths and science teachers in Queensland's secondary schools.²⁹ But when the international comparisons for maths and science achievements in schools were released in November, it was another cause for alarm.

In an article 'International maths and science rankings: keep calm but change direction' in which the authors considered the significance of the results, Julie Sonnemann and Peter Goss wrote:

Yet again, they paint a picture of stagnating outcomes in Australian schools. Relative to other countries, we are actually slipping backwards – and fast. Since 2011, year four maths results have fallen 10 places from 18th to 28th. At a year eight level we have fallen five places in both maths and science to sit at 17th. Year four science has seen no change, however at 25th place it remains one of our poorest results.³⁰

²⁰ The National Assessment Program — Literacy and Numeracy (NAPLAN) tests were first implemented in 2008. These national tests replaced previous state and territory tests. They provide information on how Australian students in Years 3, 5, 7 and 9 are performing in numeracy, reading, writing, spelling, punctuation and grammar.NAPLAN results - August 2016. Queensland Curriculum Authority, 'NAPLAN, Years 3, 5, 7 and 9'.

²¹ Brennan R, 'NAPLAN brings testing time for parents', *Courier-Mail*, 11.5.16. The Catholic Education Commission also questioned the effect on children of too much testing: Vonow B, 'Kids cop too many tests: school boss questions frequency of NAPLAN', *Courier-Mail*, 29.7.16.

²² Queensland students outshine the nation in NAPLAN, Media Release, 3.8.16.

²³ Cooper N, Queensland students doing well according to NAPLAN results, Brisbane Times, 3.8.16.

²⁴ Remeikis A, Queensland still behind, but improving in NAPLAN, Brisbane Times, 5.8.16.

²⁵ Kim S, NAPLAN: Queensland records second-lowest writing test score averages in 2016 tests, ABC, 3.8.16.

²⁶ Adoniou M, <u>A new phonics test is pointless – we shouldn't waste precious money buying it from England</u>, *The Conversation*, 25.11.16.

²⁷ Minister for Education Kate Jones media release, 'NAPLAN gains for Queensland's Indigenous students', 14.12.16. It is not possible, here, to try to assess the influences on these results.

²⁸ Queensland Education, 'Science, Technology, Engineering and Mathematics (STEM)'

²⁹ <u>Australian Education Union's State of Schools Survey 2016</u> (media release) 1.4.16; Wilson L, 'Large number of Queensland high school students are learning maths and science from teachers not fully qualified', *Courier-Mail*, 1.4.16; Price A, 'Wanted: lots of teachers - call for qualified educators as schools struggle to fill positions', *Courier-Mail*, 2.4.16.

³⁰ Sonnemann J and Goss P, <u>International maths and science rankings: keep calm but change direction</u>, *The Guardian*, 30.11.16.

Nonetheless, 'Queensland emerged as one of the few positives, with the state making solid gains, particularly among Year 4 students, since 2007'.³¹

The Programme for International Student Assessment (PISA) results came out in November. In their article 'PISA results don't look good, but before we panic let's look at what we can learn from the latest tests', Stuart Riddle and Bob Lingard provided an assessment of how these results should be interpreted:

Australia has one of the most segregated schooling systems in the world, and the OECD data provide a strong correlation between high-performing systems such as Singapore and factors of social cohesion and equity. Further evidenced in secondary analysis of all PISA data over time is the strength of the correlation between equitable funding of schools and systemic performance on PISA. If we want to address these sliding results then we must address the issue of educational inequality in Australia.³²

The testing tail should not wag the education dog, but it can provide useful feedback. As a Queensland report stated in the late 1970s:

The principal aim and purpose of our school system is the education of children to take their place in the adult world. ... Assessment is but one facet of the education system. Its importance lies in the fact that it is the major interface between the education system and the community and the means by which educators account to the public for their stewardship. It is not, nor does it represent, the aim or purpose of education.³³

INDIGENOUS EDUCATION: CRISIS IN AURUKUN

For almost the entire 20th century there were just three Protectors of Aboriginal Affairs, known as 'Emperors of Queensland' because of the extraordinary powers they wielded under the Aborigines Protection Act. The most notorious of them was the autocratic Patrick Killoran who held the position for 20 years.³⁴ Their destructive legacy lives on in the problems faced by the Indigenous community.

However, it is a measure of the progress that has been made in Queensland since those days that there is now an Indigenous woman, Leeanne Enoch, in the predominantly female Cabinet, and an Indigenous MP, Billy Gordon sitting as Independent member for the seat of Cook. In addition, two Indigenous leaders led much of the debate over the education program introduced at the Aurukun school: Professor of Education Chris Sarra and the founder of the Cape York Academy, Noel Pearson.

Education Queensland had established a partnership with the Cape York Aboriginal Australian Academy, which operated primary schools in Aurukun, Coen and Hope Vale.³⁵ The Academy had been established in 2010 through Noel Pearson's³⁶ Cape York Partnership organisation, formed 'to end passive welfare and empower Cape York Indigenous people and families to improve their own lives'.³⁷

³¹ Martyn-James L, 'In sum trouble: Queensland bucks the trend of national maths backslide', Courier-Mail, 30.11.16.

³² Riddle S and Lingard B, <u>PISA results are out, but let's not panic</u>, *The Conversation*, 7.12.16.

³³ First Report of the Select Committee on Education in Queensland (the Ahern Committee), Government Printer, 1980, cited in Scott A, '<u>The Ahern Committee and the Education Policy-making Process in Queensland</u>', PhD thesis, the University of Queensland, 1984.

³⁴ 'Emperor for Life: Killoran's Queensland', ABC, 10.6.12.

³⁵ See the Cape York Aboriginal Australian Academy, and Aurukun Campus sites (last accessed on 4.12.16.)

³⁶ Pearson, lawyer, academic and land rights activist argues that Indigenous policy needs to change direction, notably in relation to welfare, substance abuse, child protection, education and economic development.

³⁷ For more detail, see <u>Cape York Partnership</u>. Pearson himself was raised at Hope Vale (formerly a Lutheran mission) and sent to boarding school at St Peter's Lutheran College in Brisbane, before continuing on to tertiary education to complete a law degree in Sydney. His positive educational experience is reflected in his Academy's goal to prepare students to succeed in 'high-quality secondary boarding schools'.

The events at Aurukun put the Academy's teaching methods under the spotlight, particularly the use the 'Direct Instruction' method developed in the United States.

From 2010-15, the Queensland government provided \$8.3 million to the Academy to operate its Cape York schools. Another organisation created by Pearson, 'Good to Great Schools Australia', was awarded \$22m in 2014, when then federal Minister for Education Christopher Pyne announced his intention to roll out Direct Instruction nationally.³⁸ In June 2013 an evaluation of the program on Cape York was concluded by the Australian Council for Educational Research which had been guarded but optimistic about Noel Pearson's program.³⁹

The 'Direct Instruction' teaching system is a product brought off-the-shelf from the US.⁴⁰ Sarra's objection was that it was not tailored to the educational and the cultural needs of the children at Aurukun:

Instead of spending \$30 million on a US-based product like direct instruction, in Aurukun we could spend just \$150,000 on a curriculum writer specialist teacher who could sit down with the people of Aurukun and write a high expectation kind of curriculum program for every year level.⁴¹

Like testing, curriculum content and teaching methods are a constant source of debate in the education system, and all were present in the furore that erupted over the Aurukun school when teachers walked off the job in May.⁴²

In response to acts of violence against the Aurukun school in May 2016, perpetrated by a group of alienated youths, the school was temporarily closed and education staff were evacuated. When the staff returned they faced more violence, and the school was closed until the end of the term. In the interim, the School of Distance Education provided the curriculum, and an acting Principal was appointed. The police provided extra activities for the children at the Police Citizens Youth Club.

The dramatic turn of events prompted an unproductive rush into the blame game. Blame was directed towards the controversial 'Direct Instruction' methods employed; towards Noel Pearson and his Cape York Academy; towards the police; towards 'punitive welfare reforms' causing unrest; and towards the government for the poor standard of teacher accommodation; and the lack of a secondary school or technical training.

Aurukun Mayor Dereck Walpo told his community they should be ashamed of themselves for not taking responsibility for their children.⁴³ Noel Pearson told the community to 'step up' to help address the problems of the troublemakers.⁴⁴ Indigenous MLA Billy Gordon⁴⁵ argued that whatever plan was put in place needed to be led by the community - and stay in place, instead of being

³⁸ MP fears Indigenous students will suffer under controversial literacy program: Warren Entsch says he nearly choked when told his own government was funding the direct instruction teaching model *The Guardian*, 7.7.16.

³⁹ Australian Council for Educational Research, <u>Evaluation of the Cape York Aboriginal Australian Academy Initiative:</u> <u>Final Report</u>, June 2013. See also Loudon B, <u>Direct Instruction and the teaching of reading</u>, <u>The Conversation</u>, 18.7.14. See also ACER, <u>Evaluation of the Cape York Aboriginal Australian Academy Initiative</u>: <u>final report</u>, June 2013.

⁴⁰ Louden B, 'Direct Instruction and the teaching of reading', The Conversation, 18.7.14.

⁴¹ 'Noel Pearson's program part of problem in Aurukun, Indigenous educator Chris Sarra says', ABC, 29.5.16.

⁴² The community of Aurukun is located on the north-west coast of the Cape York Peninsula, 200km (2hrs 30mins) by road south of the mining town of Weipa and 790km (1hrs) from Cairns. It can be totally cut off by road during the wet season. Anyone living there is isolated and vulnerable, whether a member of the Indigenous community or a temporary resident providing government or other services. Aurukun's complex history has been described in detail in a study 'Autonomy and Relatedness: an ethnography of the Wik people of Aurukun, Cape York Peninsula (1993) by Dr David Martin.

⁴³ Aurukun mayor blasts parents over unrest in Cape York community, Brisbane Times, 13.5.16.

⁴⁴ Pearson calls on Aurukun community to 'step up', Brisbane Times, 11.5.16.

⁴⁵ Elected ALP member for Cook in 2015, but now an Independent.

altered by successive governments. He also went on record as saying that the trouble was the result of sly grog, not a family feud as someone had suggested.⁴⁶

In response to the May events the Minister announced another review, which was completed in June. It reported that:

The most consistent message the review team received from community members was a deep desire to reconnect with their school and be involved in the life of the school. As one community member said to the review team, 'Wik problems need Wik solutions'. The Aurukun people view the school as a central pillar of their community — it is a place of learning, a place of safety and a place of calm. Community engagement is at the heart of lifting educational outcomes in Aurukun. The review recommends that community involvement be supported by formal arrangements such as a Parents and Citizens' Association (P&C), and that the principal use the P&C and Elders as a platform for engagement with the broader community.⁴⁷

In July the Minister said that the review recommendations were to be adopted, including:

- strengthening the Department's support for the day-to-day operation and governance of the school:
- Year 7 and 8 studies be made available in Aurukun:
- enter into a new service agreement with Good to Great Schools for direct instruction;
- commission an independent financial audit of current financial arrangements to assess the progress in implementing the recommendations of previous financial audits;
- develop a workforce plan and support mechanisms to enable the school to attract, develop and retain the best-possible staff; and
- develop and implement a first language curriculum to support transitions in the early years.⁴⁸

The school had reopened in term 3. On 9 November the Minister announced the appointment of a new principal, to start in 2017.⁴⁹ But negotiations over the future of the program at Aurukun were acrimonious. Noel Pearson wrote to the Minister to say that he was removing his teaching curriculum from the Aurukun school, and would cease provision of all support in Aurukun school from the start of the 2017 school year and cease current negotiations with the department in relation to Aurukun.⁵⁰

The arrangements between the department and the Academy for the schools at Coen and Hope Vale remained unchanged. Pearson was working with his own people in Hope Vale, with shared values and experiences. The Wik people of Aurukun have a different history, including winning significant battles of their own including gaining recognition of Indigenous land rights.

CURRICULUM ISSUES

The crowded curriculum

Not only students but teachers suffer the effects of constant testing, added to which has been the work involved in implementing the new national curriculum:

With demands including parental expectations, managing complex student needs and a crowded curriculum, almost 40 per cent of accepted mental stress claims made by

⁴⁶ Remeikis A, Cook MP Billy Gordon says whatever plan is put in place needs to be led by the community - and stay in place, instead of being altered by successive governments, *Brisbane Times*, 25.5.16; Remeikis A, <u>Aurukun unrest due to sly grog</u>, not family feud: Billy Gordon, *Brisbane Times*, 11.5.16.

⁴⁷ School Improvement Unit, Review of school education in Aurukun, June 2016.

⁴⁸ Queensland Government media statements, <u>Aurukun School Review recommendations adopted</u>, 5.7.16.

⁴⁹ New principal appointed to Aurukun, Brisbane Times, 9.11.16.

⁵⁰ McKenna M, 'Noel Pearson removes teaching curriculum from Aurukun', *The Australian*, 10.11.16.

Queensland professionals came from teachers in the 2014-15 financial year, according to the Office of Industrial Relations.⁵¹

The 'crowded curriculum' has long been as issue, as new demands are made of the system with little giving way to accommodate them, and had been on the national agenda in 2015 when Christopher Pyne was Minister for Education.

Religious education

Free, compulsory and secular public education had been one of the founding principles, if not practice, of education in the Australian states and territories in the 19th century. Ever since, the concept of 'secular' has been under pressure and often hotly contested.⁵² The use of the religious instruction program 'Connect'⁵³ in Queensland schools was commented on obliquely in the Sydney press in March.⁵⁴ It hit the local headlines when a school principal announced he had suspended the program.

Windsor State School principal Matthew Keong wrote to parents to announce he had suspended religious instruction at his school, after reviewing the syllabus, Connect, which had been taught by faith groups at Windsor and finding the lesson's materials attempted to entreat children to the Christian faith. ... Religious instruction policy defines proselytising as 'soliciting a student for a decision to change their religion's affiliation'. Solicit by its ordinary meaning is to ask for, to try to obtain, to persuade, to seek, to influence and express the need or desire," Mr Keong wrote in his letter to parents.⁵⁵

A departmental review was established in June and its report submitted two months later, recommending closer oversight of authorised religious instruction programs to ensure they complied with department policies.⁵⁶ A potentially contentious issue seems, apparently, to have been put to bed again - at least for the present.

Sex education

Sex education was a contentious issue (should it be taught in schools?) in the 1980s, now it is a case of not enough:

There was a time in Queensland, during the Bjelke-Petersen regime three decades ago, when sex education was said by the government to be a short road to gross public immorality and an affront to decency.⁵⁷

Not so in 2016 when the complaint was about the absence of sex education. The *Courier-Mail* had conducted an investigation into the alarming rise in child-perpetrated sexual assaults⁵⁸:

As the *Courier-Mail*'s ongoing investigation into sexting has revealed during the past week, our young adults and teenagers and even pre-teens are caught in an environment where highly sexualised behaviour is almost normal and yet it comes in a climate where the participants are highly uninformed about consequences. ... Despite the roll out of a national

⁵¹ Vonow B, 'Burnout hitting teachers: stress taking its toll on educators who struggle with increasing demands', *Courier-Mail*, 10.2.16.

⁵² 'Explainer: what the law says about Religious instruction in schools', The Conversation, 3.3.14.

⁵³ CEP (Christian Education Publications) has been providing churches and schools with quality Bible-based resources to teach and nurture young people for more than 80 years. My Connect. See also Who is CEP?

⁵⁴ Harris H, 'The horrifying religious instruction classes planned for Qld schools', *Sydney Morning Herald*, 20.4.16.

⁵⁵ Remeikis A, Religious instruction in state schools 'soliciting' children to Christian faith, Brisbane Times, 6.6.16.

⁵⁶ 'Statement from Education Minister Kate Jones', Media Release, 7.6.16. Department of Education, Report on the Review of the Connect Religious Instruction Materials, August 2016.

⁵⁷ 'Schools must take the lead in sex education', *Courier-Mail*, 17.10.16. It should be noted that the Bjelke-Petersen government was responding to an interest group campaign which also successfully advocated banning certain social science materials in schools, as well as a comprehensive list of books that should be banned from school libraries. See Scott A, 'The Ahern Committee and the education policy-making process in Queensland', PhD thesis, Department of Government, University of Queensland, 1984.

⁵⁸ Martyn-Jones L, 'Getting serious about sexting', Courier-Mail, 22.10.16.

curriculum which recommends classes on both sex and sexuality, Queensland hasn't instituted either as compulsory. ⁵⁹

As Bjelke-Petersen did before her, but coming from the opposite perspective, Minister Jones asked a parliamentary committee to consider the issue.⁶⁰ The Minister for Health also announced a Queensland Sexual Health Strategy 2016 devised in response to the disastrous cutbacks in sexual health services under the former government.⁶¹

Rather more reminiscent of the Bjelke-Petersen government's attitudes was the furore, generated at the national level by Queensland MP George Christensen, over the anti-bullying Safe Schools program, objected to for its frankness about bullying children over transgender and same-sex relationships. The folly of this was tragically illustrated towards the end of the year with the suicide of a 13-year-old Queensland boy who had been bullied at school when struggling with his own homosexuality.⁶²



comment by a Queensland secondary student

Teacher education

The Education and Other Legislation Amendment Act 2016 included measures to strengthen the powers of of the Queensland Teachers College to protect students and improve the teacher disciplinary system, lowering the threshold for suspending teacher registration in cases where the College 'reasonably believes the teacher poses an unacceptable risk of harm to a child'.⁶³ Later in the year the Courier-Mail ran a shock headline 'Queensland's teaching disgrace' above an article outlining the offences for which Queensland teachers had been barred from classrooms in 2015, in most cases after being charged with child pornography and child sexual abuse, which amply

⁵⁹ Courier-Mail, 17.10.16.

⁶⁰ 'Inquiry into improving the delivery of respectful relationships and sex education relevant to the use of technology in Queensland state schools', referred to the Education, Tourism, Innovation and Small Business Committee on 2.11.16.

^{61 &#}x27;Queensland Sexual Health Strategy 2016',

^{62 &#}x27;Society must redouble efforts to end the torment of our kids', Courier-Mail, 27.11.16.

⁶³ Queensland Teachers College Annual Report 2015, Queensland Health, 2016.

demonstrated the need for these reforms in this digital age in which these sort of evils have proliferated.⁶⁴ The *Courier-Mail* also argued the merits of paying teachers more, in order to attract the best people and to be able to offer rewards more comparable with medicine or information technology.⁶⁵ Universities were blamed for much of the problem of poorly-performing teachers, either because they accepted lower-quality students or did not train them properly. This was just one of the complaints about the post-school sector.

Capital works: the impact of high-rise developments

One other significant emerging issue relates to the rapidly increasing concentration of inner-city high-rise buildings which has current and future implications for planning government facilities, as well as the quality of life of residents. It had probably been assumed that most of the new apartments would be inhabited by people without children. This has proved wrong. By 2014 over 60 percent of pupils at West End State School lived in apartments. Not only was government land, zoned for future education needs, sold by the former governments (both ALP and LNP), but the green spaces are rapidly disappearing. This was particularly noticeable in West End, which was allocated \$12m by the Government to build eight new classrooms.

COMMONWEALTH-STATE RELATIONS

The major confrontation which had marked 2015 over the revision of the formula for the allocation of federal funding remained unresolved throughout all of 2016. The Gonski Report had an underlying theme of targeting schools in greatest need of support, a principle which threatened the wide variety of interest groups with a vested interest in the current arrangements. The result was a stalemate in discussions so the issue will carry across into 2017.

Medical education on the Sunshine Coast

A more parochial issue related to the pressure for a medical school to be attached to the Sunshine Coast hospital, which was intended to have a close teaching relationship with a Queensland university, matching a similar arrangement on the Gold Coast. The gloss was taken off this achievement when the Federal government declined to allocate funding for the student places needed to operate a medical school. In the wider context of higher education, medical education was seen as an expensive but electorally popular area of tertiary activity. Despite the local political enthusiasm, the federal government paid heed to the views of the AMA and of other competing universities that there was a surfeit of university places and of positions for medical graduates.⁶⁷

The Sunday Mail commented:

The State government has billed the long-awaited health hub as being integral to help train the next generation of doctors and nurses, but only the training of nurses had been locked into the partnership agreement with the University of the Sunshine Coast. ... A Queensland university has expressed interest in taking on the Sunshine Coast project but it needs the numbers issue (determined by the Commonwealth) to be addressed before an agreement can be signed.

The State Health Minister made no secret of his frustration at his failure to secure the required places after a long period of negotiation, including commitments to share half the costs of the places and guarantees internship places within the state hospital system. He was reported in the Sunshine Coast Daily as stating that 'the Sunshine Coast University Hospital could potentially be the only hospital of its type in Australia without a medical school unless the matter was resolved'.⁶⁸

⁶⁴ Dibben K, 'Queensland's teaching disgrace', Courier-Mail, 19.11.16.

^{65 &#}x27;Time to do the maths and pay teachers more', Courier-Mail, 24.6.16.

⁶⁶ West End lost the sites of the former School of Distance Education and the Southbank Institute of TAFE to developers. See Moore T, 'Schools squeeze: Inner-city classrooms rushed out', Brisbane Times, 25.1.17; Moore T, 'Inner-city apartment living causing major school problems in Brisbane', Brisbane Times, 20.1.17.

⁶⁷ 'Medical school on sick list: surplus of doctors halts university training plan', Sunday Mail, 13.11.16.

⁶⁸ 'University hospital faces major crisis: Health Minister', Sunshine Coast Daily, 11.10.16.

A 'bidding war' had taken place during the national election campaign, given the strategic position of Sunshine Coast electorates as an area where the ALP hoped (forlornly as it turned) to make inroads. This escalation started from the State Government and the Moreton Bay Regional Council agreeing to fast-track a development zone based on the abandoned site of a former paper mill. The Deputy Premier stated that this would become 'a world-class innovation and knowledge precinct supporting more than 6000 jobs, creating a vibrant urban community with a university campus at its core'. ⁶⁹

By the time the national election campaign was underway, both parties had committed to the idea of building some form of campus development to service the sprawling northern outskirts of Brisbane. The Liberals' local member's promises seemed to extend to a whole new university at times, a 'new full-service campus'. The ALP offered a more modest and innovative structural arrangement in the same location, a prototype 'Commonwealth Institute' which would work with State TAFE and the University of the Sunshine Coast, teaching both undergraduate and subgraduate courses without the provision of expensive research infrastructure and a policy of matching courses to the demographics of the particular area. ⁷⁰ In practice, what comes out of the end of this pipe-dream is likely to be an extension campus of the USC which would still be based nearer the coast at Sippy Downs.

Minister Dick was still complaining at the end of the year about the small increment of 15 university places needed to get the medical school off the ground before the start of the academic year. He complained about the issue being bounced around between unsympathetic federal Ministers, contrasting this with the support he had received from the Mayor of the Sunshine Coast with the inactivity of the LNP's State and Federal members for the area.⁷¹

A continuing scandal over Vocational Education and Training

These two university-sector topics were overshadowed in the wider community by the unfolding scandal associated with a range of private institutions operating in the Vocational Education and Training (VET) sector. The original private provider entrants into this sector back in the 1980s were motivated by the desire to achieve high status in the eyes of employers – particularly for administrative training such as secretarial studies – and they were meticulous in terms of standards and vocational relevance. When the door opened for providing taxpayer subsidies for course fees, all sorts of other entrepreneurs raced in with various schemes to find profits by offering sham courses with minimal teaching requirements to under-qualified students in study areas of dubious vocational relevance. The audit of the whole program published at the end of 2016 was damning in every aspect.⁷² The impact of these changes was described by Howard Guille in last year's review as 'a running sore'.⁷³ The Federal Government belatedly recognised what many commentators were seeing as 'the folly of public subsidies' and 'a policy debacle'.⁷⁴

The national government announced a suite of changes to the VET 'fee help' loan scheme.⁷⁵ Across Queensland urban areas, many organisations aspiring to offer a wide scope of courses were driven into bankruptcy by the changes.⁷⁶

Education Minister Simon Birmingham received a report which offered ranking of vocational significance for courses as a guide to the level of fee help to be made available.

⁶⁹ Courier-Mail, 9.3.16.

⁷⁰ Moore T, 'Federal election 2016: Petrie university campus Brisbane backed by major parties', Brisbane Times, 22.6.16.

⁷¹ Media Release, '<u>Minister demands 15 places by February 15 for SCUH Medical School</u>', 24.1.17. See also Moffat N, '<u>Mayor hits back at LNP smokescreen on university hospital</u>', *Sunshine Coast Daily*, 27.1.17.

⁷² This categorised three tiers of amounts suitable for particular vocational courses and drastically reduced the range of courses which would qualify for such help. Donaldson D, '<u>VET FEE-HELP</u> 'not effectively designed or administered", *The Mandarin*, 21.12.16.

⁷³ Guille H, 'A running sore – vocational education and TAFE', pp.30-33.

⁷⁴ Manning P, 'Rorts and blowouts: the folly of public subsidies,' The Drum (ABC), 17.4.16.

⁷⁵ 'Shake-up looms for training', *Courier-Mail*, 30.4.16.

⁷⁶ Manning P, 'Rorts and blowouts: the folly of public subsidies', The Drum, ABC, 14.4.16.

Agricultural and engineering courses provided by registered training organisations will be at the top of the list. Courses in acrobatics and others that have little correlation with landing students jobs, will receive limited financial help.⁷⁷

It was perhaps predictable that someone with political clout would be upset by such a delicate exercise in categorisation which might require Ministerial fine tuning.

Among the courses dumped were five courses relating to 'ministry and theology'. The *Courier-Mail*'s Renee Viellaris reported that:

Church groups have denounced the move as discriminatory... and Senator Abetz said that where people have received a calling to service – something that benefits the community – the least the Government can do is provide VET loans.

Minister Birmingham – described as 'a moderate surrounded by conservatives in the Senate' – took refuge in statistics: 'Of the 800 courses no longer eligible for student loans against a range of criteria, there are five courses that focus on ministry and theology; three of them have five students or fewer, and the total number enrolled in the five courses make up less than 0.1 per cent of the total number of current students.⁷⁸

⁷⁷ 'Students in key jobs training set for support', *Courier-Mail*, 28.9.16.

⁷⁸ Viellaris R,'Ministry loans go to hell – MP's vent fury as religious studies lose VET funding', Courier-Mail, 4.11.16.

THE CRIMINAL JUSTICE SYSTEM¹

Restoring a demoralised system

Under the 2012-15 LNP Government led by Campbell Newman, criminal justice deteriorated into a battleground between the government and the judiciary, and attempts were made by the government to weaken the powers of the Crime and Misconduct Commission.²

When the ALP took office, under the leadership of Annastacia Palaszczuk, the new government was faced with the challenge of restoring faith in the judiciary and the criminal justice system as a whole.³ The new Attorney-General, Yvette d'Ath, had a law degree, had been an industrial advocate and had held the federal seat of Petrie from 2007 until 2013. She had joined the ALP team in February 2014 while it was still in opposition, having won a by-election in Redcliffe, the seat formerly held by the LNP's Scott Driscoll. She thus brought experience and a cool head to a Cabinet that included a number of considerably less experienced members.

During 2015 most of the contentious issues the new government inherited had been managed quietly, with many referred to inquiries. The principal issues in 2016 flowed from the recommendations of these investigations, such as the inquiry into the overhaul of the LNP's contentious 'bikie' laws.

The government's legislative priorities included implementing its election promise to limit alcoholrelated violence by changing licensing rules, and continuing to implement the Bryce report on domestic violence that had been initiated by the Newman Government.⁴ In addition, new issues emerged, such as the management of young offenders (a ripple-effect after damning revelations emerged in July about the treatment of young inmates in the Northern Territory's Don Dale Youth Detention Centre).⁵

The Crime and Corruption Commission

The Commission's independence, and that of the Parliamentary Crime and Corruption Committee, had become highly contentious under changes wrought by the Newman Government. The Attorney-General Jarrod Bleijie had initiated an inquiry into the CCC that was widely perceived to be an attempt to water down its powers. The new Attorney General had settled a number of issues in 2015, and in September had appointed Mr Alan MacSporran QC⁶ as Chair of the CCC. His appointment was followed, in January 2016, by that of Mr Forbes Smith as CEO of the organisation, a man with long experience in anti-corruption bodies who had worked on the original Fitzgerald Inquiry.

In the 2015-16 Annual Report Forbes Smith referred to the instability and disruption of the preceding few years:

In recent years, staff at the CCC have achieved a great deal despite the continuous uncertainty, instability and change that had been imposed upon them. It is a strong testament to their dedication that so much was done in such testing circumstances. ... With this new-found stability came a renewed sense of purpose and certainty in direction. My comments should not be taken as critical of those who came before them. Rather, they are meant to emphasise the importance of leadership to every organisation.

¹ Author: Ann Scott.

² Scott A (ed), *The Newman Years: Rise, Decline and Fall*, TJRyan Foundation, 2015.

³ Scott R and Guille H, 'Politicians, judiciary and police: separation of powers', in <u>Palaszczuk's First Year: a political jugaling act</u>, TJRyan Foundation, 2016, ch 6.

⁴ See the full list of 2016 Media Statements from the Department of Justice and Attorney-General

⁵ 'Evidence of 'torture' of children held in Don Dale Centre', ABC, 26.7.16.

⁶ Mr MacSporran represented the State of Queensland at the Queensland Floods Commission of Inquiry and the Queensland Health Payroll System Commission of Inquiry. In 2015 he was appointed to review the Queensland greyhound racing industry.

and the influence of the 'tone at the top' on organisational performance and culture.⁷

The judiciary

The government continued to depoliticise the judiciary, though it was attacked by federal immigration minister Peter Dutton for its appointees being too 'lenient'. Law Society president Bill Potts responded:

No amount of populist can-kicking can take the place of a proper appeals process and an independent third judiciary. ... He does himself and his government little service by this kind of demagoguery.⁹

The most incendiary act by Campbell Newman, the appointment of Tim Carmody as Chief Justice, took a long time to resolve. Although he agreed to stand down as Chief Justice on 1 July 2015, he continued to be a troubling presence. In the middle of 2016 he lost the latest round in his fight to keep secret a recording of a conversation he had with three other judges (recorded by one of the judges). One of the 'negotiated terms' for Carmody's resignation was that he be appointed as a judge on the Queensland Civil and Administrative Tribunal (QCAT). Another was that he receive 'favourable treatment' when the QCAT presidency came up in October 2016. When the time came, the existing president, Justice David Thomas, had his tenure extended for a further two years. Carmody's position as a supplementary member of the tribunal was extended by the same period.

VLAD, OMCGs and other organised crime

In 2015 the new government had established a Queensland Organised Crime Commission of Inquiry to examine 'the extent, nature and impacts of organised crime in Queensland', which had presented its report in October 2015. The first two recommendations addressed the concerns of many observers that concentrating on Outlaw Motor Cycle Gangs diverted attention from the more complex array of organised crime groups operating within the State. ¹³

The succeeding months were spent in preparing amendments to the Vicious Lawless Association Disestablishment (VLAD) Act to take account of these recommendations. In September 2016 the Government introduced the revised legislation into Parliament.¹⁴

The police had run into difficulties when cases based on the VLAD legislation went to appeal¹⁵ so the case for some adjustment seemed valid on legal grounds. However, the retention of mandatory sentencing was attacked by civil libertarians who alleged that the amended legislation perpetuated some of the shortcomings of the LNP's VLAD laws. ¹⁶ The LNP, defending its own legislation,

⁷ Crime and Misconduct Commission Annual Report 2015-16.

⁸ Robertson J, 'Peter Dutton's claim lenient judges appointed in Queensland rebuked by political author', The Guardian, 9.9.16.

⁹ 'Queensland Law Society takes aim at Dutton comments', Brisbane Times, 8.9.16.

¹⁰ Kos A, '<u>Tim Carmody case: New South Wales judge brought in to rule on 'secret recording</u>', *ABC News*, 17.8.16; '<u>Carmody loses battle to keep explosive recording hidden</u>', *Australasian Lawyer*, 28.6.1.6.

¹¹ Ananian R, Lynch A and Appleby G, *The Tim Carmody Affair: Australia's Greatest Judicial Crisis* (NewSouth Books, September 2016).

¹² Queensland Organised Crime Commission of Inquiry, Final Report, October 2015.

¹³ It recommended that the CCC extend the focus of its intelligence and research functions beyond outlaw motorcycle gangs to other areas of organised crime and that the Queensland Police Service extend the focus of its policing strategies beyond outlaw motorcycle gangs to other areas of organised crime that pose a risk to Queensland.

¹⁴ Moore T, 'Changes to VLAD legislation to be introduced into Parliament this week, Brisbane Times, 12.9.16.

¹⁵ Cooper N, 'Early VLAD charges successfully challenged in Supreme Court', Brisbane Times, 27.7.16.

¹⁶ Robertson J, 'Mandatory sentencing for Queensland gang crime criticised by civil liberties group'; Burke G and O'Brien C, 'Yvette D'Ath defends new organised crime laws branded backwards step by civil libertarians', *ABC*, 14.9.16; Goldsworthy T, 'Fashion police: new Queensland laws continue Australia's misguided war on bikies', *The Conversation*, 16.9.16. Caldwell F, 'Queensland bikie laws: Segregation in jails to be wound back', *Brisbane Times*, 27.9.16; 'Peter Wellington cautious over Queensland bikie laws', *Brisbane Times*, 29.8.16.

claimed that the reforms 'rolled out the red carpet' for bikie gangs. Criticism from other sources included debate on the right to wear gang logos in public places. 18



The Serious and Organised Crime Legislation Amendment Bill 2016 went to the parliamentary Legal Affairs and Community Safety Committee for scrutiny. The committee submitted its report on 1 November 2016. The committee comprised three ALP and three LNP members, and perhaps predictably, was split over its findings, with the non-government members making a minority report. The Chair's Foreword reported that 'Government committee members are very concerned over matters related to evidence and events arising from the committee's public hearing on the Gold Coast on 4 October 2016 of the Bill'. This included the non-appearance of several witnesses:

Government committee members remain sceptically concerned that Australia's sixth largest council was only able to provide a Queensland Parliamentary Committee with a witness who was provided with no understanding of the legislation. Additionally government committee members are astounded and question the Gold Coast City Council genuineness and credibility in not providing a submission to the committee, given its purported concerns over serious organised crime on the Gold Coast.¹⁹

The non-government members made a separate statement of reservations at the end of the report. But the Mayor of the Gold Coast, where the original bikie brawl took place, was reported in the media to have cautiously supported at least some of the changes.²⁰

The Second Reading began on 10 November, and then adjourned to Tuesday 29 November when Parliament was to resume.²¹ The amendments had to be negotiated through the delicately balanced Parliament and it was uncertain until the night of 29 November whether the bill would be supported by the Katter's Australian Party.

¹⁷ 'LNP claims bikie law reforms 'roll out the red carpet', Brisbane Times, 28.8.16.

¹⁸ Farrell P, 'Queensland aims to change bikie laws to ban logos from being worn in public', *The Guardian*, 28.8.16.

¹⁹ Serious and Organised Crime Legislation Amendment Bill 2016, Report No. 42, 55th Parliament Legal Affairs and Community Safety Committee November 2016; Caldwell F, 'Debate begins on Labor's response to VLAD laws', Brisbane Times, 10.11.16.

²⁰ Moore T, 'Gold Coast mayor Tom Tate backs new crime legislation', Brisbane Times, 14.9.14.

²¹ The <u>Serious and Organised Crime Legislation Amendment Act 2016</u> Second Reading Adjourned 10 November.

Lock-out laws

On 1 July the government's new lockout laws came into effect.²⁴ This legislation was fulfilling an election commitment to reduce alcohol-related violence outside nightclubs, particularly in Brisbane's Fortitude Valley. In March 2015 the government confirmed its intention to go ahead.²⁵

Consultations took place over the development of the legislation which remained contentious to the end. Intense negotiations with cross-benchers at the last minute resulted in the legislation being passed in the early hours of the morning on Thursday 18 February. The Government also agreed to the KAP's request for the Working Queensland Cabinet Committee to meet in Mt Isa and Charters Towers and for initiatives to improve employment, health and safety in their electorates. It was provided that there would be an independent review of the laws in July 2018. A similar inquiry had been conducted in NSW after contention over similar laws. In the laws in July 2018.





Despite extensive consultations there was strong resistance from club owners and patrons, 300 of whom protested on the streets in Brisbane shortly before the legislation was to take effect. ²⁶ After three weeks the venues reported loss of revenue and people being 'wasted' earlier in the

²³ Remeikis A, 'Lockouts and 3am closing time served up', Brisbane Times, 27.3.15.

²⁴ 'Queensland lockout laws: Annastacia Palaszczuk secures support of Katter's Australian Party MPs', *ABC*, 17.2.16; Burke G and staff, 'Queensland Parliament passes controversial lockout laws, says state will be 'safer', *ABC*, 18.2.16.

²⁵ Quilter J, 'Callinan review largely backs Sydney lockout laws, but alcohol's role in family violence is a blind spot', *The Conversation*, 16.9.16.

²⁶ Cartwright D, 'About 300 rally against Queensland's lock-out laws', News.com.au, 26.6.16.

evenings.²⁷ In the Estimates Committee hearings, the Attorney-General was criticised for reducing the budget for the Office of Liquor and Gaming Regulation, the body responsible for implementing the regulations.²⁸

This policy issue is far from settled at the start of 2017. The *Courier-Mail* reported in early January 2017 that the government was reconsidering the lockout laws and would be negotiating further with the industry.²⁹ In a flurry of alliteration it announced 'Lockout law looks licked'.³⁰ LNP Deputy Leader Deb Frecklington described their willingness to negotiate as an 'epic backflip', while commentators were divided about whether it was a sign of strength or weakness. The *Courier-Mail* editorial praised the government's capacity to admit its aims might be achieved by different methods, while its political commentator, Paul Williams, questioned whether democratic leaders should sometimes 'swim against the tide of public opinion', or 'should they always float along with popular sentiment?'.³¹

In January 2017 Cabinet cancelled its plan to introduce compulsory lockouts after 1am. Instead it decided to halve the number of one-off permits for extended service hours in Safe Night Precincts and impose restrictions on their use. This decision was based on the findings of research conducted by Deakin University's Institute for Social Science Research into the first six months of operation of the lockout laws, which found that 'systematic and widespread use of extended trading permits' issued by the Office of Liquor and Gaming Regulation meant that since earlier last drinks were introduced in July 2016, 'there has not been a single weekend night where all venues in the Fortitude Valley have ceased the service of alcohol at 3am'. ³² This could be interpreted as a case of evidence-based policymaking, in which the original intention had had unintended consequences which needed correction.

Crime and crime statistics

Under the Newman cuts, the Queensland Police Service Annual Statistical Review had ceased publication, and the government had been subjected to significant criticism for deliberately interpreting the statistics to suit its own publicity ends, with the public being unable to verify its claims. So no Statistical Review was published for 2012-13 or 2013-14. In his Foreword to the 2014-15 edition the Commissioner referred to the fact that the information contained in the document, when combined with other data, 'supports evidence based, strategic decision making'.³³ However, accusations of 'deliberate fudging' of statistics by police on the Gold Coast put pressure on the Government to implement its commitment to establish a stand-alone crime statistics agency.³⁴

Making the punishment fit the crime

In May the government announced the reinstatement of the Queensland Sentencing Advisory Council, one of the bodies abolished by the Newman Government. This move was welcomed by the Queensland Law Society as a 'win' for the Queensland justice system.³⁵ Presumably because the new body published statistics on sentencing practices, the *Courier-Mail* was able to run a series of articles in September expressing concern at the infrequency with which maximum sentences were applied by the courts, an issue taken up by the LNP and victim support groups.

²⁷ 'Fortitude Valley counts cost of Queensland lockout laws', The Guardian, 19.7.16.

²⁸ 'Office of Liquor and Gaming Regulation funding cut', Brisbane Times, 21.7.16.

²⁹ Vogler S, 'Queensland lockout laws: Palaszczuk Government to dump or delay 1am lockout law', *Courier-Mail*, 2.1.17.

³⁰ Vogler S, 'Lockout law looks licked', Courier-Mail, 2.1.17.

³¹ Vogler S, 'History has last word on lockout', *Courier-Mail*, 3.1.17; 'Toast a new approach to lockout legislation', *Courier-Mail*, 2.1.17; Williams P, 'Dancing to a hollow tune', *Courier-Mail*, 5.1.17. Williams is a journalist-academic from Griffith University. His articles are given a prominent position, beside the editorial page in the *Courier-Mail*.

³² Government media release 'Alcohol service tightened for public safety', 23.1.17. See explanation of new arrangements on the Government's Business and Industry portal, <u>Late trading and lockout</u>.

³³ Queensland Police Service Annual Statistical Review 2014-15.

³⁴ Easton S, 'Qld moves ahead with stand-alone crime statistics agency, as cops accused of fudging the figures', *The Mandarin*, 31.1.17.

^{35 &#}x27;Return of Sentencing Advisory Council a win for QLD justice system' Queensland Law Society, 25.5.16.

CRIME BEHIND CLOSED DOORS

Domestic violence

The State Budget included \$198.2 million funding allocated to initiatives to combat domestic violence. On 16 August 2016 the Domestic and Family Violence Protection and Other Legislation Amendment Bill 2016 was presented to Parliament. It incorporated many of the recommendations in the Bryce report, *Not Now, Not Ever: Putting an End to Domestic and Family Violence in Queensland* - the report of the Taskforce that had been initiated by the Newman Government.³⁶ The legislation received bi-partisan support and the bill was passed on 11 October.

Domestic violence, and indeed within-family violence and abuse generally, is a classic example of the importance of interpreting crime statistics appropriately. The 38 per cent increase in domestic violence order breaches and a 28 per cent increase in police-initiated DV referrals between 2014 and 2015 can be expected to rise as victims become more confident about reporting offences.

The abuse of children

A number of horrific child abuse or child murder cases involving children in foster care or on the books of social workers in the Department of Communities caused the spotlight to be focussed on the effectiveness of child protection and safety programs, staffing levels and training.³⁷ These continuing tragedies seem intractable, and have been the subject of a series of significant inquiries. Questions were raised about the effect of the Newman government's staffing cuts on the workloads of social workers, although the problems are far more long-term than that.

Children in detention

In May 2016 an American expert commissioned by the Queensland government to improve its juvenile justice system said he was surprised by the 'relatively low' incarceration rate in the state.³⁸ However this apparent good news was quickly overshadowed by publicity over the way in which incarcerated children were actually being treated.

The treatment of children in institutions, particularly 'youth detention centres', came under the spotlight in Queensland after revelations on the *ABC* in June (from surveillance cameras) of the gross mistreatment of children taking place in the Northern Territory's Don Dale Centre.³⁹ These were followed shortly afterwards by similar, but less extreme, images from Townsville's Cleveland Youth Detention Centre.⁴⁰

The Attorney-General ordered an independent review into the treatment of young people detained in Queensland's youth detention centres, and, after some criticism about the narrow scope originally envisaged, published the terms of reference in November 2016.⁴¹

³⁶ <u>Update: Changes to Queensland Domestic and Family Violence Laws</u> (Robertson O'Gorman website).

³⁷ Branco J, '<u>Tiahleigh Palmer report reveals confusion</u>, <u>miscommunication</u>', <u>Brisbane Times</u>, 12.7.16; Moore T, '<u>Funds no issue for Queensland child safety probe</u>', <u>Brisbane Times</u>, 30.9.16; Moore T, '<u>Expert panel</u>' to examine impact of Child <u>Safety Department staff cuts</u>', <u>Brisbane Times</u>, 25.9.16; Moore T, '<u>Opposition wants 'big questions' asked about foster care</u>', <u>Brisbane Times</u>, 24.9.16; Department of Communities, Child Safety and Disability Services, '<u>The next chapter in child protection legislation for Queensland</u>', Options Paper, October 2016; Davey M, '<u>Victoria and Queensland team up to call for tax breaks for foster carers</u>', *The Guardian*, 11.11.16.

³⁸ Atfield C, '<u>Juvenile justice expert surprised by Queensland's low incarceration rate</u>', *Brisbane Times*, 26.5.16. Presumably 'relatively low' by US standards.

³⁹ Grattan M, 'Evidence of NT detention centre abuse was there for all to see', The Conversation, 26.6.16.

⁴⁰ Anderson B and Ferguson Z, 'Claims abuse was rife at Cleveland Youth Detention Centre', New Daily, 30.7.16; Robertson J, 'Excessive force and prolonged isolation alleged at Queensland youth detention centre', The Guardian, 18.8.16; Atkin M and Whyte S, 'Images emerge of alleged mistreatment at Townsville's Cleveland Youth Detention Centre, ABC 7.30 Report, 18.8.16; Millington B and Tierney B, 'Former inmate tells of abuse at Queensland youth detention centre', New Daily, 18.8.16.

⁴¹ Brisbane and Townsville youth detention centre review: D'Ath defends "narrow' probe, Brisbane Times, 17.11.16; Independent Review into the treatment of young people detained in Queensland's youth detention centres, 19.11.16.

The high youth crime rate in Townsville was the subject of a strong police crackdown in October that resulted in hundreds of charges being laid.⁴² One result was to move problem children off the streets and into the detention centre. In November, 20 young people staged a wild riot inside the Townsville Youth Detention Centre causing extensive damage and injuring staff.⁴³ This prompted another review and the resignation of the head of the centre.⁴⁴

Removing 17-year-olds from adult prisons

Despite these difficulties the government was successful in steering changes that would remove 17-year-old children from adult prisons through Parliament, bringing Queensland into line with all the other Australian states and territories, though it was a close vote.⁴⁵

Independents Rob Pyne and Billy Gordon supported the Government. The two KAP members normally voted the same way. However, Shane Knuth split with Robbie Katter over the ALP Bill to move 17-year-old offenders out of adult prisons and into youth detention centres. Knuth joined the LNP in opposing the Bill. The LNP opposed it ostensibly because of lack of consultation. However, the potential electoral benefits were made clearer when a senior member of the party offered the view that 'this law showed that Labor was soft on crime.⁴⁶

The legislation was debated in early November:

With Labor and the LNP tied on 40 votes for yes and 40 votes for no, it came down to the cross-benchers to pass the bill. Katter's Australian Party MPs took opposing sides, with Robbie Katter supporting Labor in getting 17-year-olds out of adult prisons and Shane Knuth voting with the LNP. Independents Rob Pyne and Billy Gordon also supported the government.⁴⁷

This is a sad story of how a major social concern about youth justice has become enmeshed in cynical party manoeuvring. The LNP and KAP both sought to strengthen their claims to be 'tough on crime' in competition with even more illiberal attitudes being promoted by the emergent One Nation party. The Opposition Justice spokesman explained the party's reasons for voting against the change in measured terms about lack of consultation while recognising the importance for action to be taken. The wholly irrational 'gut reaction' from another key LNP figure was closer to political realism - he justified his opposition by claiming that 'the law showed that Labor was "soft on crime". 48

⁴² '<u>Townsville youth crackdown to continue</u>', *Brisbane Times*, 19.10.16. The underlying problem of youth unemployment and hopelessness was also recognised, though, as mentioned earlier, extremely difficult to address.

⁴³ Townvsille Youth Detention Centre Update, media release, 12.11.16.

⁴⁴ 'Full review announced into detention riot', Sky News, 11.11.16.

⁴⁵ Remeikis A, 'Pressure mounting to move along Qld youth justice reforms', Brisbane Times, 23.8.16.

⁴⁶ Caldwell F, <u>Laws pass meaning 17-year-olds will be removed from Queensland's jails</u>, *Brisbane Times*, 3.11.16.

⁴⁷ 'Queensland cross-bench considers youth justice law', Brisbane Times, 1.11.16.

⁴⁸ Caldwell F, 'Laws pass meaning 17-year-olds will be removed from Queensland's jails, Brisbane Times, 3.11.16.

PART 3: POLITICIANS AND PARTIES

PARLIAMENT

KAP in Parliament

The stability of managing a majority on the floor of the House was maintained throughout 2016, perhaps to the surprise of most of the participants. There were occasional excursions where the Katter Party leadership felt the need to reinforce their rural-conservative credentials with their supporters – as they had the previous year on the creation of a sugar marketing agreement – but generally they pushed hard for concessions and then adjusted their position to their undoubted preference for the ALP to remain in power.

Former Speaker, John Mickel commented that 'the Katter boys wouldn't see themselves as great orators, yet they have been very effective backbenchers'. Mickel pointed to their frequent contributions in debates and in Question Time, which outshone LNP back-benchers. They also were proud of the number of legislative initiatives they had undertaken to force government action when inactivity might have been the Government's preferred strategy.

Changing the rules: compulsory preferential voting

More controversially in discussions of the terms of reference of the Queensland Redistribution Commission, the KAP had opposed the ALP and joined with the LNP to force the addition of four new seats, bringing the total to 93.2 The KAP believed that this move would ensure that rural depopulation would not lead to seats being shifted from the KAP rural heartland to the south-east corner of the State. The KAP then successfully, and wholly unexpectedly, negotiated with the ALP to reinstate compulsory preferential voting arising from these discussions. A simple amendment to an existing LNP bill was passed to reintroduce it.

This was perceived as a tactical miscalculation on the LNP's part and was cited as a reason to move to unseat the leader of the LNP opposition, Lawrence Springborg.³ Antony Green, the ABC expert, agreed with the LNP criticism of the combined ALP/KAP unheralded move, labelling the decision 'an astonishing manipulation of parliamentary processes for such a major change to be carried through without prior warning or consultation'.⁴ A *Courier-Mail* editorial agreed, pointing to the Premier's previous complaints about Newman's emasculation of parliamentary processes while in this instance acting no differently from Newman or even Bjelke-Petersen:

The squeeze play may have worked, but it will hang around Ms. P's neck for a long time yet as a sign that lip-service to consultative government is all well and good, until self-interest triumphs. Regardless of the electoral impact of the change, Queensland voters are well entitled to view the exercise as too smart by half.⁵

However, who the beneficiaries of this change will be in the next state election can only be guessed at.⁶

¹ Courier-Mail, 16.8.16.

² The <u>Queensland Redistribution Commission</u> is currently in the process of redistributing the seats and is due to release its proposal in February 2017.

³ In addition there was the more conventional rationale of the party's poor performance in the polls. Poor polling had already led to Malcolm Turnbull's 2015 move against Tony Abbott as Prime Minister.

⁴ 'A manipulation of Parliamentary processes' says Antony Green on new voting changes in Queensland', ABC, 22.4.16.

⁵ 'Premier fails to live up to her own standard', *Courier-Mail*, 27.4.16.

⁶ See Briggs C, 'Explained: How preferential voting system may help LNP at next Queensland election', *ABC*, 12.12.16. However, the re-emergence of One Nation has created a situation in which it might be the LNP rather than the ALP that ultimately gain from the change from optional to compulsory preferential voting.

Changing the rules: fixed four-year terms

By contrast, the two KAP members found themselves on the losing side when there was consensus between the ALP and LNP. The clearest example was the proposal to hold a referendum to introduce fixed four-year terms. Here the minor party and others on the sidelines felt aggrieved at the short time allowed for consultations with the electorate. They were outgunned by the mutual self-interest of each of the major parties.

Despite the alienation felt by many towards politicians as a category, the referendum to change to fixed, four-year terms was carried in March. Faced with negative polls, the two major parties had combined to present a common front and, in particular, to seek input from rural areas. This was needed to counteract urban and academic critics of a process which was seen as flawed by the ambiguity of offering one choice covering two issues: (a) fixed terms; and (b) moving from three- to four-year terms.⁸

The Bill passed with the support of the two ex-ALP Independents, Billy Gordon and Rob Pyne (both holding seats in the far north). Both Independents made their presence felt in other ways during 2016.

The continuing significance of Independents

Pyne, the member for Cairns⁹, resigned from the ALP in March, taking exception at the way he was treated by some senior members of his own party and the matter was referred to the Privileges Committee. The issue which provoked this was Pyne's persistence in complaining about both corruption and bullying in Queensland local government councils. His concerns were ultimately dealt with by the announcement of the appointment of former Integrity Commissioner David Solomon to head an inquiry into how complaints about the state's mayors and councillors were to be managed. Solomon issued a Discussion Paper in August.¹⁰ Pyne was also outspoken about the ALP's continuing support for mining interests and deviated from the ALP's position on related environmental issues. He was accused by the ETU, after they had supported his endorsement, of being a 'self-proclaimed rat' who 'had betrayed the labour movement by threatening to support an LNP government'.¹¹ He maintained his environmentalist position in the federal election campaign by publicly endorsing the Greens candidate, warning that 'the ALP/LNP duopoly should be worried'.¹²

Another north Queenslander, Billy Gordon, had been causing problems carrying across from the previous year. Gordon's electorate of Cook covers 196,805 square kilometres on Cape York and the Torres Strait islands, whereas Pyne represents an urban seat in Cairns. Gordon's concerns were about the Government's proposed laws regulating access to liquor (an issue for Indigenous communities on the Cape). The ALP's 'lock-out' laws required protracted negotiations between the cross-benchers and the Government at the start of the 2016 parliamentary year. As discussed elsewhere in this monograph, the legislation passed in February 2016, although Gordon voted against it.

⁷ Queenslanders had previously voted in a referendum on 23 March 1991 to extend the maximum term of parliament from three to four years (without a fixed term provision). The 1991 referendum failed, with 811,078 No votes (51.1 per cent) received against 772,647 Yes votes (48.9 per cent).

⁸ See Professors Graeme Orr and Roger Scott discussion on the issues at TJRyan Foundation website: '<u>Fixed four-year terms</u>: <u>YES or NO? Two questions</u>, only one answer allowed. Confused?

⁹ In the 2015 election he had beaten Gavin King, Assistant Minister for Tourism from 2012 to 2015, and then Campbell Newman's biographer.

¹⁰ 'Discussion Paper: Issues and options for Queensland's councillor conduct complaints policy, legislation and operations', August 2016.

¹¹ Wardell S. 'Unions turn on Cairns MP'. Courier-Mail. 17.3.16.

¹² Remeikis A, '<u>Federal election 2016: Former Labor MP endorses Greens candidate in Leichhardt</u>', *Brisbane Times*, 6.6.16.

¹³ Scott R and Guille H, Palaszcuk's First Year, p.63.

¹⁴ Scott R and Guille H, Palaszcuk's First Year, pp.61-62.

Land clearing - Gordon's vote with the LNP

The LNP had a major, if somewhat unexpected, success when it opposed the repeal of Newman's ultra-permissive, last-minute laws permitting agricultural land clearing. Independent Billy Gordon displayed his independence to vote with the Katter Party MPs and the LNP. This bypassed the usual restraining influence of Speaker Peter Wellington who was not in a position to exercise a casting vote. It was the first time since its election that the ALP had lost a vote on its own legislative program.¹⁵

This defeat was immediately represented by environmental activists inside and outside the ALP as a major set-back. In particular, it weakened the prosecution of the case being advanced to international organisations by both state and national governments defending the health and well-being of the Great Barrier Reef, which was seen to be impacted by increased sediment run-off created by land clearing.¹⁶



Gordon continued to nurse the grievance that he had been treated harshly, especially after police enquiries did not lead to further action against his perceived misdemeanors. But the *Courier-Mail* suggested that he had been inattentive to his parliamentary duties, with negligible appearances during Estimates Committee debates and the lowest number of speeches recorded in Hansard.¹⁷

It was however a personal issue which brought him back into the limelight in the dying days of the 2016 session, when accusations surfaced in Parliament that he had misled the House in the explanations of his personal conduct given in 2015. The Speaker conducted his own investigation of this particular complaint, bypassing the Ethics Committee which could nevertheless choose to take the matter further.¹⁸

Events such as this had demonstrated a weakness in candidate selection processes.¹⁹ This was underlined again in the local government campaign when a BCC candidate with a dubious morals record was disendorsed by the LNP. In some cases, such as that of the ALP's Rick Williams as well as Billy Gordon, there ultimately proved insufficient grounds for police action even though, in

¹⁵ Robertson J, 'Queensland land-clearing controls face defeat with former Labor MP voting no', The Guardian, 18.8.16.

¹⁶ Caldwell F, 'UNESCO urged to give Queensland more time to pass tree-clearing laws', Brisbane Times, 28.9.16.

¹⁷Trenton Akers, 'They seek him here...Gordon silent on electoral issues', *Courier-Mail*, 16.08.16. The Katter's Australian Party members had a very high level of attendance by comparison.

¹⁸ The *Courier-Mail* columnists drew sardonic contrasts between the view taken of the LNP backbencher Driscoll and of Gordon, 'part of the glue of a minority administration'. Wardill S, 'Expelling 'not so flash' Gordon will upset political universe', *Courier-Mail*. 10.12.16.

¹⁹ By early 2017 the ALP had established a more rigorous candidate selection process which to examine both sitting members and prospective candidates. Vogler S, 'Panel turns up heat to keep ALP clean', *Courier-Mail*, 4.2.17.

the Courier-Mail's words, 'Williams had an exceptionally colourful past and a number of ongoing issues'. ²⁰

There were also dissidents within the more senior ranks of the ALP, with Jo-Ann Miller as one of the small band of survivors after the ALP slaughter in the 2012 election. She was referred to the Parliamentary Ethics Committee over a matter.²¹ Its report identified behavioural issues which caused embarrassment to the leadership and her withdrawal from Cabinet. Not unexpectedly she did not go quietly, even showing the chutzpah to offer herself as an ideal Ministerial candidate when the Premier was forced to contemplate a reshuffle late in 2016. In mid-2016 the State Government offered an olive branch in the form of a position on the Finance and Administration Committee.²²

The disgruntled former Minister for Police demonstrated her independent spirit in the Estimates Committee hearings with probing questions directed at her own party.²³ Amy Remeikis suggested that:

In just seven days, Labor backbencher Jo-Ann Miller has cemented herself as the most powerful MP in the Queensland minority Parliament. Ms Miller made Queensland political history on Thursday, as the only backbencher since the estimates hearing process began in 1994 to attend every single committee, grilling the state's ministers over how they administered their budgets and portfolios.

Having fallen out with the government late last year, when she resigned from the cabinet after she was demoted by Premier Annastacia Palaszczuk following an Ethics Committee finding of a 'pattern of reckless behaviour', Ms Miller has been beholden to no one.²⁴

A Human Rights Act for Queensland

The one parliamentarian also 'beholden to no-one' is the Speaker. Normally held by the ruling majority party, the office of Speaker was entrusted to Peter Wellington in negotiations immediately following the election in 2015. As a long-serving Independent, Wellington seldom had to use his casting vote. Occasionally he went against the preference of the ALP when he did so, while periodically reaffirming his general confidence in the tenure of the current Premier.

A key commitment the ALP made to Wellington in 2015 in return for his support in helping Labor gain government, was to introduce a statutory Charter of Rights (colloquially referred to as a Bill of Rights). No timetable was set and no attempt was made by its many ALP supporters to advance the idea in 2015.

This was partly because there were many inside the ALP, particularly in the Labor Right faction, who resisted the idea of ceding any power away from the Parliament itself. The compromise was to refer the question to the Parliament Legal Affairs and Community Safety Committee. The committee tabled its report in June 2016.²⁵ At the ALP's state conference in October the Premier revealed that Cabinet had agreed to introduce a Human Rights Act for Queensland, modelled on the Victorian Charter of Human Rights and Responsibilities Act 2006.

²⁰ Courier-Mail, 15.3.16.

²¹ Remeikis A, 'Jo-Ann Miller referred to Parliamentary Ethics Committee', Brisbane Times, 18.8.15.

²² Courier-Mail, 12.5.16.

²³ Remeikis A, 'Queensland Budget estimates: Jo-Ann Miller proves government's biggest adversary', Brisbane Times, 29.7.16.

²⁴ Remeikis A, '<u>Jo-Ann Miller's greatest hits from budget estimates</u>', *Brisbane Times*, 29.7.16. She was also appointed chair of a select committee investigating coalminers' 'black lung disease'. The reappearance of this disease of great concern, not only to her local and statewide mining constituents, but within her own family. Remeikis A, '<u>Jo-Ann Miller tells of impact of black lung disease on her family</u>', *Brisbane Times*, 19.8.16.

²⁵ Inquiry into a possible Human Rights Act for Queensland, Report No. 30, 55th Parliament Legal Affairs and Community Safety Committee, June 2016. On 3 December 2015, the Legislative Assembly directed the committee to inquire into whether it was appropriate and desirable to legislate for a Human Rights Act in Queensland, other than through a constitutionally entrenched model.

On the LNP side, there was uniform hostility, mobilising arguments that the Bill constituted an infringement of the power of Parliament by creating a power to enable courts to interpret rights. The *Courier-Mail* reassured any waverers with opinion pieces from academics and judicial commentators supporting the LNP reservations about the proposal.²⁶

Cabinet decided to bring forward the legislation. One local commentator, Susan Harris-Rimmer, summed up the fundamental purpose of human rights, which was not about empowering lawyers:

The whole point of the exercise should be making sure that bad stuff does not happen to people in the first place. Human rights at their core are about the conversations citizens could have with their government about the ways power should be used against individuals, and what obligations citizens should have towards others in their communities.

The Human Rights Act for Queensland campaign has done a great job in making these issues accessible for Queenslanders but general media coverage has been sparse and polar.²⁷

Social legislation

There were individual legislative changes aimed at dealing with issues such as changes to the statute of limitation regarding consensual sexual relations²⁸, relaxation of access to marijuana and the major intervention to protect the rights of women in abusive relationships. In November 2016 the Government introduced a bill to remove from the Criminal Code the 'gay panic' defence as a justification for murder.²⁹ Gay activists appreciated the changes made at state level but regretted the stalemate which led to inactivity at the national level. They felt only half protected.

Other sensitive issues were not addressed, such as abortion or euthanasia. In contrast to Victoria³⁰, there was not much enthusiasm for implementing the ALP's own policy [policy 8.29] in favour of voluntary euthanasia, leaving medical practitioners in limbo.³¹ The same inertia applied to the ALP's policy on decriminalising abortion [policy 8.38]. There was considerable pressure for action on abortion by doctors and social workers.³² Rob Pyne took up the issue of abortion law reform with his status as an independent protecting him against any penalty likely to be applied by religious conservatives in his former party. As might have been expected, the parliamentary committee to which his bill was referred found enough fault to reject the idea. Pyne put in process an alternative bill meeting some of the committee's objections. At the time of writing it was unclear when this might be reconsidered.³³

One area of free speech required executive rather than parliamentary action to give redress for changes made in the Newman era:

Queensland's community organisations are lobbying the Palaszczuk Government for stronger protections, to ensure they can advocate freely and criticise governments when necessary - without the fear of losing funding. While the Palaszczuk Government removed the 'no advocacy' gag clause imposed on community groups as part of social contracts, community sector organisations want the government to go one step further and protect

Palaszczuk's Second Year

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²⁶ Sexton M, 'Should big decisions be left to our courts or parliament?', *Courier-Mail*, 11.8.16; Allen J, 'Does a bill of rights include a right for voters to have a say?' *Courier-Mail*, 13.7.16.

²⁷ Harris-Rimmer S, 'Queensland's proposed Human Rights legislation', *Policy Innovation Hub*, 2016.

²⁸ Remeikis A, Queensland to standardise sex consent laws and finally end gay discrimination, Brisbane Times, 16.6.16.

²⁹ Caldwell F, Gay panic defence: Bill introduced to Queensland Parliament, Brisbane Times, 30.11.16.

³⁰ Willingham R, 'Euthanasia debate: Victoria is failing the dving, says Premier Daniel Andrews', The Age, 15.9.16.

³¹ Mitchell-Whittington A, Queensland doctors unaware of end of life laws, study finds, Brisbane Times, 19.4.16.

³² Douglas H and de Costa C, '<u>Time to repeal outdated abortion laws in New South Wales and Queensland</u>', Med J Aust 2016; 205 (8): 353-354; Robertson J, <u>Queensland doctor in abortion case says more teenagers face 'appalling' choice</u>, *The Guardian*, 16.6.16.

³³ Caldwell F, 'Abortion laws in Queensland provoke passionate debate', Brisbane Times, 21.10.16; Livsey A, 'No more excuses. It's time to change abortion laws in NSW and Queensland, The Guardian, 22.12.16.

their freedom to advocate, even if it means criticising the government which funds them.³⁴

Freedom of speech and the future conduct of election campaigns in Queensland

Such debate might get caught up in issues of freedom of speech during future election campaigns. The use of 'post-truth' assertions about policy intentions and actual practice may become part of the Queensland electoral landscape after the perceived success of such strategies locally and overseas - particularly since the US election. The accusations of corrupt behavior by individual candidates being referred to the Crime and Corruption Commission (CCC), apparently timed to coincide with elections, emerged as an issue as far back as the Bligh vs Newman campaign in 2012.35

In mid-year, the CCC released a discussion paper, calling for public submissions, to settle once and for all whether deliberate public airing of allegations and referrals should be prohibited during election campaigns.

Chairman MacSporran said he had no preconceived outcome in mind but believed an effective solution was yet to be identified. Publicising allegations of corrupt conduct may adversely affect the ability of the CCC to perform its corruption function.³⁶

When the findings were published after the end of the parliamentary year, the scene was set for a major disagreement over priorities about the rights of privileged parliamentarians and journalists to air accusations of corruption.³⁷ The central recommendation was to impose a three-month blackout period before elections on publishing details of allegations against mayoral and local council candidates. The widely-respected President of the Local Governments Association of Queensland, Greg Hallam, welcomed the report, repeating his opinion that:

The local government elections held last March were the dirtiest we have seen. Some contests were marred by all manner of false and defamatory accusations on social media and other platforms. To attract the veil of legitimacy, some of those peddling such allegations invoked the good name of the CCC and referred to themselves as 'whistle-blowers'. 38

The response of the media was predictably very strong, not least because they depend upon blown whistles, leaks and newsworthy allegations. This slippery slope argument was already in view, suggesting the lack of any logic in not applying the same rules to state and national election campaigns. The proposal was seen to encroach on freedom of speech, particularly important in a state where major reforms were only introduced after the Fitzgerald Inquiry had been instigated in response to government corruption exposed by the media. The Premier's first response to the CCC's report was cautious, but there was overwhelming resistance from the media.³⁹

Parliament and North Queensland separatism

A motion supporting a plan to establish a separate state of North Queensland put forward by the two KAP members in September was defeated with both the LNP and Labor voting against. Pyne voted in favour, extolling the case for Cairns as its capital. The ALP contributed to the debate with backbencher Glenn Butcher responding to Pyne by predicting a bitter fight with Townsville over 'state capital' status. The *Courier-Mail* reported that 'no-one from the LNP spoke on the motion but the issue was debated at the party's state conference last month. It was narrowly defeated but Northern Australia Minister Canavan spoke in support of the move'.⁴⁰

³⁴ Remeikis A, <u>Qld community groups ask for end to funding blackmail</u>. *Brisbane Times*, 7.7.16.

³⁵ Scott A (ed), *The Newman Years*, TJRyan Foundation, 2015.

³⁶ Courier-Mail. 2.6.16.

³⁷ <u>Making allegations of corrupt conduct public: Is it in the public interest?</u>, Crime and Corruption Commission, December 2016.

³⁸ Courier-Mail, 15.12.16.

³⁹ See, for example, the editorial 'CCC's proposed gag on media a real test for Premier's principles', *Courier-Mail*, 13.12.16; Templeton A, 'Threat to Qld's right to know', *Courier-Mail*, 13.12.16.

⁴⁰ Courier-Mail, 16.9.16.

The concern for recognizing the political significance of northern Queensland was also discussed at the ALP conference, which degenerated into a factional war of words, according to Jason Tin.⁴¹ A rule change was designed to pressure at least some of the ALP Senators to relocate their offices outside Brisbane. North Queensland was becoming the centre of the political universe.

Snap polls and fixed terms

While the campaign for fixed four-year terms was in progress, a dispute arose which focused on the views of Rob Pyne, member for Cairns. His unwillingness to toe the party line on social and environmental issues made him a target of reproach from some of his parliamentary colleagues. This extended all the way to a complaint lodged by the LNP about abuse of parliamentary privileges and he left the parliamentary party to sit as an Independent.

The Premier warned that she would go to an early election if this shift in the numbers of Independents endangered her legislative program. Pyne then made common cause with the Katters and Gordon to proclaim a 'northern alliance' to secure his position. In response to the threat of an early election, the allies threatened to join forces with the LNP to take over the reins of government.⁴² Cooler heads prevailed, given the previous hostility to the LNP among all the Independents, and Pyne confirmed that he still held firm to labour values even if he was outside the ALP.

Dennis Atkins commented in the *Courier-Mail* that the ALP 'had mired itself in hypocrisy by simultaneously arguing for fixed terms while threatening its dissident members with a snap election'.⁴³

⁴¹ Tin J, Courier-Mail, 23.10.16.

⁴² 'New Premier in the wings', *Courier-Mail*, 15.3.16.

⁴³ Atkins D, 'Blind mandate ambition wreaks of hypocrisy – four years' worth', Courier-Mail, 12.3.16.

THE DYNAMICS OF THE PARTY SYSTEM

Seismic shifts in the political environment



Unlike much of 2015, political events inside the Queensland Parliament tended to be overshadowed by external events. The Queensland party system underwent dramatic changes through the year because of perceived changes of attitude in the electorate, brought into sharp focus by elections and leadership changes outside Queensland, both federally and in the US. The turning point was Hanson's election to the Senate. She was expelled from One Nation in 2002 and did not rejoin until 2013. A year later she was leader. Her re-entry on the national stage in 2016, and the scale of her support in the polls, especially in regional Australia, sent shockwaves through the system generally and the LNP in particular.

A survey published by the ABC confirmed that neither major party in Queensland had reason to be pleased by the result of national election held on 2 July.¹ This offered bad news for the LNP, which was 'clearly rattled' by fears that the reported doubling in overall support for One Nation from 5 per cent to 10 per cent could cost them 10 seats at the next election. Later polling pushed this out to an average above 20 per cent and in at least one seat (Hervey Bay) One Nation held a potentially winning lead already.

The State seat, Lockyer on the edge of Ipswich, where Hanson had stood in 2015, might be the first to go to One Nation. She only narrowly lost and the long-serving LNP winner subsequently indicated that he intended to retire before the next election. Of the next nine seats where One Nation polled well, i.e. over 17 per cent in multi-party contexts, only two were not LNP.

However the analysis caused equal concern on the ALP side of the ledger when One Nation's proximity to finishing in front on the primary count was calculated. Using this indicator meant, apart from Lockyer, the next eight seats at risk were held by the ALP and the two Katter Party members.

None of this was yet comparable to the support which One Nation attracted in the 1998 election, which was double that in 2016. There was also uncertainty how the change to compulsory preferential voting would impact on the flow of preferences. But the escalating support expressed in opinion polls for One Nation across Australia and especially in Queensland, gave the ALP every reason to search for a response to some of the political and social imperatives which were driving this escalation.

One Courier-Mail journalist suggested that:

the challenge now for Ms Hanson who heads what will be a crucial bloc of four Senators is to actually lead ... like it or not, Ms Hanson and her One Nation Party are the lightning rods for a lot of malcontents who have no compunction whatsoever about giving their hate and venom full rein: hate for the banks, a big hate for Muslims and a pretty decent hate for

¹ Martino M, 'Which Queensland state seats could Pauline Hanson's One Nation win?, ABC, 2.12.16.

indigenous people, gays, the feminazis, the unionists, the Family Court and, of course, a special dollop of loathing for all involved in promulgating the climate change conspiracy.²

A TJRyan Foundation Research Report 'The Queensland origins of One Nation' examines the historical origins which underlie many of the policies and attitudes espoused by the One Nation Party and their long history of connections with American conservative organisations:

Queensland's parliament is different from the Senate. One Nation voters here can identify with a relevant past and it is clear that the leadership will have learnt lessons from that past when it comes to the next state election.³

Given the extra financial resources (courtesy of government funding generated from past electoral performances, and some large donations) and encouraging opinion polls, better quality candidates may make themselves available to One Nation to contest for a glittering prize.⁴

The ALP's Jim Chalmers, another Queenslander now in Canberra, warned his party that:

Progressive politicians need to be clear their problem is with Hanson, not with her base. Arrogantly attacking people with real fears and real economic concerns will make things worse. ... If practical steps aren't taken, the current trends will gather pace. If we don't listen, if we don't learn, if we don't put all our energy into this task, if we don't find a place for them in the economy, if we don't get closer to those we represent, we don't deserve their support. ... More people will head for the polar extremes of politics, there will be more Trumps and more Hansons, more supporters with nothing to lose.⁵

Liberal National Party - leadership change

In 2015, Lawrence Springborg had been voted leader by the LNP to lessen the impact of memories of the Newman government's authoritarian past. Incongruously, in May 2016 they swapped one leader, Springborg, with little sympathy for Newman, for another, Nicholls, who had been publicly been perceived as one of Newman's staunchest allies and an ideological hard-liner, particularly over asset sales/leases.

Former Prime Minister Tony Abbott's plummeting popularity had proved an electoral liability for Campbell Newman and equally for his successor, Lawrence Springborg. But Turnbull's initial appeal seemed to resonate most in urban southeast Queensland, an area where Springborg had less to offer than any number of former Liberal Party supporters. Polling suggested that Turnbull's initial popularity was not being reflected in Queensland, particularly in the more marginal seats.

The LNP seemed to be languishing in the polls and making little headway in the media. However the trigger for leadership change in May came from Springborg's mishandling of the KAP coup which changed the voting system away from optional preferencing.

At the beginning of May Springborg denied that he faced a spill motion sparked by this debacle and veteran country-based members and party elders rallied to his defence against a team of potential challengers including Tim Mander on a unity ticket with Nicholls.⁶

² Paul Syvret, Courier-Mail, 30.6.16.

³ Scott R and A, 'The Queensland origins of One Nation', TJRyan Foundation, December 2016.

⁴ However, the bugbear which wrecked One Nation's last expedition into Queensland politics reared its head again when one candidate withdrew over his freedom of speech on social media being curtailed and another was sacked for using social media to air her hostile views of homosexuality: Howells M, 'One Nation Queensland candidate Andy Semple withdraws after inappropriate tweets, ABC, 20.12.16; and Burke G and Agius K, 'One Nation dumps anti-gay 'ratbag' candidate Shan Ju Lin', ABC, 8.1.17.

⁵ Chalmers J, 'Hillary, Hanson and the economics of our political predicament', speech, Queensland University of Technology, 14.11.16.

⁶ 'Tim Nicholls wins LNP leadership spill against Lawrence Springborg', ABC, 6.5.16.



Nicholls was duly elected, despite optimistic posturing by Tim Mander. Country-oriented Deb Frecklington was appointed deputy leader to balance the ticket and appease the rural critics. Frecklington then became the major parliamentary 'attack dog' to raise her public profile outside rural communities beyond the Darling Downs.

Springborg resumed a relatively unheralded, low-key role as a diligent Shadow Cabinet spokesman on health. He was also helped strengthen the parliamentary committee system in the Bligh era. He announced his retirement at the end of the 2016 parliamentary year, remarkably still young enough at 48, after 28 years of service, to consider a second career. Madonna King provided an insightful and sympathetic overview of his career, speculating about him replacing poorly performing George Brandis in the national Senate.⁷

The LNP and One Nation

At that same August 2016 conference the LNP was forced to confront the question of whether it would allocate preferences towards One Nation in the next state election, given One Nation's success in the federal election.⁸ Given her past views and relationship with the Liberal Party there was no love lost between Hanson and the urban business elite which supported the Liberal component within the merged LNP. Chamber of Commerce and Industry director, Nick Behrens, said:

Hanson needed to ensure her comments did not erode and damage Queensland's relationship with export destinations abroad. The last thing we need is a rogue politician who fires off at the mouth and does damage to our exporters.⁹

Most of Hanson's policies were antithetical to the Liberal Party component within the merged LNP. But she appealed in particular to protectionist elements within the National Party and its rural and regional roots.¹⁰ This brought the very existence of the merged structure into question, both by commentators and the party. Supporters of the old National Party and some Liberals felt that the challenge from Hanson might best be met by splitting the LNP back into its component parts.

⁷ 'He is a big loss to the Queensland Parliament and voters should hope he's got his eye focused more on George Brandis's Senate position than the outlook for rain at his family farm at Yelarbon', King M, 'Springborg should consider Senate spot', Brisbane Times, 7.12.16.

⁸ 'LNP could preference One Nation in Queensland', BrisbaneTimes, 26.8.16.

⁹ On Boxing Day the Courier-Mail reported that Hanson 'has stopped buying Vegemite - the nation's unofficial breakfast spread - to protest against its Halal certification'. Viellaris R, 'Pauline Hanson stops eating vegemite to protest Halal certification', *Courier-Mail*, 26.12.16. See also Tin J, 'Only takes one bad orange: industries fear relations will suffer', *Courier-Mail*, 13.7.16.

¹⁰ The exception was when she strayed into the territory of primary producers such as banana or sugar cane growers, when she found herself at odds with both George Christensen and Barnaby Joyce through her opposition to genetically modified improvements aimed at producing more disease resistant crops. See Viellaris R, 'Hands off my bananas: Pauline Hanson rejects plan to genetically modify bananas for better disease resistance', *Courier-Mail*, 23.10.16.

The Courier-Mail argued that 'the LNP must keep faith, not jump at shadows' and noted:

This newspaper lamented the inability of the Liberal and National parties in Queensland to provide an effective and successful political force to challenge the political supremacy of the Labor Party. ... From 2004 until 2008, wise heads in the Liberals and Nationals looked for ways to bring some sanity to what was an often dysfunctional outfit.¹¹

Several Liberals including federal Attorney-General George Brandis were trenchantly opposed at the time and 'some far-flung Nationals also wanted nothing to do with their ostensible city cousins'. When Brandis returned to this position in late November 2016, others agreed that the merger might need to be revisited.

The same idea was aired at the national level where the coalition agreement was more limited and the parties remained unmerged.

Several senior Turnbull Government tacticians want to rip up the Liberal National Party political agreement over fears that One Nation will cannibalise its vote in Queensland. Influential ministers no longer believe the political marriage is in the best interests of the Coalition and want 'the Nationals to re-establish their brand in the bush'.¹³

The Courier-Mail editorial disagreed, calling the idea:

Short-sighted and smacks of panic ... turning one party back into two will not stop a repeat of 1998 when One Nation won eleven seats; there will still be two established conservative parties at that time. ... Events like this happened because voters are fed up with not being listened to and being continually disappointed by politicians who do not seem to stand for anything.

Paul Williams countered next day with the following advice: 'LNP must split to halt Hanson.¹⁴ He suggested that the quarter of a million Queensland voters who supported Hanson acted largely in ignorance of the party's specific policies. Williams predicted that a repeat of the Senate performance would see One Nation holding the balance of power in the Queensland Parliament after the next election.

A coalition of two separate parties had been:

More successful in the past because it allowed the two parties to service two (potentially competitive) sectional interests. ... Put simply, a separate National Party would allow the Coalition's regional wing to be as rhetorically populist and socialistically agrarian as it liked. Meanwhile an urban Liberal wing can speak to globalised Brisbane."

2017 will test these alternative arguments, although as Dennis Atkins pointed out, 'unscrambling an omelet is devilishly hard. Returning Queensland politics to 2007 is just as difficult'. 15

The potential political appeal of policies associated with One Nation was reflected in the positions taken by two prominent members of the Queensland LNP. George Christensen, son of a third-generation cane farmer, holds the central Queensland seat of Dawson.¹⁶ In a debate in the

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¹¹ Editorial, 'Perspective, cool heads needed as talk turns to splitting LNP', Courier-Mail, 23.11.16.

¹² Editorial, Courier-Mail, 23.11.16.

¹³ 'Senior Turnbull Government tacticians want to rip up LNP political agreement', *Adelaide Advertiser*, 22.11.16; 'One Nation, two parties', *Courier Mail* 22.11.16.

¹⁴ Courier-Mail.24.11.16.

¹⁵ Courier-Mail, 22.11.16.

¹⁶ Dawson is located on the North Queensland coast, and includes the towns of Ayr, Bowen, Mackay, Proserpine and some south-eastern suburbs of the city of Townsville. On his website, Christensen lists his religion as an Antiochian Orthodox Christian.

national Parliament on an issue where Hanson played a pivotal role in the Senate, Christensen identified himself with the One Nation position: 'MP demands Turnbull do tax backflip or he'll walk'.¹⁷

In a wide-ranging interview in the *Courier-Mail* he advocated several policy positions which were out of line with coalition orthodoxy – supporting bringing back the death penalty, opposing same-sex marriage, identifying himself as a climate sceptic, in favour of strengthening immigration restrictions on Muslims, abolishing excise on tobacco, and all foreign aid payments. Later in the year, the *Courier-Mail* reported that 'Christensen said he was unaware of speculation his former staff member Tamara Candy could run for One Nation. A number of disaffected LNP members are flirting with joining One Nation at the next state election'. The 2016 parliamentary year ended with George Brandis threatened with extinction through a Cabinet reshuffle and Barnaby Joyce, as leader of the Nationals, advocating for Christensen as a potential Queensland replacement. ²⁰

Another LNP figure who suddenly reappeared in the headlines was Campbell Newman. His 2015 authorized biography had settled a few scores with those who succeeded him – and undermined him, so he judged: 'Nicholls was making the tough calls behind the scenes but did not do enough in supporting me when the cameras were switched on'.²¹ ... 'In the final week of the campaign, the unions ramped up their asset sales propaganda and no-one in the LNP countered it. Tim Nicholls was missing in action'.²²

By the time of the LNP state conference in August, Nicholls appeared firmly in the saddle and he was confident enough to admit that mistakes had been made under the Newman administration where he served as Treasurer. He promised to learn from his mistakes but carefully refused to give a binding commitment never to reintroduce asset sales as an economic option if returned to government.²³

In June 2016, Newman had re-entered public debate about the appropriate response to the success of Pauline Hanson when the LNP leadership was starting to consider the key issues in the next state election: tendering advice on the allocation of voting preferences and then the future relationships with the hypothetically enlarged One Nation presence back in State Parliament. In October *The Guardian* reported on Newman being seen meeting with One Nation's chief adviser, James Ashby²⁴, after he had predicted on television that One Nation will demand its own Ministers in the next LNP government in the likely event that it wins the balance of power in the next State election.²⁵

¹⁷ Courier-Mail, 18.9.16.

¹⁸ Courier-Mail, 24.9.16.

¹⁹ *Courier-Mail*, 24.11.16. In early January a serving State LNP, and former minister, Steve Dickson, announced that he would fight the next election as a One Nation candidate.

²⁰ Knott M, 'Barnaby Joyce vows LNP maverick George Christensen will become a cabinet minister', Sydney Morning Herald, 30.11.16.

²¹ King G, 'Can Do: The Story Of Campbell Newman And The Future Of Reform', September 2015, p.214.

²² King G, 'Can Do: The Story Of Campbell Newman And The Future Of Reform', September 2015, p.278.

²³ Remeikis A, '<u>LNP State Convention: Leader Tim Nicholls admits mistakes made under Newman</u>', *Brisbane Times*, 26.8.16.

²⁴ Former staff member to Peter Slipper (former federal LNP MP - then ALP-appointed Speaker).

²⁵ Courier-Mail, 17.11.16; see Remeikis A and Massola J, 'Ex-Queensland premier Campbell Newman spotted in talks with One Nation adviser', Brisbane Times, 17.11.16.



At the end of the year, Brisbane MPs in marginal seats were becoming concerned that the leadership might have lost interest in supporting them in order to confront the greater threat posed by One Nation outside Brisbane. Two unnamed 'senior Opposition MPs' briefed the *Courier-Mail*'s state political editor about concerns that had been expressed by the parliamentary team to the state party executive, following the release of a poll which showed the ALP leading in both first preference and on a two-party preferred basis.²⁶

The article was headed 'Where's Timmy?' beside a parodic illustration referencing 'Where's Wally'. The answer to the rhetorical question was obvious to all concerned - seeking to bolster the LNP voting support outside south-east Queensland.

Katter's Australian Party

The range of policy and ideological choices offered by One Nation can be interpreted as appealing, in particular, to conservative voters. However there is a wider challenge to all parties in coping with the impact of modernisation on the availability and type of jobs, both in the immediate present and in the future, both regionally and on the suburban fringes.

Alienated voters in Queensland might have another choice not available nationally – support for a home-grown dynastic party which had loads of local 'authenticity', Katter's Australian Party. Bob Katter Sr. (1918-1990) had been a Country / National Party member in the House of Representatives for over 23 years.²⁷ His son Bob Katter Jnr had had a distinguished Queensland career inside the old National Party under Joh Bjelke Petersen before moving to the federal Parliament as the local member for Kennedy, a seat embracing north Queensland's rural inland and Mt Isa. In the Gillard minority government, he became prominent as one of a group of Independents holding the balance of power. The non-Queensland Independents combined to sustain Gillard in office but Katter held true to his rural roots. He remained an unpredictable maverick notionally supporting Abbott and then Turnbull, even if his vote was less significant after the demise of Gillard.²⁸

During 2015 and 2016, the members of Katter's Australian Party in the Queensland Parliament showed unanticipated finesse and almost consistently negotiated outcomes with the ALP to the benefit of their north Queensland constituents.

Towards the end of the 2016 parliamentary year this was demonstrated in the passage of the legislation repealing the Newman Government's 'bikie' laws, and in significant changes to Queensland's industrial relations legislation.²⁹ The quid pro quo, from the Government to the KAP,

²⁶ Vogler S, 'Where's Timmy – LNP leader accused of going missing in action when needed', *Courier-Mail*, 23.12.16.

²⁷ Katter Sr had at one time been a member of the ALP (until the 1957 split). He had a long history of active unionism prior to his entry into public life.

²⁸ see Katter Bob, *An Incredible Race of People: a passionate history of Australia*, Murdoch Books, 2012.

²⁹ See Queensland Industrial Relations Bill 2016.

was an agreement to investigate a system of rural credit, roughly similar to the rural bank which had been in the KAP original wish list in mid-2015.³⁰

Where they occasionally ended up in the LNP voting lobby, the issues were again identifiably close to their constituents, such as marketing arrangements for the sugar industry, agricultural land-clearing and gun ownership. Occasionally the two-member party split, on areas of human rights and youth-related 'tough on crime' issues, but on the biggest issues, they acknowledged the right of the government to govern when the matters in question were not central to the perceived interests of their rural and regional constituents.

In any realignment of party loyalties by voters alienated from the two major groupings, KAP might be seen as a more 'respectable' alternative to One Nation. It has not been tarnished by accusations of racism, religious intolerance, conspiracy theories about world government and/or climate science. In the 2015 state election, significant numbers of voters in north Queensland cities had given support to the KAP.

The KAP's preference for the ALP over the LNP was motivated by the treatment they received at the hands of the Newman Government during its term in office when it held a huge majority. The reaction of its constituents and possible future vote-changers has not been measured by any publicised polling in the KAP's Central Queensland³¹ / Capricornia³² home territory. But it is at least possible that the national surge of support for One Nation might be mitigated in Queensland by the presence of KAP candidates.³³

Australian Labor Party and the unions

The media have led the public to believe that the Premier is hamstrung by a system of factions which inhibited her from exercising her own judgment and that of her bureaucratic advisers. As noted in last year's review and in Howard Guille's separate Research Report, the ALP in Queensland is a complex amalgam of constituent parts, usually identified as factions, often with sub-groups on either side of a left-right spectrum of opinions.

Not all unions are affiliated with the ALP⁸⁴ but the affiliated unions are fully part of the factions and often the prime drivers of policy – the Left is run by United Voice plus others, and in the two Right factions, Labor Forum is identified with the Australian Workers Union (AWU) and Labor Unity with National Union of Workers (NUW). On social issues, voters at the 'right' end of the spectrum would be able to make common cause with some One Nation and former National Party voters. Voters on the 'Left' would be able to make common cause with social progressives within the Greens party.

This year has seen the completion of a national inquiry into trade union structures and leadership which has led to public demonstrations against the Liberal-National Party coalition in Canberra, with the CFMEU playing an especially prominent role. Within Queensland, building industry issues have been given prominence in strike action and attracted unfavourable publicity in a generally hostile media.³⁵ But the problems with the CFMEU fed into a wider concern in the public and some inside the party that the interests of unions were being allowed to prevail over the wider public interest.

This was a constant theme with the print media. Back in 2015, the *Courier-Mail* suggested that the unions intended to 'cash in on poll pledges', following election campaign contributions in both cash

³⁰ See Scott R and Guille H, *Palaszczuk's First Year*, pp 64-66.

³¹ Central Queensland is a rough geographical division of Queensland that centres on the eastern coast, around the Tropic of Capricorn. Its major regional centre is Rockhampton.

³² Capricornia is an Australian Electoral Division. It was one of the original 75 divisions contested at the first federal election. It is named after the Tropic of Capricorn, which runs through it.

³³ At the national level, of course, Cory Barnardi was earning a few headlines with the suggestion he might establish another Alt-right party (which eventually did, on 7.2.17). See Brent D, He's no Donald Trump, Inside Story, 24.12.16.

³⁴ 'Together', a union predominantly representing public servants, left the party over Premier Bligh's support for privatisation and has never rejoined.

³⁵ 'Toxic shock: showdown looms over Labor's links with tarnished unions', Courier-Mail, 16.1.16.

and electioneering. In 2016, the media criticism ramped up as evidence of presumed malpractice was paraded in front of the seemingly interminable Royal Commission.

The first hint of internal tension over the relationship between unions and the party came in the post-election analysis of the disappointing results in the local government elections in March. David Hinchliffe, a former Deputy Lord Mayor, argued that 'a separation of unions from the Labor Party would be best for both. Labor would be free from the stigma of being the mouthpiece of certain key unions and from the corrosive dominance of several union leaders'.³⁶

Subsequently, the CFMEU came strongly into the limelight during the long period of campaigning after the double dissolution of the national Parliament, with particular focus on its past financial contributions – 'Hard-line union's big dollars for state ALP'. The *Courier-Mail* and Minister Dutton also tried hard to implicate unionists as associates of the bikie gangs: 'Dutton lays down the law on "ALP thugs": 37

By the time of the ALP state conference these assertions were causing a reaction within the party itself. Health Minister Cameron Dick risked upsetting his own trade union supporters by advocating a reversal of a decision taken the previous year on unions' role in the process of electing a parliamentary leader. This received front-page coverage as a headline news story and then an extended summary of the speech itself and a supportive editorial. The conference itself took no action.

In the inaugural Bill Hayden Oration, David Hamill noted the extent to which union membership was declining in the private sector because of structural changes:

We have seen the evolution of Australia into a highly-skilled, knowledge-based economy, in which the professional services and health care sector now employ more people than manufacturing... In this environment, trade unions are finding it very challenging to garner members with increasing numbers of workers, either self-employed, working from home or in small-scale enterprises and/or are employed on a casual and part-time basis. With declining membership in the private sector our affiliated unions are becoming increasingly public-sector focused as their membership becomes less and less representative of working Australians as a whole. This represents a significant challenge for the party and how it is viewed in the community. ...

All these trends are increasingly problematic for a Labor Party that seeks to be a party of government. To achieve that goal, the party must have a platform that is supported by a much broader constituency than the public sector and our traditional blue-collar union base.³⁸

Howard Guille has already discussed the challenges provided for the ALP in delivering on promises to improve unemployment, especially in regional Queensland, and the hopes that rest with mining initiatives like the Carmichael Mine. The ALP needs to show to regional Queenslanders and to businesses that it can do this better than alternative parties further to the right along the political spectrum.

The ALP and the Greens

A more direct challenge to the ALP comes on the other side of the policy divide, from the Greens, a party which is unequivocal in its commitment to the environment. The broad issues of climate change and the impact of mining and using fossil fuels, particularly coal and the Carmichael proposal from Adani, is an area where the Greens can draw on national and international publicity and support.³⁹ The narrower implication is the threat to the iconic Great Barrier Reef from both agricultural degradation and the longer-term impact of global warming. This issue is not divorced for employment, as the future jobs in the tourism industry, as well as others such as fishing, can be

^{36 &#}x27;Brisbane Election 2016: Why it all went wrong for ALP', Courier-Mail, 22.3.16.

³⁷ Courier-Mail. 24.76.16.

³⁸ Hamill D, <u>Inaugural Bill Hayden Oration</u>, TJRyan Research Report 50.

³⁹ Caldwell F, Adani mine: Green groups slam it as backers spruik jobs, Brisbane Times, 6.12.16.

set against any employment claims by Adani. Processes of decision-making over Adani are discussed in Guille's Case Study at the conclusion of this annual overview.

Environmental issues have enabled the Greens to develop a significant community base, especially in middle-class suburbs of Brisbane and the coastal communities dependent on tourism. Three Ministers in the Palaszczuk Government hold seats in inner Brisbane where the Greens' preferences affected the final outcome in the 2015 election. Steven Miles, Minister for Environment and Heritage Protection and Minister for National Parks and the Great Barrier Reef was elected to the Brisbane seat of Mt Coot-tha using as his campaign slogan 'Miles better for the Reef'.⁴⁰

The concern about the Greens arose after the poor performance of the ALP in the Brisbane City Council election in March.⁴¹ There was evidence of rising support for the Greens (as an alternative to the ALP) in many suburban ares, culminating with the victory of Jonathan Sri in The Gabba ward, the first Greens councillor in Queensland. This includes West End, now threatened by the sort of developments that have typified Queenslanders' developers' disdain for the local heritage. Sri attributed his victory to his refusal to solicit corporate funding support and his focus on personal contacts. He identified his priorities as housing affordability, economically sustainable development and 'giving the residents a meaningful say over the future of their neighbourhoods'.

The Gabba ward overlaps with the South Brisbane electorate, the seat held by Deputy Premier Jackie Trad (acknowledged leader of the Left faction). Trad had the power, as Minister responsible for urban planning, to 'call-in' development proposals already approved by the Council for reassessment. However, the general focus of the Government as a whole on job creation for the building industry sat awkwardly with any respect for 'heritage listing' of properties.⁴²

Trad's seat was statistically the sixth safest in the state, although the ALP proportion of the vote had dropped over each recent election because of 'gentrification'; the demography had shifted from working class to affluent middle-class voters, young and old, abandoning larger properties in more distant suburbs for the benefits of inner-city convenience, but also for the 'heritage' character of the area.

Sri had won by edging the ALP out of second position in the primary vote and then being able to overtake the LNP with the aid of ALP preferences. Analysts suggested that something similar could threaten Trad, particularly if the LNP chose to give their preferences to the Greens. The Greens optimistically applied the same logic to predict victories in three other seats held by Ministers on the basis of Green preferences.⁴³ Commentator Paul Williams injected a note of realism to dampen the confidence of the Greens, but did acknowledge that 'while a Greens victory in South Brisbane is unlikely in 2018, it is a distinct possibility in two or three elections' time.⁴⁴

If the ALP focuses on regional jobs as the major plank of its platform this urban voting pattern may become more marked, unless the regional jobs are seen to be directly linked to renewable energy projects rather than extractive mining. The target of reaching 50 per cent dependence on renewables by 2030 has been criticised as unrealistic. Power crises in South Australia, and Prime Minister Turnbull's vacillation about energy reform must make Green-leaning ALP voters examine the alternatives, especially in light of the ALP State Government's continuing support for Adani, coalfield development and the well-publicised and recently repeated pledge of the Premier not to introduce a carbon tax or its equivalent, even if other states move in a different direction.⁴⁵

⁴⁰ Briggs C, Explained: How preferential voting system may help LNP at next Queensland election, ABC, 6.12.16.

⁴¹ Courier-Mail, 25.3.16.

⁴² 'Brisbane residents strongly identify with our 'tin and timber' houses. They believed the City Plan protects them, only to find that it didn't protect these three houses in Jones Street, Highgate Hill. Also they were dismayed to learn the City Plan 2014 meant they had no say on the proposed five-storey unit building application, which is seeking code relaxations, on top of opportunistic demolition.' See Trott K, Community fights over-development, Westender, 13.2.16. See also Moore T, State government calls in controversial West End development, Brisbane Times, 14.9.16; Atfield C, Controversial \$800 million West Village project back on track at West End, Brisbane Times, 6.11.16.

⁴³ Courier-Mail. 11.12.16.

⁴⁴ Courier-Mail, 19.11.16.

⁴⁵ 'Queensland premier Annastacia Palaszczuk rules out state carbon tax', Brisbane Times, 8.12.16.

At the time of maximum concern about the Greens' performance in the BCC elections, the leading party strategist (and subsequently Senator), Anthony Chisholm responded to what he described as 'David Hinchliffe's standard anti-union diatribe' by shifting the argument from unions to the Greens.

Addressing the performance of the Greens, he confessed that:

This is something I had always feared but hoped could be avoided; the long-term repercussions for the Labor party are dire... when doing reviews (of ALP electoral performance in other states) it often gave me time to look at the electoral challenges the Labor Party faces in Queensland compared to our interstate friends. One thing I always found comfort in is that we didn't face a significant electoral challenge on our left. That has changed today.

The inner-city performance of the Greens in NSW and Victoria challenges the Labor Party in two ways. First, those seats where the Greens are threatening us are needed for us to win majority government; secondly, it is strategically challenging to win seats throughout Queensland against the LNP while also fighting off the Greens in the inner city. Put simply, the same message that wins Labor seats in Rockhampton and Mackay can often hurt in Brisbane. 46

On the same day, Paul Williams strongly agreed and went even further in the time-scale to reach more alarmist conclusions for the ALP. He suggested that:

Queensland Labor is worried. Very worried. But not for the reasons you might think. ... What's really greying Labor heads is a far deeper longer-term realization that the Greens are no longer just a fringe ally, useful for second preferences from Liberal leakage. They're now a direct threat to Labor's very identity in inner and middle Brisbane.

If current trends continue, we soon could be asking if a Labor Party is even viable after 2030. Wealthier inner-city voters are moving leftwards and aspirational suburbanites – like the 'Howard battlers' – are fearful of economic and social change and moving to the right. Before long, it's Labor who could become the third party whose preferences decide whether we have a Coalition or a Green government.⁴⁷

The title given to Chisholm's article was 'Red alert for Labor as it loses ground'. By the end of the year, it was the Greens themselves who were on 'red alert'. Within the NSW branch, party membership had been increased by the arrival of unabashed socialists. The national leader and many Greens in other states clearly perceived this as a kiss of death in terms of recruiting the sort of middle-class voters identified by Chisholm and Williams as potential losses to the ALP.⁴⁸

The medium and the message - the Courier-Mail and the Premier 49

The overview provided here has relied heavily on official sources and other media but particularly on the *Courier-Mail*. The *Courier-Mail* usually supports the conservative side of politics (though there are some notable exceptions). It has been highly influential in the past, but is probably far less so in the current social media age. It has a depth of coverage of state issues which are usually supported by direct quotations from its informants from whatever source.

The changing tone of the coverage by the *Courier-Mail* of the Government's performance over 2016 may be an indicator of the Premier's successes and failures as perceived by politically aware members of the public. So it is valuable to record over time the changing attitudes expressed in the *Courier-Mail* by its columnists and editorial writers.

⁴⁶ Chisholm A, 'Red alert for Labor as it loses ground', *Courier-Mail*, 26.3.16.

⁴⁷ Williams P, 'ALP may look to Greens with envy', *Courier-Mail*, 26.3.16.

⁴⁸ Chan G, 'Richard Di Natale says Greens group that wants end to capitalism does not represent party', *The Guardian*, 22.12.16.

⁴⁹ 'The medium is the message' because it is 'the medium that shapes and controls the scale and form of human association and action', (McLuhan M, *Understanding Media*, NY, 1964, p.9).

Under the Newman administration headlines were dominated by constant conflicts, and when the ALP took over people accustomed to the frenetic pace of the Newman era started asking 'but what has she done?'. As far as the *Courier-Mail* was concerned, 2015 had ended badly for the Premier - a front page article on infrastructure was headed 'Stuck in the slow lane - state of paralysis' with a lead paragraph inside: 'Queensland has been declared a 'state of inertia' with fewer major projects in the pipeline than the ACT.⁵⁰

Polls showed that the ALP had lost the gains made throughout 2015 and was now below what it had achieved back in January. These were cited, leading the journalist to speculate (incorrectly) that this would increase Springborg's hold on the LNP leadership, despite remaining significantly behind Palaszczuk in leadership satisfaction.

Behind threatening headlines such as 'Poll reflects Labor's lack of policy vision ⁵¹ the paper recognised that the Premier was personally popular, particularly in contrast to Campbell Newman, her predecessor. Her co-operative approach to intergovernmental relations and to conflict management led to the judgement that 'she enjoys plenty of political capital', that 'she should be congratulated for her early achievements' and that 'her government's support for foreign investment in coal mining is equally welcome'. The major caveat was the Government's lack of policy outcomes so 'she must do more than offer an affable personality'.

February 2016

In February, the paper's editorial again was in lecturing mode: 'Premier must show substance or watch her support crumble', questioning her 'small target' strategy more suited to oppositions.⁵² Yet half the editorial was then spent listing her achievements in job creation, addressing domestic violence, vocational education and market-led infrastructure proposals. It then ended by appealing to her to introduce a tough budget to win the respect of voters.

March 2016

By March, the headline was more impatient: 'Premier running out of time to drive growth'.⁵³ The editorial recognised the distraction of the resignation of Cairns MP, Rob Pyne, and complimented the Premier on her skills in negotiating the lockout laws. But, drawing again on its own polling sources, the paper argued that the middle year of the parliamentary cycle is engine room year, when there is space during which to implement substantive policies - 'action was what business – which will provide the horsepower for that engine room - is crying out for'. Again, there were references to policy inertia with initiatives stranded by the need to survive the delicately-balanced Parliament. She was urged not to pull the trigger of a snap election to break any impasse.

April 2016

In April, the focus shifted from managing the dissidents outside the party to focus on the trade union movement's exercise of power within it: 'The Premier Must Govern For All Queenslanders'. ⁵⁴ The outcome of Senate pre-selection balloting processes saw the views of rank-and-file party members overturned by the weight of left-wing unions. This was identified as unedifying and an unsurprising exercise of hubris after the labour movement's defeat of privatisation. But the imperative advice was tempered by recognition that "to date the Premier has displayed admirable pragmatism when it comes to focusing on what matters" which was defined as "jobs, sustainable economic growth and delivery of services and infrastructure within a sustainable fiscal framework". Adani again rated a special mention.

May 2016

May was seen as a tough month for the Premier, with a plunge in her personal support matching the results for the party as a whole in the Galaxy poll. This coincided with the LNP leadership

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⁵⁰ Courier-Mail, 14.12.15.

⁵¹ Courier Mail, 23.11.15.

⁵² Courier-Mail, 13/02/16

⁵³ Courier-Mail, 3/9/2016

⁵⁴ Courier-Mail, 20.4.16

change which created a predictable honeymoon effect for Tim Nicholls. The *Courier-Mail* report was headed 'Poll forces Palaszczuk to lift her game'. 55

June 2016

In June *Courier-Mail* journalist Steven Wardill wrote 'Is Anna's Game Up?', suggesting that voters had given the Premier a year's grace after she unexpectedly stumbled into office 'but their forbearance is finite ... the question now for Palaszczuk and Labor is, are they experiencing a midterm slump from which they can recover? Or has a slow and inevitable death spiral begun, a kind of self-fulfilling prophesy brought on by persistent talk of their demise. Finally, if the leak in support turns to a torrent, will MPs stick with Palaszczuk like they did under Anna Bligh, or will they act against her to save themselves?'56

However the prophets of doom, inside and outside the media and the ALP, proved inaccurate. A solid run of economic achievements, a favourable response to a cautious budget and shifting poll results comparing the Premier favourably with her new LNP challenger kept critical commentary on the editorial pages to a minimum.⁵⁷

July-August 2016

The media was saturated by the federal election campaign, and then, from early July, the need to digest the consequences of a narrow victory for the Turnbull government and the emergence of the even more contrary Senate.

The ALP's vote in Queensland in the federal election did not live up to expectations, whereas the party did better in states like NSW and Tasmania. With the reemergence of Pauline Hanson the state was viewed from outside as possibly reverting to its pre-1990s conservative past. Palaszczuk's leadership ceased to be the focus of political journalism with so much happening nationally and internationally.

September 2016

The focus finally shifted from the maelstrom of Canberra back to Brisbane when an opinion poll showed both major parties were slipping in popularity compared to the resurgent One Nation and the Greens. Both Morgan and Essential polls found that the minor parties in total had risen by ten points from 21 per cent to 31 per cent.⁵⁸ The *Courier-Mail* reported that:

Insiders are confident Ms Palaszczuk will lead Labor to the next election and have attributed the internal tensions to a range of issues, including a struggle to rebuild Cabinet culture, personality politics, stakeholder management, disagreements over key policies and a mounting pressure as the Government is forced to make and defend tough decisions.⁵⁹

October 2016 - State ALP conference

Attention shifted from One Nation back to the ALP for the October state conference with the factional disputes over policy issues rather than any hint of a leadership change. The Premier dismissed as gossip any talk of internal friction, 'declaring she was not a dictator and suggesting that some of the unrest could be attributed to Ministers being opinionated'.

Various Courier Mail commentators criticized the absence of ambition in the centrist positions by both the ALP and the LNP and their failure to offer genuine policy alternatives rather than trendy slogans about innovation and technology. Paul Williams summed up the perceived malaise with his plea: 'Bring back a leader of vision', in an article which contrasted the more impressive

⁵⁵ Courier-Mail, 17.5.16.

⁵⁶ Courier-Mail, 21.5.16.

⁵⁷ van Vonderen J and staff, 'Queensland budget 2016: Treasurer Curtis Pitt devotes \$4bn in super to cut debt, fund infrastructure', *ABC*, 18.6.16.

⁵⁸ Martino M, 'Which Queensland state seats could Pauline Hanson's One Nation win?, 2.12.16.

⁵⁹ Courier-Mail, 6.9.16. Infrastructure and resources issues were clearly at the centre of these tensions, engaging disputation in particular over mining and the future of fossil fuel as a major source of energy.

achievement of former ALP Premier Peter Beattie as Premier, now Chairman of the Commonwealth Games organizing committee.⁶⁰

Stephen Wardill damned both sides when he reviewed a range of policies where neither side was convincing:

Palaszczuk and Nicholls may think that the middle of the road is the safest strategy. Being the least-worst options doesn't matter if it gets you elected. Yet all this is doing is driving voters in alternative directions because all they see are politicians with neither courage nor convictions'.⁶¹

The media suggested that sensible party strategists on all sides need to be worried about the long-term consequences of their actions, even if there are more urgent matters such as winning the next election. Decisions which might yield short-term benefits may prove to have been taken at too high a cost in the long term. It was suggested that the notion of a simple two-party system will not be sustained and has already broken down in many jurisdictions.

This was a distinct change of tune for Wardill, who had written much more positive views of Palaszczuk's leadership style when reporting on the Premier's threat to hold a snap election back in March. Facing down another North Queensland dissident, the Premier had then received rare praise: 'She once again demonstrated that brand of homespun authenticity that so captivated Queensland at last year's [2015] election, a quality she had in spades over previous premiers'.⁶²

Year end

But the complaint then and later was that 'those qualities count for naught when you lead a crisis-prone administration'. By the end of the year, the ever-outspoken Des Houghton offered this damning summary, making a selective use of evidence worthy of Donald Trump: 'There is no polite way to say this: in less than two years, the Palaszczuk Government has shown itself to be bungling, profligate, unethical, unscrupulous, screaming, reckless, rotten, careless and dissolute'. 63

The unfairness of such a sweeping generalisation was obvious even to those readers of the *Courier-Mail* who share the paper's consistent prejudice against the ALP and the unions. Increasingly hard evidence emerged of sustained improvement in a range of policy areas, particularly in areas such as justice administration, education and health.

The *Courier-Mail's* own end-of-year 'report card' was published on the same day as Houghton's tirade. Somewhat surprisingly, it offers a balanced assessment which provides an evaluation many informed observers would share (but rarely appear in the *Courier-Mail*).

The report card noted the strong performance of the Ministers in these areas who are responsible for so much of public expenditure:

B+ for Kate Jones in education and for Jacki Trad in the omnibus portfolio of Infrastructure, Local Government and Planning, Trade and Investment; B for Cameron Dick in Health, for Yvette D'Ath, in Justice and Training and for Shannon Fentiman in Children's Services.

These were offset by ratings in the C and D range for smaller mainly policy-oriented portfolios. Steven Miles in Environment and Anthony Lynham in Mining and Resource Industries, had the same rating at C+. The hapless Minister for Transport who had held that poisoned chalice of the rail services scored a D.

Wardill offered the following summary:

⁶⁰ Courier-Mail. 18.10.16.

⁶¹ Courier-Mail, 16.10.16.

⁶² Wardill S, 'Is Labor 'pyning' for a poll or was Premier's election threat fictitious?', Courier-Mail, 12.3.16.

⁶³ Courier-Mail, 17.12.16.

After a decidedly dodgy 2015, the Palaszczuk Government bounced back to earn itself a satisfactory report card in its second year, but will that be good enough to win another term?

Giving her a B+, his comment on the Premier was equally measured:

Amid the killing season for political leaders, Palaszczuk deserves kudos for remaining popular. The gloss has come off a bit, she still sidesteps the tough stuff, is too often 'furious' and caught short on facts. Yet Palaszczuk is an asset and has found a formula that defies the pundits and can win the next election.⁶⁴

In January 2017 the *Courier-Mail* welcomed in the Premier's new year with lavish praise for a backflip on lock-out laws seen as worthy of Peter Beattie. The editorial was headed 'Toast a new approach to lockout legislation, the writer suggested that:

this is the sort of pragmatism that voters can respect ... In this regard, the Palaszczuk Government is to be congratulated for embracing an evidence-based response to the first stages of its controversial lock-out laws... This is a sensible policy shift that reflects both community and business concerns'.⁶⁵

It has already been noted that Paul Williams provided an alternative and less sympathetic interpretation of this decision. And a few days earlier the *Courier-Mail*'s editorial writer suggested that 'there are ominous signs that the Government's aversion to risk equates to an aversion to doing anything at all'.⁶⁶

Is the old party system getting hit for six?



In Queensland, as 2016 drew to a close, it did not seem at all fanciful to suggest that the election projected for 2018 (or earlier) will be contested by six parties, each with an identifiably different set of policy priorities. In the week before Christmas, when other topics were in short supply, Pauline Hanson held a press conference to present to the public her comprehensive slate candidates endorsed by One Nation to stand in the next state election.

So it seems that many ballot papers could offer the following choices: One Nation, KAP, ALP, the Greens, and even separate National Party and Liberal Party candidates. There may also be Independents (for example, Nicklin, Speaker Peter Wellington's seat) and possibly two or three other MP's standing on their parliamentary record without the backing of a major party.

⁶⁴ Wardill S, Courier-Mail, 17.12.16.

^{65 &#}x27;Toast a new approach to lockout legislation, Courier-Mail, 2.1.17.

⁶⁶ Courier-Mail, 22.12.16.

Once strategists and voters digest this reality, the definition of 'friends' and 'enemies' may be dramatically altered. The KAP may already have led the way with their successful prosecution of a small portfolio of its own policies while maintaining their identity through resisting on others. Their main challenge for survival could come from One Nation, which offers some similar protectionist and anti-capitalist policies with a rural flavor (including resisting controls on guns and land management). Yet One Nation also hold very different and perhaps to the KAP wholly unpalatable ideas on religious and racial discrimination. The KAP has effectively worked with the ALP over the past two years, often through intermediaries. But this openness was partly a product of the treatment they had received at the hands of the LNP, fuelled by the arrogance of a large majority.

Robbie Katter offered an extended rationale for his role:

The (Westminster) political system was never built for this domination by just two parties ... it now lacks competitiveness and lends itself to be too heavily influenced by large corporate interests ... the current arrangement in Queensland may not be as efficient as the two-party system but it can bring about a better result.⁶⁷

Finding new friends

There were some unexpected friendships forged by these changing political circumstances. Noel Pearson wrote a feature article in the *Courier-Mail* suggesting that Indigenous Australians should be 'connecting to One Nation'.⁶⁸ Celebrity businessman Dick Smith was even friendlier in his endorsement.⁶⁹

Paul Williams commented on the effect of this latter endorsement:

By throwing in his lot with Hanson, Dick Smith has given an immeasurably powerful boost to a party that, no matter how altruistic its voters' motivations, panders to the lowest common denominator. Success for One Nation can only mean resentment and fear gaining official policy status. ... There's a fine and perilous line between happy patriotism and malevolent nationalism. My fear is that Dick Smith's endorsement of One Nation will drag too many Australians over it.⁷⁰

The idea of splitting the LNP back into its unmerged two parts would remove the problem of 'saying one thing in town and something different in the bush'. Rural fundamentalism is deeply ingrained within the traditional National Party support base, and many of its members have identified with pronouncements from One Nation. Existence as a separate party would allow the Nationals to come to terms with One Nation, even if it means Nationals and Liberals contesting overlapping territory.

A separate Liberal Party would then be free to contest against the ALP in the urban southeast of Queensland, promoting economic rationalism likely to appeal to its core support in the business community. Unencumbered by the protectionist aspirations of the independent National Party they could negotiate bargains as a basis for mutual support.

It may also be time for the ALP and the Greens to recognise their common interests over a range of policies and a commitment to strategies for creating greater economic equality, such as the need to modify regressive taxation measures. They would need to acknowledge that the ALP and its labour movement base will often be hostile to environmental controls where they are perceived to inhibit employment. Nevertheless the ALP and the Greens might be able to agree about some of the fundamentals, such as the reality of climate change and the need to plan for it rather than ignore it.

⁶⁷ Remeikis A, 'Politics wasn't built for two parties: Robbie Katter', *Brisbane Times*, 11.7.16.

⁶⁸ Pearson N, 'Connecting to One Nation: Hanson is delivering a creative tension much needed in Australian politics', *Courier-Mail*, 29.11.16.

^{69 &#}x27;Dick Smith backs Pauline Hanson's plan for One Nation state election blitz', News.com.au, 6.12.16.

⁷⁰ Courier-Mail, 8.12.16.

Border warfare has often broken out between the ALP and the Greens at constituency level as well as in the national Senate, just as several commentators have noted that the Nationals and the Liberals are often 'at daggers drawn'. The results of this internecine warfare damages the parties concerned and contributes to the alienation of voters.

The next election will be fought on different issues from those in the past. Premier Annastacia Palaszczuk's regime remains intact despite prognostications a year ago. She has been, in her own terms, 'a quiet achiever'. She has also been widely commended for bringing style and authenticity to the office of Premier when so many politicians are dismissed as either faceless or 'latte-sippers'. But the challenges of the future will loom large for all parties in a reshaped party universe, particularly with such rapidly changing communications. The test is not only what policy messages are sent out to the electorate, but how they can be made to cut through to disaffected and anxious voters.

⁷¹ Courier-Mail, 30.10.16.

PART 4: CASE STUDIES

1: TRANSPORT: REAPING THE WHIRLWIND1

Commentators often refer to a particular portfolio as a 'poisoned chalice' because of the policy problems that the Minister inherits or has little control over. In the past, Health has been described this way because of the problems of governments having to meet rising expectations in an environment of rising costs. Health touches everyone. So does transport. Transport, in particular Queensland Rail (QR) was was the poisoned chalice in 2016.

The doctrine of individual Ministerial responsibility once regarded as a cornerstone of parliamentary accountability is moribund. It no longer applies where it is more convenient politically to be seen to be taking corrective action after the event. But in 2016, when the rail crisis hit, it was evident that the Minister Hinchliffe was not being informed about problems which had been identified within the hierarchy of the Department of Transport and Queensland Rail - possibly one effect of a more politicised public service.

This is why Hinchliffe could survive by firing the senior managers directly responsible and appointing a major figure from the private sector to undertake a review. The problem for the Premier is that these niceties would be lost on the users of the public transport system looking for a scapegoat (especially when the continuing cancellations affected transport over the Christmas holiday), and on an Opposition looking for an electoral target. Blame for every train delay, whether from storm damage or electrical faults, began to be sheeted back to poor government or management.²

How Transport became a 'poisoned chalice'

Post-punk UK Band 'G in 'Gang of 4' had a small 'hit' in 1980 with the song 'Outside The Trains Don't Run On Time'; it was paired with 'He'd send in the army'. The lyrics included the line 'Order - he's obsessed with order'.

In April 2014, the then Premier Campbell Newman claimed 'train on-time running' in Queensland had reached its highest ever level. Transport Minister Emerson compared the improvement with the poor performance under former Transport Minister Annastacia Palaszczuk.⁴ It was a big issue for the LNP Government. In August 2013, Newman linked the improvement in on-time running to the appointment of Glen Dawe as CEO of Queensland Rail, on a \$500,000 per year package.⁵ Mr Dawe had been appointed, from retirement, as Chair of Queensland Rail in July 2012. His appointment as CEO, at the direction of the Government, led two directors to resign.⁶ However Mr Dawe resigned as CEO in January 2014; he was replaced by Helen Gluer, who had previously been Under-Treasurer.⁷ She had been appointed to the Treasury position from Brisbane City Council by the Newman Government in 2012.

Queensland Rail had been formed after the Bligh ALP Government privatised the coal and bulk freight section (now Aurizon). It was initially established as a Government-owned Corporation (GOC)⁸ but this status was changed by the LNP to a Statutory Authority in 2013.⁹ This made

¹ Howard Guille and Ann Scott.

² Caldwell F, 'Queensland Rail fails could become state election issue', Brisbane Times, 9.12.16.

³ Gang of 4, Outside the trains don't run on time/ He'd send in the army, YouTube.

⁴ Media statement, 'More trains running on-time than ever before' 30.4.14.

⁵ Ironside R, 'Queensland Rail Citytrain services on time more often, but running more red lights', *Courier-Mail*, 9.9.13.

⁶ Minister Emerson said 'Mr Dawe was appointed at the direction of the government, which overturned the board's preferences for international candidates requiring a 457 visa', *Courier-Mail*, 1.8.13. See also, 'Board members quit after being overruled by Newman Government on Queensland Rail CEO', *Courier-Mail*, 30.8.13.

⁷ Vogler S, 'Queensland Rail CEO Glen Dawe stands down, replaced by Helen Gluer', Courier Mail, 10 .1.14.

⁸ Rachel Nolan, media release, New Board for new era of Queensland rail, 4.6.10.

⁹ Ironside R, 'Queensland Rail board overruled by Newman government to appoint CEO Glen Dawe', *Courier-Mail*, 1.8.13.

Queensland Rail directly to responsible to the Minister who would be able to make directions without these having to be gazetted (as is the case with a GOC). The Newman Government gave a range of reasons for the change – some of which were contradictory. Efficiency and financial control were the most prominent; expressed as 'greater accountability and improving the financial system'¹⁰, keep a tighter rein on spending¹¹, focus on operating costs ¹², and more efficient delivery of rail services. The Transport Minister said the change would 'allow the Government to restructure Queensland Rail and outsource services'.

The Annual Reports of Queensland Rail since 2012 are replete with references to cost cutting and efficiency. In 2013, the new Chair, Michael Klug, talked of the Efficiency Improvement Program 'to identify and realise significant savings in labour and non-labour costs'. It was part of a change to the 'contestibility' model recommended by the Costello Commission of Audit with rail and bus services delivered through contestable contracts under franchise and lease arrangements. At 30 June 2012, Queensland Rail had 7,312 full-time equivalent employees; by 30 June 2014 it was 5,879. Total employment costs fell by 4.5 per cent between 2013-14 and 2014-15 despite a 2.5 per cent increase in wage rates.

The finance-led efficiency push included getting a more 'flexible' work-force, with 12-hour shifts (with rest breaks every 2.5 hours which require a train crew change) and a decentralised system where train crew were expected to change over at a large number of stations throughout the system and not just at Bowen Hills. ¹⁷ According to the main rail union, the Rail Tram Bus Union (RBTU), the restructuring included 'deep cuts made to train crew training' including nine 'tutor drivers' (who provide 'route training' to new drivers). The Newman Government 'got rid of half the trainers and 25 qualified drivers'. ¹⁸ There was also a freeze on recruitment and training - the latter was particularly severe - on the supply of drivers (the majority of whom move up with training from guards).

Obviously, the privatisation of the railways occurred under the Bligh ALP Government. Indeed, the LNP, at least publicly, eschewed privatisation and said the change in structure was 'so we can employ more train crew, deliver better timetables and add more trains to the network'. ¹⁹ Even so, it seems by background and experience, the new management was best suited to cost efficiencies. Also it seems likely that the LNP and the senior appointments made from Brisbane City Council had limited sympathy for Queensland Rail. ²⁰ Michael Caltabiano became the Director-General of Department of Transport and Main Roads (DTR). ²¹ He is reported as saying that he planned to

¹⁰ From Tim Nicholls and Scott Emerson, joint statement, 'Glenn Poole appointed to Queensland Rail board', 18.10.13.

¹¹ 'Queensland Rail to be statutory authority', 9News, 15.4.13.

¹² 'Queensland Rail to be statutory authority', 9News, 15.4.13.

¹³ Queensland Rail Annual Report 2014-5.

¹⁴ 'Government passes laws to outsource Qld rail services', ABC, 1.5.13.

¹⁵ 'Costello Recommends Privatisation of QR & BCC Buses', Rail Tram Bus Union Circular, Costello Recommends Privatisation of QR & BCC Buses, 5.3.13.

¹⁶ All data taken from Annual Report and Financial Statements.

¹⁷ The move to a statutory authority allowed the Government and Queensland Rail to move the workforce out of the Federal industrial relations system into the state one. This gave the State Government more direct control as they could give the Commission legislative direction; something not possible in the Federal system. In 2015, the High Court ruled on application from the RTBU and ETU that despite the legislative change, Queensland Rail remained a 'corporation' for the purposes of the Fair Work Act. Whether it was intended or not, the 'decentralisation' of train crews might allow management to sleep easier because it reduced the visible congregations of workers who might just be discussing the industrial situation. Queensland Rail Annual and Financial Report 2012-13.

¹⁸ RBTU Advocate, Issue 13.4 Summer 2016.

¹⁹ 'Queensland Rail to be statutory authority', 9News, 15.4.13.

²⁰ See Jones and Prasser for details of BCC appointees including Helen Gluer, Barry Broe and Michael Michael Caltabiano: Jones K and Prasser S, "<u>Can-Do' shies away from the principled path of government</u>", Canberra Times, 1.5.12.

²¹ Moore T, 'Newman appoints familiar faces', Brisbane Times, 27.3.12.

'turn upside down' Queensland Rail.²² The DTR, with the support of the Treasury under Helen Gluer, took over the planning and construction of the Moreton Bay Rail Link from Queensland Rail. It refused to allow Queensland Rail to even tender for any of the work.²³ It also claimed to take out the 'gold plating' and save over \$100m. The RBTU warned at the time that contracting of the new rail link could lead to incompatibilities.²⁴

This happened when in May 2016 the ALP Minister Stirling Hinchliffe had to announce a delay in opening the new line because the signalling system installed by the contractors was incompatible with Queensland Rail's existing system.²⁵

The opening of the new line had to be delayed until Tuesday 4 October. Hinchliffe established an independent audit into the new system.²⁶ This caused a dispute between the Minister and the LNP over the former government's choice of contractor.²⁷

Opening of the Moreton Bay link - train timetabling problems begin

The Moreton Bay link was opened with much fanfare on 3 October, in the presence of Prime Minister Premier Turnbull, Palaszczuk, Moreton Bay Mayor Allan Sutherland, and Minister Stirling Hinchliffe. Early signs of trouble had come on 30 September when nearly 50 services were cancelled because drivers were diverted to train staff to operate the new link. Almost immediately after the opening several services, including the new link, started running late.

On 20 October the Minister was warned of rostering problems. The following day 100 rail services were cancelled across Brisbane.²⁹ When Queensland Rail was told to recruit and train 200 more drivers, it responded that it did not have enough trainers.

The Government, the Opposition and the media immediately embarked on a blame game. The Opposition and the media blamed the Government and the Government blamed QR for failing to provide timely, accurate briefings to the Minister.

Peter Quick, former Director of Brisbane City Council's transport and planning policy raised the question about the relationship between the Queensland Rail Board and the Government:

I've been asking myself where our well-remunerated senior transport bureaucrats and the Queensland Rail Board, ostensibly stuffed with worthies, were. Just what has the board been doing? Where is the oversight and monitoring of the performance of this vital public service utility? Maybe we need to review the board structure and membership to make sure it has sufficient senior railway management operating expertise and experience.³⁰

Heads started to roll on 24 October when QR's chief executive, Helen Gluer, formally stood aside as the head of the train service delivery branch for not acting on warnings over potential issues.³¹

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²² Ironside R, 'Director-General of Transport and Main Roads Michael Caltabiano not on family holiday but privately funded trip to Germany', *Courier-Mail*, 9.6.12.

²³ 'Moreton Bay delay lessons: Juvenile Premiers need adult supervision', Transport Now, undated.

²⁴ RTBU Circular

²⁵ 'Moreton Bay Rail link will not open on schedule due to signalling faults', ABC, 30.5.16.

²⁶ Vogler A, 'Audit looms for Moreton train debacle', *Courier-Mail*, 2.6.16; Tin J, 'Crossed wires on system's suitability', *Courier-Mail*, 16.8.16.

²⁷ 'Former Liberal heavyweight Santo Santoro's consultancy lobbied senior bureaucrats on behalf of the company whose signalling system was chosen for the indefinitely delayed \$1b Moreton Bay Rail Link. Queensland's lobbyist register reveals Ansaldo STS was a client of Santoro Consulting, of which former Liberal MP and senator Santo Santoro is a director', Volger S, 'Santoro link to signals debacle', *Courier-Mail*, 10.6.16. 'Moreton Bay Rail link will not open on schedule due to signalling faults', *ABC*, 30.5.16.

²⁸ Atfield C, 'Moreton Bay Rail Link decades overdue, so what's another 20 minutes?', Brisbane Times, 3.10.16.

²⁹ 'Lack of train drivers causes 100 services to be cancelled in Brisbane', ABC, 21.10.16.

³⁰ Quick P, 'We should ask if we have the right people driving the train', Courier-Mail, 26.10.16.

³¹ Rebgetz L, 'Queensland Rail service delivery chief stood aside over driver shortage' ABC, 25.10.16.

Not long after Gluer herself resigned, so did the Chairman of the Board, Michael Klug.³² The Leader of the Opposition immediately attacked the Minister for not talking to the media, but the Opposition spokesman on transport 'refused to comment on whether the cutting of 25 trainers when the Newman government was in power contributed to the timetable crisis by reducing QR's ability to train driver and guard recruits'.³³ Rail 'advocate' Paul Pluta claimed to have warned the Minister's office in March about the impending problems.³⁴

It emerged that QR had received a report in January by external consultants Indec, reviewing QR's train service delivery. It was prepared for QR in January, but had not been passed on to the minister, who was not given a copy until the end of October.³⁵ The Premier resisted calls from the Opposition and some media for the Minister to be sacked. Crisis talks were held with the Rail, Tram and Bus Union to try to work out strategies to relieve the pressure on the roster, such as reemploying retired drivers, changing some training, and abolishing or reducing 'comfort' breaks. In the background the union and Queensland Rail were involved in enterprise bargaining negotiations that had started in May and included the provision that in selecting drivers for training, existing staff should have first priority.

On 27 October the Premier announced that an independent inquiry into the debacle would be conducted by Phillip Strachan. A month later she announced that the inquiry was being upgraded to a Commission of Inquiry to give Strachan powers to secure material from the former Newman Government and QR because he was being denied access to it by uncooperative QR staff. Those papers he did receive had been heavily redacted.³⁶

It emerged that a consultancy firm, Giro, had warned QR of the need to modify its 'comfort' rules, having advised in March that 'that if the rules were not changed, any new solution would be "unfeasible". ³⁷ This advice was not provided to Ms Gluer by her subordinates.

Christmas Day - widespread cancellations

The crisis limped on, while the Strachan inquiry progressed, until train cancellations reached a climax when disaster struck on Christmas Day: roughly a third of services were cancelled, an event that QR admitted was 'foreseeable and avoidable'.³⁸ Of the 790 listed services only 550 ran. Many of the staff who had been expected to volunteer for work involving overtime, turned down the offer.

A report for Queensland Rail demanded by the Minister explains the detail. In essence, management relies on train crew agreeing to work on their days-off. On Christmas Day, they could not find enough people both able (because of safety limits on total hours) and willing to work. According to the report:

The current driver resourcing constraints were exacerbated by there being a reduced number of drivers available to be rostered'. ... Christmas Day 2016 fell on the last Sunday of the year and many drivers had already worked the maximum 18 Sundays for the year specified in the Enterprise Agreement'.³⁹

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^{32 &#}x27;Queensland Rail boss Helen Gluer, chairman Michael Klug resign over driver crisis', ABC, 27.10.16.

³³ Templeton A and Marszalek J, 'End of the line: commuter chaos worsens as QR top bosses resign', *Courier-Mail*, 28.10.16.

³⁴ Caldwell F, 'Queensland Rail fiasco: Who is Brisbane's rail advocate, Paul Pluta?' Brisbane Times, 29.12.16. It is not hard to picture this email being sent to Queensland Rail to draft an answer and an uninformative 'Ministerial' response being provided.

³⁵ Branco J, '<u>Train driver shortage was flagged in January</u>', *Brisbane Times*, 1.11.16.

³⁶ The final report of the Strachan Inquiry was submitted to the government in February 2017. Caldwell F, 'Queensland Rail: Phillip Strachan report recommends action to fix train issues', *Brisbane Times*, 6.2.17.

³⁷ Tin J and Marszalek J, 'Frustrated consultant finds little comfort', *Courier-Mail*, 3.11.16.

³⁸ Templeton A, 'Chiefs let Yule bungle happen', Courier-Mail, 5.1.17.

³⁹ Jim Benstead, Acting CEO, Queensland Rail, Report on Service Disruptions 25 December 2016, Letter to Minister.

Despite the claims by the *Daily Mail* and others, the cause of the problem is the shortage of train crews – it is not people who are taking sickies or 'playing the system'.⁴⁰

In a way, all the stars came together at Christmas Day. As 'queuing theory' (and everyday observation) suggests, if the mean time to serve customers at a checkout is longer than gap between the arrivals of customers, the queue grows exponentially. The only solutions are to open more checkouts or watch the customers walk out unserved. So too with Queensland Rail: the number of trains has been growing faster than the number of crew. The only answer is more crew. Which, itself, takes more time!

As the Gold Coast Bulletin said of the October cancellations:

... to misplace 100 train drivers and only realise the screw-up the day before would probably go down in the records as the biggest rail planning blunder since the French ordered 2000 trains that were too wide for platforms. ... Railgate is at risk of becoming the Palaszczuk Government's very own Health payroll crisis. ... It raises questions about the Government's ability to provide fundamental services, its willingness to accept responsibility.⁴¹

But there appeared to be another significant problem - a 'clash of cultures' within QR that was exacerbated under the Newman Government's 'purge of staff', and a culture of keeping problems in-house. A former senior manager described this culture:

The pattern of behaviour is they don't escalate it to the Government. The last thing they want is some minister coming in and saying you need to do this and that. ... It comes from a position of 'we know what we are doing' and they generally do get it right. But when it goes wrong it goes very, very wrong. ... QR had, since the 1990s, undergone aggressive changes aimed at boosting customer focus and business acumen by bringing in outsiders with corporate experience. But a controversial move by the Campbell Newman-led Liberal National Party state government in 2013 'wound the clock back' to a bygone era by putting the 'railway men' back at the helm. ⁴²

The legacy of staffing cuts

Two outstanding problems in QR appear to stem from the Newman government: politicisation of its senior management positions and staffing cuts which resulted in the loss of more than 1700 staff and a freeze on recruitment.⁴³ The Palaszczuk Government faced a difficult choice when it unexpectedly won office: whether to trust the public service managers it inherited from its predecessor or, yet again, cause disruption by making changes at the top. Opting for minimum internal disruption has been fraught with difficulties, with QR a particularly catastrophic example involving maximum public disruption.

The experience of QR shows that it is not only 'frontline' staff who are important, but the backroom staff who work, often under great stress, to support the frontline. The rhetoric of 'small government' in this case has contributed to the failure of a basic service that affects almost all Queenslanders - whether rail or road users - and including the business community.

⁴⁰ 'Train drivers 'chucking sickies' on Christmas Day accounted for ONE THIRD of service cancellations in chaotic transport day in Queensland', *MailOnline*, 28.12.16.

⁴¹ Sue Lappeman, 'The day QR went off the rails', Gold Coast Bulletin, 27.10.16

⁴² Former QR manager interviewed by the *Courier-Mail*, in Fraser K, 'Queensland Rail insiders not surprised Minister was kept in the dark about driver shortage', *Courier-Mail*, 7.1.17.

⁴³ Queensland Rail Train Crewing Practices Inquiry, media release, 25.11.15.

2: COAL IN A WARMING WORLD¹

In 'Palaszczuk's First Year: a political juggling act', we wrote that the essential political conflict in Queensland was development versus the environment; more explicitly 'coal versus the reef' and 'gas versus water'. They remain the elemental issues. Likewise the Adani Carmichael mine in the Galilee Basin and the New Hope Acland mine on the Darling Downs, remain the flash points.

Jobs are the currency of persuasion for the miners and their supporters. Ground water, climate change and protection of the Great Barrier Reef are the *cris de coeur* for those opposed to mining. Mining companies and their supporting organisations spend significant amounts on information, community campaigns, lobbying and hiring ex-politicians. Anti-mining groups are internet and social media warriors almost without peer. At times this creates a cacophony of political noise as the protagonists, anti and pro, speak past each other with their own packaged and 'inconvenient truths'.

At its plainest, the demands on government are to give or not to give permission for mining. Government gets few accolades and is drawn into a winner-take-all contest. The anti-mining forces take to the social media almost instantaneously if they think government has made a decision that favours mining. The pro-miners are equally quick to categorise any decision that they think goes against mining as a capitulation to unreason and to denizens of the green spaces (usually in inner suburbs). All of this makes the contests unconducive to political management and 'conventional politics'. Such 'political arts' aim to achieve a degree of stability by getting either a level of compromise over what will be done and/or a temporary truce about how contestants will act towards each other. It is 'deal-making'.

In the current political climate, mining issues are especially difficult for a Labor government. The process of governing is already more difficult for Labor than for Liberals. Labor, as a 'modern social democratic party', is about 'managing' market capitalism; it needs to find workable compromises between business and community. Liberals, by contrast, have no reason to deviate from the principle that what is good for business (aka General Motors) is good for the community. ³ This position is intensified by their increasing subscription to neo-liberalism and small government.

Deal-making is the everyday way of operating for Labor politicians and operatives. It is the basis of success within the party; the way policies are developed and how representatives, delegates and even Ministers are selected. All of these are predicated upon some notion of the greater good – whether the public benefit or the good of the party. It is reinforced by the doctrine of caucus solidarity and acceptance of party discipline.

To reiterate, the existential contest over mining (as against that about aspects of a particular mine) seem unconducive to political management. This is harder on Labor than on Liberal governments because of their overall approach and operating practices. Note, this does not imply that Labor's approach and practice are the cause of the contests over mining; or that if Labor changed there would be or could be a political solution to mining. Rather, the tensions lie in four overlapping sets of influences:

 The mining companies are unused to having their power limited and their wishes and demands rejected. The sense of that power is fed back to them by their lobbyists, LNP politicians and some government (state) agencies.

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¹ Author, Howard Guille.

² See Scott R and Guille H, 'Palaszczuk's First Year: a political juggling act', TJRyan Foundation, Research Report 45, May 2016..

³ The statement 'What is good for General Motors is good for America' is attributed to Charlie Wilson, then chair of General Motors Corporation. He became Secretary of Defence in the first administration of President Eisenhower and in the Senate confirmation hearing in 1953 said: 'For years I thought what was good for our country was good for General Motors, and vice versa'. See 'Charles Erwin Wilson', Wikipedia.

- The anti-mining organisations are often cadre organisations⁴ not mass movements; the overriding rationale of the organisation is to campaign to stop mining.
- Some of the issues about mining are zero-sum; the overwhelming view of scientists is that control and reversal of human induced climate change requires the reduction and even cessation of use of fossil fuels. The matter is made even more irreconcilable by the militant rejection of either the fact of climate change or its human cause by some of the pro-mining camp and prominent politicians.
- The institutions that might be used to broker solutions about mining are inadequate and/or deficient. Pro and anti-miners use the institutions as sites to campaign. The emphasis is on process and theatre rather than substantive issues. In Queensland, this seems especially evident in Environmental Impact Statements (EIS) and assessment.

These four influences provide a lens through which one might try to understand events of 2016. The same three locations dominated the agenda in 2016 as in 2015; the Adani proposal for the Carmichael mine in the Galilee Basin; the New Hope proposal to extend the Acland mine on the Darling Downs; and the Sibelco-operated mineral sands operation on Minjerribah/North Stradbroke Island.

In 2016, the Adani project generated the most national and international heat including court cases about climate change and carbon emissions. In early December 2016, Adani, in company with State and Federal Government Ministers, announced it will start construction in 2017. Meanwhile the Acland mine has been the subject of the longest ever case in the Land Court of Queensland with Oakey Coal Action Alliance and 30 other community objectors challenging the issue of the mining lease.

Mining on Minjerribah did reach a conclusion, or at least another stage, when the Queensland Parliament in July passed legislation requiring mining to end on or before the end of 2019 and thus returning to the situation as it had stood in 2011. The Government received support from Independents Pyne and Gordon while the two Katter Party members voted with the LNP against the legislation. The closure has been backed with a \$20m transition fund and a \$5m worker assistance package. The 2016 ALP State Conference endorsed the closure decision in the face of criticism from the Australian Workers' Union; indeed the AWU maintained its criticism right through the Parliamentary Committee review of the closure legislation. At the time of writing (January 2017), the LNP, as a party, has not announced that it would reverse the decision if it returns to government before the end of 2019. Indications are that Sibelco is preparing to close down and has not embarked on a community campaign like it did in 2011.

The stories of Adani, Acland and Minjerribah are different but all involved (and continue to involve) intense political, economic and legal conflicts. In these winner-take-all conflicts, even the winners are damaged as are their little helpers. Politicians have winked both ways; scientists, economists and the like, assembled to give 'expert opinions', have lost standing. Judges have drawn conclusions that fail the 'pub-test' while legal and institutional channels have been used for theatre. If jobs and climate change were not so important, we could enjoy the farce and debate whether the mess is more of a failure of politics, politicians, economics or lawyers. The even more imperative question is how to improve the process of decision-making about development and the natural and social environments.

⁴ In a different context but expressing similar views see for example, Joel Olson, 'What is a Cadre Organization?' in Bring the Ruckus, 7 January 2007, http://www.solidarity-us.org/pdfs/cadreschool/organization.bringtheruckus.doc.

⁵ Which is not the first time it has announced a start date; just a different date. In a careful analysis of Adani and the Indian coal market, Lauchlan Barker argues that the mine is still being called unbankable and the 2017 start date is 'fanciful'. Barker L, 'Coal price rally puts Adani Power under catastrophic financial pressure', *Independent Australia*, 8.12.16.

THE ADANI CARMICHAEL MINE

Figure 1 is a simplified timeline of the approvals for the Adani Carmichael mine.⁶ This culminated in early December 2016 when Queensland's Coordinator-General approved the project's application for a rail line into Abbot Point as well as the temporary construction of a worker's camp ahead.⁷ This is a 'key milestone' for the project, according to State Development Minister Dr Anthony Lynham who also said 'Adani has confirmed it will start construction next year (2017)'.⁸

Figure 1: Adani approvals timeline

November 2010 — Adani Mining Pty Ltd begins approval process to establish two new mines and a rail line in the Galilee Basin after Premier Anna Bligh declared the Carmichael coalmine and rail plan a "significant project".

May 2014 — Deputy Premier Jeff Seeney announces the state's co-ordinator-general approved the \$16.5 billion mine and rail project subject to 190 conditions and Federal Government approval. rests with federal Environment Greg Hunt

July 2014 — Federal Environment Minister Greg Hunt approves Adani's proposal

August 2015 — Federal Court rules in favour of a legal challenge by Mackay Conservation Group. MCG says Mr Hunt failed to take into account advice on the threatened yakka skink.

October 2015 — Federal Environment Minister re-approves Carmichael coal mine subject to "36 of the strictest conditions in Australian history".

The major approvals required for large mines under State and Federal legislation are:

- a mining lease under the <u>Mineral Resources Act 1989 (Qld)</u> (MRA);
- an environmental authority under the <u>Environmental Protection Act 1994 (Qld)</u> (EPA);
 and
- approval under the <u>Environment Protection and Biodiversity Conservation Act 1999</u> (<u>Cth</u>) (EPBC Act).

A range of other approvals may be required depending on the nature and location of a mine and its associated infrastructure.⁹

The Palaszczuk Government announced approval of the mining leases on 3 April 2016. Various ministerial statements show the balance of matters the Government was considering. The Premier said the approval of the leases came after 'extensive government and community scrutiny'. ¹⁰ She emphasised both the protection of the environment and the creation of jobs:

... stringent conditions will continue to protect the environment, landholders' and traditional owners' interests, and our iconic Great Barrier Reef.

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⁶ Source; Based on 'Why Adani's \$21 billion Carmichael mine could be unstoppable', www.news.com.au, 6.12.16. The News Group report is technically incorrect about the Federal Court in August 2015. The Court did not need to rule because the Federal Minister accepted that there had been an error and agreed to withdraw the approval pending further consideration of the two species.

⁷ Mitchell-Whittington A, 'Adani Carmichael coal mine rail line and camp approved', Brisbane Times, 5.12.16.

⁸ Mitchell-Whittington A, 'Adani Carmichael coal mine rail line and camp approved', Brisbane Times, 5.12.16.

⁹ Carmichael Coal Mine Cases in the Land Court & Supreme Court of Qld, Environmental Law Australia, 2016.

^{10 &#}x27;Carmichael coal mine: Mining leases approved for \$21 billion project in Queensland's Galilee Basin', ABC, 4.4.16.

Adani has estimated the mine, rail and port project will generate more than 5000 jobs at the peak of construction and more than 4500 jobs at the peak of operations.¹¹

Dr Lynham listed the inquiries that had been held and said, 'Many voices have been heard, and a lot of evidence considered':

...the process to date included public objections in 2014, Land Court hearings in 2015, and a Land Court recommendation in December 2015 that the mining leases be granted.¹²

In April. the Premier and the Minister sent a strong message that the proposal was being exceptionally closely scrutinised and the Great Barrier Reef and other interests, including Aboriginal traditional owners, were being protected. Towards the end of 2016, the State Government appeared more accommodating to Adani. On 7 October 2016, Minister Lynham made 'prescribed project' and 'critical infrastructure' declarations for the mine and associated infrastructure, including the rail line to the Coast. Such declarations are unusual and not part of the normal process of mine approvals. 'Critical infrastructure' declarations have only been made on four other occasions, three of which related to water supplies during the 2007-08 drought. They have never been used previously for a private development.¹³

According to the Environmental Defenders Office (EDO), these declarations would allow the Coordinator-General to intervene in the final approval processes including those to do with underground water. This was one of the matters in contention. In early November the EDO was particularly concerned that the Coordinator-General would be able to:

weaken community rights relating to associated groundwater licences proposed under the Underground Water Bill and undermine the policy intent of that Bill;¹⁴

This never became an issue – because the Government amended its Underground Water Bill when it was before Parliament on 9 November 2016 and gave Adani an exemption. They were the <u>only</u> mining proposal given an exemption; much to the chagrin of New Hope. Adani thanked the Premier and said the exemption recognised an area of concern ... that might have opened up a new line of activist delays.

While the Government has emphasised the level of consultation, pro-mining advocates have been caustic about what they see as concocted delays and challenges. The Queensland Resources Council (QRC) said that 'green groups are orchestrating naïve publicity stunts against the

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¹¹ Premier and Minister for the Arts, The Honourable Annastacia Palaszczuk and Minister for State Development and Minister for Natural Resources and Mines, The Honourable Anthony Lynham, Media Statement 'Carmichael mine approvals put thousands of new jobs step closer', 3.4.16.

^{12 &#}x27;Carmichael mine approvals put thousands of new jobs step closer.

¹³ Adani fast-track powers must be revoked; critical infrastructure status should not be misused, Environmental Defenders Office, Queensland, 2.11.16; <u>Legal implications of the declarations of Adani's Carmichael Combined Project as a "prescribed project" and "critical infrastructure"</u> Environmental Defenders Office, October 2016.

¹⁴ The legislation in question was the Environmental Protection (Underground Water Management) and Other Legislation Amendment Bill. This, repealed LNP government legislation dues to come into effect at the end of 2016 and which gave an automatic right to miners to use ground water if they got mining approval. The ALP legislation requires a specific groundwater assessment.

¹⁵ Robertson J, '<u>Adani's Carmichael mine protected from legal challenges under Queensland water changes</u>', *The Guardian*, 10.11.16.

¹⁶ Betts A and O'Brien C, 'New Acland mine: Miners and farmers join forces to oppose water bill they say will ruin livelihoods', ABC, 1.11.16. It quickly emerged that New Hope paid people to attend a rally outside Parliament. Robertson J, 'New Hope Group transported workforce to rally, telling those who work part-time as farmers to "please wear your check shirt and Akubra", The Guardian, 11.1.16.

¹⁷ Robertson J, 'Adani's Carmichael mine protected from legal challenges under Queensland water changes', *The Guardian*, 10.11.16.

company's mega-mine proposal in the state's Galilee Basin'.¹⁸ This was comparatively mild. In February 2016, QRC criticised the Mineral and Other Legislation Amendment Bill 2016 which restored objection powers to land-owners saying 'it will simply further overload the Land Court' which is already serving the needs of the anti-development groups'; mention was also made of 'out-of-control lawyers' picnics'.¹⁹

The QRC has pressed this argument many times. In October 2016, a media release from then CEO Michael Roche said of 'green activists':

Their interest is only in further delaying projects from delivering real construction and production jobs. The activists' tactics mean that the only jobs being created are for lawyers.

He continued to warn of foreign influence:

... last month WikiLeaks revealed that Australian green activists have morphed into foreign-funded radical activists. Millionaires in the United States are funding activists in Australia to 'disrupt and delay' resource projects.²⁰

QRC is consistent in its arguments and even goes in for some recycling. In November 2016, a media release from the new CEO, Ian McFarlane, said the activists did not expect to win the legal cases but:

Their interest is only in further delaying projects from delivering real construction and production jobs. The activists' tactics mean that the only jobs being created are for lawyers.²¹

He also recycled the dastardly foreign interest:

... last month WikiLeaks revealed that Australian green activists have morphed into foreign-funded radical activists. Millionaires in the United States are funding activists in Australia, including the likes of Mr Burragubba, to 'disrupt and delay' resource projects that would provide jobs and an economic injection to regional Queensland. ²²

Other than the very pointed mention of Adrian Burragubba, the words are identical. While we might forgive a new CEO from not knowing he was using a previous media release, it is less easy to excuse the extensive media department at QRC.

International funding was also a matter for the critics of Adani. In October 2016, the organisation Inclusive Development International started to release reports on how the World Bank was funding new coal mines.²³ As reported in *The Guardian*:

¹⁸ Wordsworth M, 'Green groups orchestrating 'naive publicity stunts' against Adani's Galilee Basin coal mine, Queensland Resources Council says, *ABC*, 9.4.16.

¹⁹ Hagemann B, 'Right of objection handed back to landholders', Australian Mining, 24.2.16.

²⁰ Roche M, 'Governments must stop vexatious litigation; Statement by QRC Chief Executive Michael Roche, 29.10.16.

²¹ Supreme Court dismisses Adani activist claims; Statement by QRC Chief Executive Ian Macfarlane, 25.11.16. Ian Macfarlane, former Liberal Federal Minister replaced Michael Roche as QRC CEO in November 2016.

²² Supreme Court dismisses Adani activist claims; Statement by QRC Chief Executive Ian Macfarlane, 25.11.16. Adrian Burragubba was the applicant in the Supreme Court case that triggered the media release. The source of the reference to the 'foreign funding' via the Sunshine Project' is unclear. The Sunrise Project website suggests it is an Australian organisation campaigning for an end to fossil fuels. There is a possibility that the QRC and Mr Mcfarlane are confusing it with a US organisation also called the Sunshine Project that campaigned against chemical and biological weapons. It went into abeyance in 2008. According to Wikileaks in 2004-05, the Sunshine Project exposed the plans of the US Defence Department to build a 'gay bomb, which would make enemy soldiers 'sexually irresistible' to each other. See 'US military pondered love not war' BBC World News, 15.1.05.

²³ The series began with <u>Outsourcing Development: Lifting the Veil on the World Bank Group's Lending Through Financial Intermediaries</u>, October 2016, available at Inclusive Development International, describes itself as 'a human rights organization working to make the international economic system more just and inclusive'. It is a project of <u>Social and Environmental Entrepreneurs (SEE)</u>, a Californian not-for profit.

Adani Enterprises acquired exploration rights for Australia's largest proposed coalmine in 2010 with a US\$250m loan from banks including India's ICICI, which was in turn bankrolled by the World Bank's private sector arm, the International Finance Corporation.²⁴

'Activists' are an almost ever-present threat for pro-mining advocates. An Indian report from late 2015 stated that the Adani chair, Gautam Adani, had requested the Turnbull Government to provide a 'special legislation that prohibits activist groups from seeking judicial review of environmental approvals'. The belief about activists permeates into quite 'everyday' activity; for example an otherwise unremarkable website aimed at people looking for mining jobs and training states:

As we all know, the Adani Carmichael mine has been plagued with legal challenges from activists, environmentalists, Green groups, land owners, farmers and not forgetting indigenous groups.²⁶

This statement is linked to the web-page of the Environmental Defender's Office (EDO) which has postings from March to December 2015 covering a Land Court case about the Adani application for a mining lease and environmental authority.²⁷

Perhaps the apotheosis is the *Courier-Mail* editorial, 'War on coal mine is ideological sabotage ignoring job benefits':

Green groups, which have been stymied in their opposition to the Adani coal mine at every turn, are now vowing to do 'everything we can within the law' to stop development of the Galilee Basin mega-mine proceeding.

and:

....on much of the land the Adani footprint covers most green protesters would be hard pressed finding a sturdy enough tree to chain themselves to.

Surely, in a part of Queensland that old bushies used to refer to as VABA country (vast areas of bugger-all), turning the land over to productive, job creating and living standard-lifting use is a positive.²⁸

In the view of the Courier-Mail, 'A campaign of legal sabotage in the courts has come to nothing'.

Court cases involving Adani Carmichael coal mine

The Addendum at the end of this chapter lists all the legal cases about the Adani Carmichael coal mine. The most substantial three are: (a) the objection to the draft mining lease heard in Queensland Land Court in 2015; (b) the Australian Conservation Foundation (ACF) case about climate change heard in the Federal Court in 2016; and (c) the case taken to the Federal Court by Adrian Burragubba in 2015-16. All three cases involved Adani as respondents. There is considerable connection between them. For example, a substantial part of the argument in the Burragubba case was that Adani's expert evidence about jobs and economic benefit in the Land Court contradicted evidence that it had given to the Native Title Tribunal.

Some shared lessons from the cases are:

 An apparent gulf between the economic and environmental evidence and the narrow legal reasoning of the participants and judges.

²⁴ 'Adani coalmine 'covertly funded' by World Bank, says report', The Guardian, 22.12.16.

²⁵ 'Adani Group wants Australia to restrict green groups opposing coal mine', Live Mint, 8.12.15.

²⁶ '<u>Adani Carmichael coal mine – a legal perspective: Adani history tells of Carmichael mine struggle with the law'</u>, *iMinco*, undated. Iminco specialises in information about mining job vacancies and training.

²⁷ Latest on the case: Adani Carmichael mine objection, Environmental Defenders Office. 23.3.16.

²⁸ Courier-Mail, 10.1.17.

- The settled evidence presented at the cases, and some of the conclusions made by the judges have not altered the 'facts' claimed by mining advocates and Government ministers.
- The contribution of consultants, especially those in economics and finance, leaves much to be desired and seems, at times, to be highly coloured by the proclivities of their clients.
- The recourse to court cases seems a highly ineffective yet expensive method of handling the contests over mining. While mining advocates are justified in pointing to the time and cost of the proceedings, anti-mining advocates cannot be satisfied that adequate and appropriate weight has been given to their objections.

Legal action taken in relation to the New Hope Acland mine and expert evidence used in the Parliamentary Committee hearings about mineral sand mining on Minjerribah reinforce these conclusions. These are discussed separately to the Adani Carmichael cases.

The Adani Carmichael mine Land Court case

The Land Court case about the Adani Carmichael mine was heard through the first half of 2015 with a decision in December. The case was a step in the standard process of approval of mining applications in Queensland. Environmental Law Australia has collated two cases studies of the Carmichael Coal Mine Cases and these include full copies of all the major submissions and other materials.²⁹

Adani prepared an environmental impact statement for the mine and rail project in 2011-2013 and the Queensland Coordinator-General issued a report in 2014 recommending approval. These were issued for public comment. Land Services of Coast and Country Inc (LSSS), an organisation specially established by the Mackay Conservation Group and supported by the Environmental Defender's Office (Qld), responded with a series of objections to the mine lease and the associated environmental authority. The objections included threats to ground water and impact on the endangered Black-throated Finch. LSSS also argued that the mine was not economically viable and that the burning of coal from the mine would contribute to climate change that would harm the Great Barrier Reef.

Land Court cases about mining approvals are triggered by the lodging of objections to a draft approval. The Court is charged under the *Mineral Resources Act* and the *Environmental Protection Act* (and a range of other legislation) to <u>make recommendations</u> to the relevant Ministers about whether the draft approvals should be confirmed and, if so, on what conditions. Unlike land-use planning decisions or administrative and commercial cases, they are not triggered by a formal application made by one or more objectors. If there are objections, these proceed to the Court and the objectors can elect whether to let the matter be settled on the 'papers' or whether they warrant a hearing including formal evidence and expert witnesses.³⁰ According to Justice Fleur Kingham, writing about the predecessor Land and Resources tribunal established in 1999, the Land Court was:

... intended to provide a single forum with streamlined and practical processes to deal with all issues in dispute in relation to proposed resource development and other land management issues.

and has:

²⁹ Environmental Law Australia, Carmichael Coal Mine Cases in the Land Court & Supreme Court of Qld.

³⁰ Practice Direction Number 7 Of 2013 Land Court Of Queensland.

... a statutory brief to act as quickly, and with as little formality and technicality as is consistent with the fair and proper consideration of the issues before it.³¹

The overall format and objectives of the Land Court are those of its predecessor; whether it meets its aims, including little technicality and timeliness, are valid policy questions considered below. At this point, the *limited powers* of the Court over mining approvals need to be noted. It is only recommendatory to the Ministers. Moreover, for projects declared to be in the province of the Coordinator-General (almost all large projects including Adani and New Hope), the Court cannot make recommendations that negate the Coordinator-General.³²

The matters for the Court's consideration are defined in the *Minerals Resource Act* (MRA) and the *Environmental Protection Act* (EPA). They include, from the MRA, whether:

- the applicant has the necessary financial and technical capabilities to carry on mining operations under the proposed mining lease
- there will be any adverse environmental impact

and from the EPA:

- the precautionary principle,
- inter-generational equity, and
- conservation of biological diversity and ecological integrity.

The Land Court judge reviewed how to apply these matters and concluded that:

the Court must recognize that the object of that Act is to protect Queensland's environment while allowing for development that is ecologically sustainable.

and:

The first question for the Court to determine is whether the mine can be developed in an ecologically sustainable way.³³

Adani and the EDO called expert witnesses on ground water, Waxy Cabbage Palm, the Black-throated Finch, climate change, financial capability and economic impact. The discussion of groundwater impacts takes up over 40 per cent of the judgement. The judge concluded that there was some risk of loss of water flow to the Doongmabulla Springs Complex (the origin of the aquifer) and that damage may occur to the Springs' ecology and the Waxy Cabbage Palm. She believed this could be managed. The judge noted that the mine area is the location of the largest known surviving population of the Black-throated Finch and concluded that the mine would remove the habitat and be 'a consequential threat to the continued survival of the species' (para 615). However, she accepted an offset arrangement with additional conditions. There has been little discussion of the Land Court's recommendations on water and birds but much discussion about climate change and the economics.

The experts for Adani and the EDO agreed that 'human influence on the climate system is clear' (para 425); that 2 degree warming will damage the Barrier Reef (para 428) and that 'the mine cannot be viewed in isolation but should be seen in terms of the change in global net emissions' (para 429). They also agreed that 'current international pledges to reduce emissions are insufficient to achieve the stated goal of limiting warming to 2 degrees C' (para 435). The expert for Adani categories the emissions as Scope 1 (direct emissions from the mine), Scope 2 (indirect

³¹ Fleur Kingham, <u>The Land And Resources Tribunal The New Dinosaur On The Block</u>, QELA Annual Conference 2000. Kingham was, at the time, Deputy President, Land and Resources Tribunal. See also, Fleur Kingham, '<u>Participation Options For Objectors To Mining Projects In The Land And Resources Tribunal (Queensland)</u>, *Qld Environmental Practice Reporter* (2003/2004) 9(45), 183.

³² See for example New Acland Coal Pty Ltd v Ashman & Ors and Chief Executive, Department of Environment and Heritage Protection, [2016] QLC 29 where the judge states: 'I note these mining lease applications are a "coordinated project" and hence pursuant to s190(2) EPA I cannot recommend environmental conditions inconsistent with the Coordinator-General's conditions'.

³³ Adani Mining Pty Ltd v Land Services of Coast and Country Inc & Ors [2015] QLC 48, judgement para 58.

emissions such as in generating electricity to use at the mine) and Scope 3 (supply chain emissions including those from the transport and burning of the coal). Scope 1 and 2 emissions were estimated at 1.4m tonnes of carbon dioxide equivalent per year; Scope 3 at 78.8 m tonnes.³⁴

The two experts also <u>agreed</u> on the implications for global warming. The judge's summary is worth quoting in full:

The cumulative emissions related to the mine (4.49 or 4.64 gigatonnes CO2-e) are amongst the highest in the world for any individual project and the highest in the Southern Hemisphere. Annual coal production will be approximately 0.8 per cent of global production in 2013. Associated emissions from burning the coal will be equivalent to approximately 0.2 per cent of current global GHG emissions. The annual emissions associated with the mine could be equivalent to approximately 14 per cent of Australia's base year GHG emissions in the year 2000 (567 Mt).

and:

While burning the coal would not fall within Australia's national greenhouse accounts, the magnitude of the annual emissions associated with burning the coal would be equivalent to approximately 3 times Australia's annual emissions reduction target of 5 per cent below 2000 levels by 2020 (para 436).

The judge also accepted evidence from Professor Ove Hoegh-Guldberg that 'the emission of greenhouse gases represents the single greatest threat to the Great Barrier Reef' (para 437).

At this point in the judgement, legal precedent and sophistry defined science out of its considerations. The first issue is that transporting and burning the coal 'fall outside' the relevant mining operations – hence even though the coal from Carmichael will cause greenhouse gases, these are not, for the purpose of the Mining Resources Act, to be regarded as a direct effect of the mining operation.³⁵ The judge concluded that the Land Court is:

limited to considering the adverse environmental impact caused by the activities associated with winning and extracting the coal, but not to the consideration of the GHG emissions from the burning of coal by end-users.³⁶

And then, as if to add further injury, the Judge accepted the argument that if the coal did <u>not</u> come from Carmichael, it would come from somewhere else in the world; in the words of the judge:

there will be *no increase* of greenhouse gas emissions if the Carmichael mine is approved. This is because alternative supply will be sourced elsewhere to meet global demand if the mine is not approved.³⁷

Put plainly, this is a version of the 'drug dealer's defence': if we don't, someone else will. Adani Australia chief executive Jeyakumar Janakara used the same reasoning when the mining leases were granted in April 2016:

If we do not send clean coal ... from Australia, India will continue to burn dirty coal and that is just not good for anybody.³⁸

³⁴ The categorisation is standard; neither this nor the quantum of emissions was contentious.

³⁵ Judgement para 441 ff with reference to <u>Xstrata Coal Queensland Pty Ltd & Ors v Friends of the Earth – Brisbane Co-Op Ltd (2012) 33 QLCR 79</u>.

³⁶ Xstrata Coal Queensland Pty Ltd & Ors v Friends of the Earth - Brisbane Co-Op Ltd (2012) 33 QLCR 79 Para 441.

³⁷ Xstrata Coal Queensland Pty Ltd & Ors v Friends of the Earth – Brisbane Co-Op Ltd (2012) 33 QLCR 79 Para 449 (my underlining).

³⁸ 'Adani's Carmichael coalmine leases approved by Queensland', The Guardian, 3.4.16.

On this basis, Federal Resources Minister Senator Canavan claims that the Carmichael mine is a 'pro-environment project'.³⁹

It is almost a new 'tragedy of the commons'.⁴⁰ Carmichael coal will produce global gases but not an increase in global gases! We (Australia) are not responsible for producing a poison so long as we do not contribute to making more of the poison.

Evidence to the Land Court on financial capability and economic impact

The expert witnesses for Adani were Dr Jon Stanford of Insight Economics ⁴¹ and Dr Jerome Fahrer of ACIL Allen Consulting. ⁴² For the EDO they were Dr Richard Denniss of The Australian Institute ⁴³ and Tim Buckley ⁴⁴ from the Institute of Energy Economics and Financial Analysis. This was a heavy-duty group whose evidence deserves reading in closer detail than space permits here. A perhaps over-simplified gist is that the EDO used Buckley's view that 'the Carmichael coal project was both financially unviable and unbankable' with a very real risk of becoming a stranded asset (para 481). Buckley argued that global demand for coal had peaked and that sea-borne export thermal coal would become an increasingly difficult market for Australia. Adani, in turn, was reassured by Dr Stanford's optimism about Australia's ability to gain export market share even in a declining global market (para 497). The judge accepted the argument that 'the supply from the project is counter-balanced by a reduction in supply from other mines elsewhere' (para 539), despite the evidence from Dr Denniss that his modelling showed that a one per cent reduction in the coal price could make the benefits from the project negligible (para 541).

The judge accepted Adani's evidence and concluded that it 'has the necessary financial capacity to carry on mining operations' (para 558). In relation to this conclusion, the judge stated:

I also consider that it is unlikely that the applicant and its parent company would undertake the large investment made to date, and required in the future, unless they were confident of a successful outcome (para 561).

It could be that the judge was making a leap of faith based on Adani's own leap of faith. She rejected the implications raised by Mr Buckley that banks are refusing to lend on coal projects generally and to Adani in particular.

Arguably the most dramatic economic evidence (from Dr Fahrer an expert witness for Adani) related to projected employment levels. Dr Fahrer accepted that the input-output economic model used in the EIS was inappropriate and that it over-estimated economic benefit and potential employment figures. He said that a computable general equilibrium model was preferable and undertook an analysis using the Tasman Global model of ACIL Allen.⁴⁵ According to the judgement this showed:

The I/O analysis estimated the number of Queensland jobs generated by the mine alone to be over 10,000 full time equivalent (FTE) jobs per annum at peak operation from 2024. As a result of his CGE model, which assumed a partially constrained labour market as compared with a wholly unconstrained labour market, Dr Fahrer estimated that the Carmichael Coal

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³⁹ 'The problem: mining', Saving the Reef Special Series, Sydney Morning Herald, 2016.

⁴⁰ An economic theory describing a situation within a shared-resource system where individual users acting independently according to their own self-interest behave contrary to the common good of all users by depleting that resource through their collective action.

⁴¹ Expert Report to the Land Court by Jon Stanford.

⁴² <u>Carmichael Coal and Rail Project Economic Assessment Expert Report By Jerome Fahrer</u>. Dr Fahrer made a <u>second</u> expert's report plus a supplementary.

⁴³ Dr Richard Denniss, Individual Expert Report for Computable General Equilibrium Modelling and Cost Benefit Analysis, Land Court Of Queensland, 2015.

⁴⁴ <u>Tim Buckley, Institute of Energy Economics and Financial Analysis, Individual Expert Witness Report Financial and Market Analysis, Land Court Of Queensland).</u>

⁴⁵ Dr Fahrer is Deputy-Director of ACIL Allen Consulting; Tasman Global is their proprietary CGE model.

and Rail Project will increase average annual employment by 1,206 FTE jobs in Queensland and 1.464 FTE jobs in Australia (para 508).

Adani's own staff accepted the much reduced estimate of the number of jobs. The judge also accepted that 'the benefits of the project are likely to be less than modelled by Dr Fahrer' (para 575).

However, the judge was cautious:

This is not a matter which leads me to conclude that I should not make a recommendation that the applications not be granted. Rather, I shall draw this information to the attention of the Minister.

Indeed she did so:

I also draw to the attention of the Honourable the Minister administering the Mineral Resources Act 1989 that the evidence was that the estimate in the EIS of the number of Queensland jobs to be generated by the mine alone was 10,000 full time equivalent jobs per annum from 2024. The applicant's evidence given by Dr Fahrer at the hearing was that the Carmichael Coal and Rail Project will increase average annual employment by 1,206 FTE jobs in Queensland and 1,464 jobs in Australia (para 585).

Almost year after the Land Court judgement, Queensland Ministers, including Dr Lynham, were still claiming that the Adani project would create 'thousands of jobs'. 46 To say the least, the Minister and the Government, including advisers and media officers, seem to have taken little note of the Land Court judgement.

The Land Court case was a forum for extensive and rigorous interrogation of the environmental and economic aspects of the application for approvals for the Carmichael mine. The original materials provided by Adani in its Environmental Impact Statement were scrutinised and found wanting in many areas including groundwater, effect on the Black-throated Finch and the economic and employment contribution of the project. As noted, the Land Court case led to a very substantial reduction in the forecast number of jobs and the overall economic benefit. Much of this came from the admission by Adani, under pressure, that its economic modelling was inadequate.⁴⁷ To this extent, the Queensland approvals process – from EIS through to the Court can be seen as effective.

Carmichael Coal Mine and Rail project: Coordinator-General's evaluation report on the environmental impact statement

The above commendation does not extend to the contribution of the Coordinator-General who had not raised these matters in the EIS evaluation report of May 2014.⁴⁸ Adani's figures were accepted without quibble. The Coordinator-General does not seem to have checked them or appraised the methodology. The only comment in the evaluation is:

The project meets Queensland Government objectives in realising the timely development of the Galilee Basin while ensuring the community benefits and environmental objectives are supported.⁴⁹

⁴⁶ For example, the 3 April 2016 joint media release from the Premier and Dr Lynham was titled '<u>Carmichael mine approvals put thousands of new jobs step closer</u>'. Joint Statement, Premier and Minister for the Arts The Honourable Annastacia Palaszczuk and Minister for State Development and Minister for Natural Resources and Mines, The Honourable Anthony Lynham, Sunday, April 03, 2016.

⁴⁷ Richard Denniss said 'Adani's economic modelling, (which) would fail first year economics', 'Expert evidence given to case against Adani coal mine at Carmichael', TAI, 28 April 2015.

⁴⁸ 'Carmichael Coal Mine and Rail project: Coordinator-General's evaluation report on the environmental impact statement', May 2014.

⁴⁹ 'Carmichael Coal Mine and Rail project: Coordinator-General's evaluation report on the environmental impact statement', May 2014, p.205.

The only comment about climate change is that it is not mandatory to report Scope 3 emissions (those from burning the coal) under the National Greenhouse and Energy Reporting scheme and so they are not relevant to the evaluation of the mine proposal.⁵⁰ The report states 'Consideration of Scope 3 emissions is not a requirement of either Australian Government or state government legislation or policy'.⁵¹

Very substantial reservations are raised about policy settings – notably the criteria against which projects are assessed and the overall ethos applied to the approvals process. These become even more evident in the Australian Conservation Foundation case on climate change and the Carmichael mine and the case brought by Adrian Burragubba. The approach taken by the Coordinator-General is also illuminated by a review of the process of approval of the New Hope Acland mine expansion.

The Australian Conservation Foundation Case: the impact on the Reef

In May 2016, the Federal Court heard a case from the Australian Conservation Foundation (ACF) seeking a judicial review of the Federal Environment Minister's decision to approve the Carmichael mine. The grounds were that the Minister had not given adequate consideration to the impact on the Barrier Reef of climate change from the burning of the coal mined at Carmichael.

There is a direct interaction with the conclusions of the Queensland Land Court that 'Scope 3 emissions' are not a relevant consideration.⁵² This was also the position of the Federal Environment Minister; he followed the Land Court conclusion agreeing that the coal when burnt would produce greenhouse gases but this may not be 'additional' if the Carmichael coal replaced coal from somewhere else.

While the proponent has identified a quantity of overseas GHG emissions that may result from burning the coal, these emissions are not a direct consequence of the proposed action.⁵³

The ACF case was that the relevant question was the impact of *any* emissions on the Reef, not the impact of 'net emissions.' The Minister's case accepted that climate change was the largest threat to the Reef but held that in order to show that the Carmichael mine would be a *substantial cause* of damage to the reef required evidence that the mine added to climate change.

The Federal Court dismissed the arguments of the ACF that the Minister did not adequately take account of the emissions that would result from burning Carmichael coal. The Court accepted that the Minister had considered the emissions from burning the coal (in which it differs from the conclusion of the Land Court) and was justified legally in being able to conclude that there was no evidence of a 'direct' link.

The Court was explicit that it was not reviewing the merits of the Minister's decision. As the Environmental Law Centre says 'applications for judicial review of the Minister's decisions in the Federal Court involve a very narrow procedure that is like trying to fight in a straight-jacket'.⁵⁴ In policy terms, this is most unsatisfactory. First, everyone (at least those involved in the cases) accepts that climate change is a global occurrence not contained within national borders. Second,

⁵⁰ 'Carmichael Coal Mine and Rail project: Coordinator-General's evaluation report on the environmental impact statement', May 2014, p.218.

⁵¹ 'Carmichael Coal Mine and Rail project: Coordinator-General's evaluation report on the environmental impact statement', May 2014, p.221.

⁵² It was also linked practically – the Minister had used material from the Land Court in his decision. The EDO (Qld) handled the case for the ACF.

⁵³ Australian Conservation Foundation Incorporated v Minister for the Environment [2016] FCA 1042; para 58 (my emphasis added). The Minister's reasons included: 'The actual quantity of emissions that is likely to be additional to current global GHG emissions depends on a range of variables. They include: whether the coal replaces coal currently provided by other suppliers, whether the coal is used as a substitute for other energy sources, and the efficiency of the coal burning power plants'. See also <u>Statement of Reasons for approval of a proposed action under the Environment Protection and Biodiversity Conservation Act 1999 (Cth), 14 October 2015</u>.

⁵⁴ McGrath C, 'Flying foxes, dams and whales: Using federal environmental laws in the public interest', (2008) 25 EPLJ 324 <u>Carmichael Coal Mine cases in the Federal Court</u>, Environmental Law Australia.

global climate change is damaging the Barrier Reef. Third, coal wherever it is burnt is a cause of climate change. But here the reasoning diverges. The Federal Government, Adani (and presumably other pro-mining advocates), the Queensland Coordinator-General and the Judge of the Queensland Land Court are saying another step is required – linking the death and damage of the Reef to specific sources of coal. Put the other way round, a particular mine should be approved if a plausible (or non-risible) argument can be made that it might not be the burning of coal from that particular mine that is creating the particular gases that are raising the water temperature on the Reef.

Dr Fahrer made an analogous argument in giving expert economic evidence for Adani to the Land Court. His assumption was that output from the mine comes at the expense of other mines around the world, including in Australia. As Richard Denniss puts it:

Dr Fahrer's model assumes that for every tonne of coal produced by Carmichael, a producer somewhere in the world will immediately decide to not produce the same amount of coal.

In other words, decisions are being made on the basis that opening some of the largest mines in the world in the Galilee Basin is a process of perfect substitution: no extra coal on the global market; no extra carbon emissions. And if such sophistry is not enough, one can fall back on the 'fact' that there are international and national frameworks to 'manage and mitigate' greenhouse gas emissions from mining *and* burning coal. These apply in Australia and in countries to which the coal is exported.⁵⁵

Burragubba v State of Queensland [2016]: the economic benefit in Native Title

The Carmichael mine site is on Wangan and Jagalingou country over which the Wangan and Jagalingou people have made a native title claim. Accordingly, the Adani application is a 'future act' under the Native Title Act and requires either an Indigenous Land Use Agreement negotiated between the claimants and Adani or a 'future act' determination by the Native Title Tribunal (NTT) authorising the issuing of a mining lease. ⁵⁶ The Tribunal has made two such determinations about the mining leases for the Carmichael mine: on 7 May 2013 and 8 April 2015. In making such determinations, the Tribunal, among other matters, is to take account of 'the economic or other significance of the Act to Australia, the State or Territory concerned'. ⁵⁷

Adrian Burragubba speaks on behalf of members of the Wangan and Jagalingou people who oppose the mine.⁵⁸ In May 2015 he and others filed a Federal Court case to set aside the April 2015 NTT determination. The main argument was that Adani had 'dishonestly misled' the NTT about the economic benefit of the mine. Mr Burragubba relied on the evidence that Adani had very substantially changed its assessment of the economic and employment benefits of the mine during the proceedings in the Queensland Land Court but had not put this information to the Native Title Tribunal. Instead, it had presented that Tribunal with the information from the Environmental Impact Statement. Part of the reappraisal, as presented by Dr Fahrer, was the reduction from 10,000 jobs at the mine alone to under 1,500 total for the project throughout Australia.

The Federal Court went through the economic material from the EIS and Dr Fahrer's evidence to the Land Court. It did not, though, go through other evidence presented by expert economic witnesses for the EDO. The Federal Court judge states:

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⁵⁵ Australian Conservation Foundation Incorporated v Minister for the Environment [2016] FCA 1042, paras 138 & 141.

⁵⁶ See, among other places, NSW Minerals Council, Fact Sheet on Native Title, 2012.

⁵⁷ Native Title Act s39.c

⁵⁸ See '<u>Carmichael coalmine appeal says Adani "misled" Native Title Tribunal over benefits</u>', *The Guardian,* 8.9.16. There are divisions within the Wangan and Jagalingou people, but these divisions are not relevant to the issues covered in the various court cases.

Although the Land Court found that Adani had overstated certain elements of the financial and economic benefits of the Carmichael mine in the EIS and in the evidence before the Court, this did not lead the Court to conclude that the applications should not be granted.⁵⁹

The Federal Court judgement concludes that on a 'superficial comparison' the two sets of figures 'do, indeed, provide very different estimates of those features of the Carmichael project' (para 203). But, the judgement argues that the differences are not 'materially different' because both the EIS numbers and the later ones from Dr Fahrer 'shows that the economic benefit of the Carmichael Project is very large' (para 210), and goes so far as to suggest the Mr Burragubba should have understood and accepted that the different methodologies and assumptions of the Fahrer 'models' would lead to different outcomes (para 214).

It is disturbing that the Federal Court can draw this kind of conclusion without the judge having examined the substantial critiques of the economic models. There is no mention of the critique made in the Land Court by Dr Denniss. Indeed, significantly more of the Federal Court judgment is concerned about establishing what constitutes 'misleading' the NTT; it seems that it would have to be deliberate (with intent) and basically withholding any economic modelling that showed the project would not give an economic benefit. The judgement states that Adani was not under any obligation to put the revised information before the Tribunal (para 228).

The logic appears to underline the following conclusion to the judgement:

Even assuming, therefore, that the figures in those reports showed that the economic benefits of the Carmichael project were overstated in the EIS, it is difficult to see how that would have assisted Mr Burragubba. ... He and his group are implacably opposed to the Carmichael mine proceeding because of the adverse effects he claims it will have on the enjoyment of their native title rights and interests. That being so, to obtain some support from the Fahrer reports, those reports would need to have opined that the Carmichael project had no, or very little, economic significance. Only then would they have provided support for his total opposition to the Carmichael project.

There is something deeply disturbing about this conclusion. The court system and its logic seem a very different world – not even a parallel world to that of Mr Burragubba who talks of justice. He claims that the NTT determination, partly based in his view on misleading (or at least less than full) information 'took away our right to free, prior and informed consent'.⁶⁰ It is as if two languages are being spoken and that of the law is the less comprehensible.

THE NEW HOPE ACLAND MINE

The contest about the extension of the Acland mine is essentially about whether prime cropping land should be dug up for coal. It lines up a coalition of farmers and environmentalists against New Hope which is owned by the Washington H Soul Pattinson Group.

The events of 2012 to 2015 included the LNP opposing the mine at the 2012 election but changing its position in government. Political donations, radio personality Alan Jones and an alliance between Lock the Gate and farmers all figured. So did claims about dodgy economics and excessive claims about employment. The Coordinator-General recommended approval of the mine on virtually the last working day of 2014, just before then Premier Newman unexpectedly called the State Election. During the January 2015 election campaign the ALP promised a full review of the approval processes. In government it issued a draft environmental authority in August 2015.

⁵⁹ Burragubba v State of Queensland [2016] FCA 984, para 92.

⁶⁰ Robertson J, '<u>Carmichael coalmine appeal says Adani 'misled' Native Title Tribunal over benefits</u>', *The Guardian*, 8.9.16.

⁶¹ See Scott R and Guille H, Palaszczuk's First Year: a political juggling act.

^{62 &#}x27;New Acland coal draft approval fuels further controversy', Australian Mining, 31.8.15.

The objections to the mining lease from the Oakey Coal Action Alliance proceeded to the Queensland Land Court with a case starting on 7 March 2016, concluding on 7 October 2016. The process was exactly the same as the one for Adani. At some 84 sitting days, the Acland case was the longest hearing ever held by the Land Court.⁶³ At the beginning of January 2017, its decision is still pending.

There are echoes of the Adani case. A number of the consultants and expert witnesses appeared at both, including Dr Fahrer from ACIL Allen Consulting. And the outcome was no different from that at Adani. As an expert witness for the mining company, Dr Fahrer again provided employment forecasts much lower than those in the company's own EIS. In the case of Acland, and according to the EDO(Qld):

Scrutiny of job claims in court has seen the initial claims in the EIS of on average 2,953 jobs per annum plummet to approximately 430 in written evidence submitted to court – a mere 15 per cent of the workforce originally predicted. Then just this morning Dr Fahrer upped the figure again to 680 jobs, which is still only less than a quarter of the job numbers originally claimed.⁶⁴

Karl Marx's adage goes that the first time is tragedy, the second time is farce. 65 Such admissions in the Land Court case bring the accuracy of the Coordinator-General's evaluation of the initial EIS into question.

Reviewing the approval process for the New Acland mine expansion

In March 2015 Elisabeth Wilson QC was commissioned to undertake an 'administrative review' of the Coordinator-General's Report on New Hope Acland issued in December 2014.⁶⁶ The review was a 'desk-top' study limited to documents produced by the Coordinator-General's office; even so this involved examining some 3,500 documents.⁶⁷ The review report runs to 374 pages but makes repeated claims that the terms of reference do not permit 'merit issues' to be considered. The report focuses on whether the Coordinator-General gave due and adequate attention to all the germane material.⁶⁸

Ms Wilson makes what seem within the protocols of the review to be quite strong statements. Her concluding remarks are:

There is documentary evidence that supports that the Coordinator–General's evaluation of the Project EIS largely complied with Part 4 of the SDWPO Act; except for the requirement that the Coordinator-General personally consider the further submissions.

There is insufficient evidence, on this documentary review, to support the Coordinator-General's assertion that he did consider the further submissions.

At this stage, only the Coordinator-General himself can provide the evidence as to whether he considered the further submissions to the requisite standard.⁶⁹

⁶³ See EDO (Qld), <u>Case update: New Acland Coal Mine</u> Stage 3 objection, 28 October 2016.

⁶⁴ Economist for Acland coal mine admits inflated job figures, EDO(Qld), 1.4.16. The EIS actually had a figure of total number of full time equivalent jobs created (including direct, indirect and induced) of 3,082 full time equivalent employees per year from operational expenditure (EIS Section 17.3 page 17-22).

⁶⁵ Karl Marx, *The Eighteenth Brumaire of Louis Napoleon,* 1852.

⁶⁶ On 19 December 2014, the Coordinator-General released the '<u>Coordinator General's evaluation report on the environmental impact statement</u>' with respect to the revised Project ('the EIS evaluation report').

⁶⁷ New Acland Mine Stage 3 EIS Evaluation Report Administrative Review, para 9.

⁶⁸ This is stated clearly on the Department of State Development website: 'The terms of reference provided that the review consider the documents or other material held by the Coordinator-General relating to the EIS Evaluation Report. Therefore, the reviewer undertook a 'desk top review' and did not take oral evidence, invite submissions or hold hearings'. New Acland Mine Stage 3 EIS Evaluation Report Administrative Review.

⁶⁹ New Acland Mine Stage 3 EIS Evaluation Report Administrative Review, paras 1032-4.

The Coordinator-General responded with a 14-page letter in August 2015. This includes a claim, repeated in several forms, that the reviewer (Ms Wilson) was unable to take account of the 'interactive process of detailed consideration' with departmental officers. More specifically, he writes that the comment about further submissions, 'fails to recognise my high degree of personal involvement and active intellectual effort in the evaluation of the project' (p.6).⁷⁰ It is for others to comment on what all this says about the current state of public administration.

The review lists all the materials available to the Coordinator-General in regard to jobs and economic impacts. Of particular note, departmental officers recommended that a cost-benefit model was required not the input-output model used by New Hope. A considerable number of submissions argued that the mine had negative benefit not positive – this includes material from The Australia Institute which also criticised the input-output modelling.⁷¹ The Coordinator-General did write to New Hope asking them to explain why they relied in input-output modelling.⁷²

Ms Wilson comments that:

The EIS evaluation report (that is the Coordinator-General's report) did not include any reference to the appropriateness of the model selected, namely Input – Output modelling, as compared to a cost-benefit analysis. Careful consideration of the submissions reveals that this was a common criticism of the economic analysis provided by the Proponent.

Actually, matters are much worse, especially in light of the later recalculation of job numbers by New Hope's own expert witness. The Coordinator-General's report of December 2014 is very brief on jobs and economic impact. It is uncritical about the use of input-output modelling and states, inter alia:

The 'input output' assessment methodology for this project has been modified to specifically exclude any elements that could overstate the economic benefits for this project (para 6.1).

and:

I am satisfied the 'input output' methodology took a conservative approach to understand the potential impacts on the local, regional, state and national economies (para 6.4).

To say the least, this is embarrassing. Early in 2015, under the newly elected Palaszczuk Government, the Department of Natural Resources and Mines commissioned Synergies Economic Consulting to undertake a 'Rapid Social Benefit-Cost Analysis' of the New Hope proposal; a desktop analysis using the data and information in the EIS.⁷³ Their report states:

Synergies has based its analysis on technical information contained in the EIS. We have not reviewed the accuracy of this information.⁷⁴

This includes claim that the mine will create 435 direct jobs (FTE) and 1,114 indirect jobs (3.2) and thus 'it is likely that the benefits to households will be significant'.⁷⁵

This analysis was undertaken before Dr Fahrer revised the job numbers for Acland. No information and no media announcements have been found as to whether the Synergies Report was used in the decision-making of the ALP Government. It might have been useful to the Coordinator-General

⁷⁰ Coordinator-General's response, 25.8.15.

⁷¹ New Acland Mine Stage 3 EIS Evaluation Report Administrative Review, paras 671-678.

⁷² New Acland Mine Stage 3 EIS Evaluation Report Administrative Review, para 679 noting CoG letter of 17.4.14.

⁷³ Synergies Economic Consulting Ltd, 'New Acland Coal Mine stage 3 rapid social benefit-cost analysis', March 2015.

⁷⁴ New Acland Coal Mine stage 3 rapid social benefit-cost analysis' s2.2.

⁷⁵ New Acland Coal Mine stage 3 rapid social benefit-cost analysis', s3.2.3.

but again raises questions about the rigour of the assessment of mining applications particularly about substantive matters - the merits of the application - not 'process' ones. 76

DISCUSSION: POLITICS AND DECISION-MAKING

The replacement of politics by economics has been accompanied by expansion of decision-making by 'independent' bodies. 'Building Queensland', is one of the most recent, responsible for assessing capital works. Similarly, much decision-making about the environment and development through the Land Court and the relatively autonomous offices of the Coordinator-General. For example, courts not politicians are deciding whether or not to take account of greenhouse gas emissions from coal exported from Queensland. Core political decisions are being made judges and independent agencies not elected politicians.

The Palaszczuk Government seems ambivalent on mining and the approval processes appear incoherent. The Government was strong in meeting its commitment on mineral sand mining on Minjerribah and did so giving full acknowledgment to native title and the interests of the Quandamooka people. Yet it now finds itself in a morass over native title and the Carmichael mine. These are not necessarily problems of the Government's own making. However, Minister Lynham issued the mine approvals without waiting for the conclusion of the Federal Court case taken by Mr Burragubba against the Native Title Tribunal. While the Queensland Supreme Court rejected the case taken by Mr Burragubba, it was not 'a good look' for the Government.⁷⁷

The Government has continued with the approvals for the Adani Carmichael mine and is still referring to exaggerated job numbers. The designation as 'a critical infrastructure project' is the first ever for a private development. According to Minister Lynham, this move was made because of the high priority being given to job creation:

The Coordinator-General decided that 'it warrants a critical infrastructure status because of the jobs that will come from all three; the mine, the rail line and at the port'. ⁷⁸

In November 2016 the Carmichael mine (but not the Acland mine) was given exemption from the Government's new 'tough' water requirements. The last remaining decision for the Government is whether to allow dredging for the extension of the Abbot Point coal terminal. The Minister said that this would be dependent on Adani showing they have got funding for the entire project: the mine, railway and terminal. 80

If the Government is ambivalent about mining, the regulatory and approval processes look decidedly ramshackle. On both Adani and Acland, the Coordinator-General accepted economic and employment forecasts that were subsequently undercut by experts giving evidence on behalf of the mining companies. There seems to have been very little serious evaluation of the economic arguments at either Adani or Acland even though critiques were available and the Coordinator-General has given emphatic assurances that all submissions have been properly and thoroughly considered.

⁷⁶ There is a final irony and inter-connection. In 2011, Synergies produced an economic assessment of the contribution of the Sibelco mineral sand mine on Minjerribah. This was an input-output model that allowed the company to claim up to \$125 million contribution to the local economy – which was treated as the Island with its population of 2,600 and 110 residents working for the mining company. While the numbers were good propaganda for the company, they were not a credible economic analysis. See Guille H, Economics of mining on North Stradbroke Island, Redlands2030, 24.2.15.

⁷⁷ See the full list of Adani cases in fig 2. Adrian Burragubba & others v Minister For Natural Resources And Mines and Adani Mining, (<u>Burragubba v State of Queensland [2016] FCA 984</u>). See also '<u>Native title in the news</u>', AIATSIS, December 2015, and '<u>Traditional Owners construct 'legal line of defence' against Adani and Qld Govt</u>, Wangan & Jagalingou Family Council, 7.12.16.

⁷⁸ Moore T, 'Adani must prove financial viability for Carmichael mine: Minister', Brisbane Times, 9.10.16.

⁷⁹ Burke G, 'Mining companies' new water licence requirements passed by Queensland Parliament', ABC, 10.11.16.

⁸⁰ The Minister said 'They will have to prove to us that they have the capital available'. '<u>Adani must prove financial viability for Carmichael mine: Minister</u>.

There is overwhelming scientific evidence that climate change is destroying the Great Barrier Reef. The health of the Reef is the central issue in the 'coal versus reef' debate. But Federal and State judges have taken the extraordinary position that the burning of Australian coal is only to be considered a problem for the Barrier Reef if the particular gases that cause the warming of the Reef waters can be identified as having come from an Australian mine.

The contest over mining is a failure of economics, a failure of politics and a failure of politicians. Environmental impact statements are supposed to reflect sound, objective decision-making. They are supposed to fuse value-free science, rigorous methodologies and public consultation. In practice, and leaving aside questions about 'value-freedom':

- The EIS process is a gravy train for a range of environmental, engineering, economic and other consultants working for mining companies and, in some cases, for environmental organisations.
- The EIS documents are vast 5,000 pages are not unknown and profuse 3,500 documents in the case of Acland. They are thus practically inaccessible to anyone other than the organisations who are major 'players'.
- Traditional owners, communities and unions are effectively excluded from the process; peak bodies of First Nations Organisations and unions are not resourced to participate.

The legal framework around the EIS process, the granting of mining leases and the content of environmental authorities are within the jurisdiction of the Land Court; judicial reviews go to the Queensland Supreme Court and the Federal Court. The judgements about Adani and Acland might be legally competent in the recital of precedents but inspire less confidence in their understanding of economics and the science of climate change.

Disputes between miners, First Peoples, environmental and community groups are essentially political rather than legal. Negotiation and agreement are more effective than court cases at resolving political differences, as can be learned from the negotiation processes of Regional Forestry Agreements which cover a similar set of cultural, land-rights, ecological, social and economic issues as do mining approvals.⁸¹

Frameworks for cost-benefit analysis emphasise the need to rigorously identify alternatives and to carefully specify the underlying assumptions of the analysis, especially when valuing benefits and costs. Yet as Dr Fahrer succinctly asks, 'Whose costs and benefits should be counted? Who has standing?'82

Technical economics thus become 'real' politics. Unsurprisingly, the politically strong get counted; the politically weak get overlooked.⁸³ Instead, both conservative and radical analysts overlook Aboriginal interests. None of the numerous consultants' reports on Minjerribah even estimated the opportunity costs for the Quandamooka. In a statement approaching 'terra nullius', The Australia Institute even went so far as to say there was no economy on the Island.⁸⁴

⁸¹ In '<u>The Tasmanian Forest Agreement: your questions answered</u>', the Wilderness Society writes: 'The Tasmanian Forest Agreement was made between conservation groups including the Wilderness Society, forestry industry bodies, and unions in November 2012. It took almost three years of hard-fought negotiations, and agreed to: protect 504,000 ha of iconic forests and wildlife habitat, including 400,000 ha as soon as legislation is made; create a World Heritage area over iconic forests like the Weld, Styx and Florentine valleys; restructure the forestry industry and; support struggling Tasmanian communities'.

⁸² Carmichael Coal and Rail Project Economic Assessment Expert Report By Jerome Fahrer. Dr Fahrer made a second expert's report plus a supplementary. See also <u>Dr Richard Denniss</u>, <u>Individual Expert Report for Computable General Equilibrium Modelling and Cost Benefit Analysis</u>, <u>Land Court Of Queensland</u>, 2015.

⁸³ In early cost-benefit analysis the value of men's time was set higher than that of women. Of course, that would not occur now!

⁸⁴ Campbell R, 'Sandstorm in a teacup: Ending sand mining and the North Stradbroke Island "economy", The Australia Institute Discussion Paper April 2015, p1.

The CEO of the Quandamooka Yoolooburrabee Aboriginal Corporation told a Parliamentary Committee that there was 'one important fact':

None of the reports - none of them - mention the Quandamooka people's property rights and the value of those property rights if mining is to continue and suppress them: none of them

And, speaking of 'the Quandamooka people's economic costs - its opportunity costs':

None of those costs have been included in any of those reports, the property rights, the economic use of those lands and also the social, cultural and environmental costs to the Quandamooka people of the mining continuing.⁸⁵

This demonstrates some more general economic and cultural issues. The economic issue is the failure to include impact on Aboriginal people in cost-benefit analysis. The cultural (and political) issue is what appears to be the failure of both orthodox and progressive consultants to begin to recognise the existence of Aboriginal interests.

The politicians fail to deal with the 'big' issues. So long as the pro-miners and anti-miners believe they can get a partial advantage out of the current processes they will continue to use them. In a very obvious sense lawyers are comfortable using the law. The pro-miners can spice things up with protests about the legal processes being used to hold them to ransom. The anti-miners can spice things up with a bit of street theatre and a lot of social media. There is also a mentality that the law determines issues; it has a majesty.

'Big' issues need political solutions, usually achieved through debate and legislation. Native title, anti-discrimination, the apology to the stolen generation, the Tasmanian dams are analogous examples to climate change. They were all resolved by and through politics. Likewise, the matter of fossil fuels and climate change and Australia's contribution to marine and terrestrial degradation needs a political solution. In other words, a political party needs to gain government – either State and/or Federal - and introduce policies and actions that address the issues.

The policy approaches are reasonably clear. One would be an overall policy not to approve new coal mines – just as Sweden and Germany at various dates phased out nuclear power, or indeed how the Queensland ALP was at the head of the prohibition of uranium mining. Alternatively, and a little more nuanced, a timetable could be set for a cap on the greenhouse emissions from Queensland coal – with that cap reducing over time (say ten years). A simple first step would be to require the emissions from the burning of coal (scope 3 emissions) to be taken into account in approvals for mining licences. This would not require legislation. Change like this requires one or other of the major political parties to adopt and campaign for the policy objective. It is unlikely to come from the LNP but stranger things have happened. The factional mix of the ALP in 2015-16, with a left majority at Conference, is probably better placed than ever to deal decisively with climate change. It requires either a policy deal with the CFMEU and/or cross-factional support.

Clearly the level of unemployment in Queensland, particularly in the regions, is a major issue. But equally clearly, digging up more coal or pumping more gas will not resolve the massive restructuring that is occurring. Indeed, a plausible argument could be run that the fudge of solving the jobs problem through mining is severely hindering the transition from mining and not doing much about employment.

⁸⁵ Costello C, evidence to Finance and Administration Committee inquiry: 'North Stradbroke Island Protection and Sustainability (Renewal of Mining Leases) Amendment Bill 2015 and North Stradbroke Island Protection and Sustainability and Other Acts Amendment Bill 2015, Friday, 8 April 2016, p.25 (accessible through <u>Parliament House archive</u>).

Addendum: Details of Cases and Judgements about the Adani Carmichael Mine

Case	Parties	Dates	Outcome
Queensland Land Court			
Objection to draft mining lease and draft environmental authority issued 28 August 2014. Application for costs re objection to mining lease	Land Services of Coast and Country supported by Environmental Defender's Office, Adani Mining Adani Mining vs Land Services of Coast and Country		Land Court recommended to Minister that the mining lease and environmental authority be issued with additional conditions re avian fauna and ground water. Land Court rejected Adani application for costs against Coast & Country.
Queensland Supreme Court			
Application for judicial review of decision of DEPH to grant a final environmental authority.	Land Services of Coast and Country supported by Environmental Defender's Office, Queensland Department of Environment & Heritage Protection, Adani	Hearing 5 August 2016 Judgement 25 November 2016	Supreme Court rejected the application for a judicial review. The Court held that the DEHP was not required 'to consider afresh the full gamut of the considerations which had been considered on previous occasions'.
Application for judicial review of Queensland Government's decision to approve Adani's Abbot Point coal terminal	Whitsunday Residents Against Dumping	Hearing on 7 October 2016	No judgement at time of writing (10 Jan 2017)
Federal Court			
Application for judicial review of decision of the Federal Environment Minister to approve Carmichael mine	ED0 (Qld) , Federal	previous approval set	Case did not proceed when Minister & Adani accepted that he had failed to consider approved conservation advices for two listed threatened species, the Yakka Skink and the Ornamental Snake. The Minister re-approved the mine on 15 October 2015

review of the 14	Adani	Court Hearings 3 and 4 May 2016 Judgement August 29, 2016	The Court rejected the application. It said after giving consideration to the greenhouse gas emissions from mining operations and from the burning of the mined coal, the proposed action would not have an unacceptable impact on the world heritage values of the Great Barrier Reef World Heritage Area.
Government and Adani for order that ACF pay their costs of Federal Court case	Environment & Adani vs ACF		Order that ACF should meet 70 per cent of the costs of the Federal Government and 40 per cent of the costs of Adani. ACF see this as partial justification of taking case.
in judicial review		Lodged 19 September 2016	No decision at 10 January 2017
National Native Title Tribunal			
Application for	Jagalingou People,	Determined on 7 May 2013	Tribunal made a determination that the Queensland Department of Mining and Resources could legally issue mining lease 70441 after failure of Wangan and Jagalingou People and Adani to reach agreement
	Jagalingou People,	Determined on 8 April 2015	Tribunal made a determination under s 38 of the NTA that the Queensland Government Department of Mining and Resources could legally issue mining leases 70505 and 70506 after failure of Wangan and Jagalingou People and Adani to reach agreement

Federal Court			
Federal Court Application for an order setting aside the 8 April 2015 NTT determination on basis that Adani dishonestly mislead the Tribunal in its evidence on jobs and economic benefits created by the mine and had not taken account of material supplied by Mr Burragubba	State of Queensland,	20 May 2016	Application dismissed. Judge finds that Adani did not provide the less favourable information that it had on employment and benefits but that this did not 'affect the broad conclusion reached in both sets of materials that the Carmichael project would have a highly significant economic benefit for Australia, Queensland and the Mackay region'. Judge also found that material put to the Tribunal needed to come from the three members of the Native Title claim, an
Appeal against refusal of judicial review		Lodged on 8 September 2016	individual could not act separately. No judgement at 10 January 2017
Supreme Court of Queensland		September 2010	2017
Application that Minister for Resources had not	others v Minister For Natural Resources And Mines and Adani	2016 Judgement 25	Application refused; Judge held that Mr Burragubba & others had given 'notice of objection' to the issuing of the leases 'they 'were not owed any further obligation of natural justice.' Also held that the Minister was entitled to choose make a decision about the leases without waiting for the conclusion of the Federal Court proceedings.

ABOUT THE AUTHORS

Dr Ann Scott was awarded her PhD in government from the University of Queensland in 1986 on the topic 'The Ahern Committee and Education Policymaking in Queensland'. She worked for 20 years in the Queensland public service, from 1984-2004, serving in the Education Department, the Cabinet Office, the Public Sector Management Commission and the Queensland Police Service. She also worked in the ACT Government over the transition to self-government, and in the committee section of the new Legislative Assembly. She was awarded the Public Service Medal (Australia) in 1995.

After retiring in 2004 she wrote two books: *Ernest Gowers: Plain Words and Forgotten Deeds* (Palgrave Macmillan 2009) and, with neurologist co-authors, *William Richard Gowers 1945-1915: Exploring the Victorian Brain* (Oxford University Press, 2012).

She is Executive Editor for the TJRyan Foundation, and has managed its website and edited its publications since its inception in 2013.

Emeritus Professor Roger Scott was appointed J D Story Professor of Public Administration, University of Queensland in 1977. In 1987 he became Principal of the Canberra CAE, then became Foundation Vice-Chancellor when the CCAE became the University of Canberra. He returned to Queensland when he was appointed to serve as Director General of Education in 1990. In 1994, he moved to QUT, where he became Dean of Arts and then Professor of Public Management in the Faculty of Business.

Since his retirement from full-time employment in 2001, he has held sessional and then honorary appointments at the University of Queensland. Between 2009 and 2013 he was Project Director on an oral history project 'Queensland Speaks' in the Centre for the Government of Queensland.

He was appointed the inaugural Executive Director of the TJRyan Foundation in 2013.

Dr Howard Guille is a Research Associate with the TJRyan Foundation. He worked and taught in Europe and New Zealand before coming to Australia in the mid-1970s. He was the foundation appointment in industrial relations at what became Brisbane College of Advanced Education. He worked at the Trades and Labour Council of Queensland from 1988 to 1992. He was involved in major projects in award restructuring, industrial policy and in trying to combat corporatisation, privatisation and national competition policy.

Howard was the Queensland Secretary of the National Tertiary Education Union from 1994 to 2006. He was involved in enterprise bargaining, the Indigenous Stolen Wages Campaign and three Papua New Guinea National Minimum Wage Cases. He was a member of the TLC Executive from 1996 to 2006. He has undertaken research and written on a wide range of topics including industrial relations theory and policy, labour market policy, globalisation, industry, housing and social policy. He is an editor of *Australian Options*.