

Message from the Under Treasurer



Queensland Treasury's long-term approach to assessing fiscal and economic outcomes has been a key policy foundation over many years.

The benefits of this long-term perspective are evident as we feel the impact of significant fiscal and economic shocks on both the domestic front, such as the failure

of the HIH insurance group, and internationally, as the world economy experiences a cyclical slowdown.

Queensland's ongoing capacity to maintain and improve services to the community, despite these external shocks, is solid. Our economy has continued to grow faster than the national rate and our strong balance sheet reflects the strength of State finances.

Queensland Treasury's approach to economic and fiscal management promotes the Government's broader agenda, as set out in the *Charter of Social and Fiscal Responsibility*.

To support this focus, we have placed an increasing emphasis over the past year on building partnerships with our stakeholders and clients and understanding their needs.

Our nine portfolio offices serve diverse stakeholders – Government agencies and corporations, businesses and industry bodies, taxpayers, the gambling industry, superannuants and community organisations to name just a few.

Our achievements, highlighted on the next page and detailed throughout this annual report, have been delivered as we strengthened these relationships.

We collaborated with agencies to further develop *Managing for Outcomes* and to prepare *Priorities in Progress*, the first whole-of-Government annual report on the outcomes being achieved against the Government's priorities.

These links will be critical in the coming year as the Government implements *Aligning Services and Priorities*, an initiative to ensure that resources are directed to services and activities that are delivering key priorities.

We consulted with the community on a wide range of issues, including the fuel subsidy scheme, the new Duties Bill and responsible gambling, while QSuper held statewide superannuation seminars. The Office of Statistical and Economic Research supported Queensland businesses through its regional and State data, providing valuable information for decision making.

We also are collaborating with universities, tapping into their knowledge and sharing ours to promote better research and understanding to guide policy-making that meets the needs of Queenslanders.

These partnerships are underpinned by the ongoing commitment of our staff to work effectively with our stakeholders. This focus has long been embedded in the client interface of our portfolio offices.

Our commitment to stakeholders has been integrated into our Individual Performance System, which focuses on career development and performance improvement for staff. Leadership capabilities are also being developed through the Treasury Leadership Program.

We have supported our stakeholder relationships with the *K-economy@treasury* project to promote the value of shared information and knowledge, providing easy access to reliable, accurate and relevant information.

In 2001-02, Queensland Treasury will continue to strengthen these capabilities throughout the organisation. This will drive our partnerships with our stakeholders, as we work for a better long-term future for Queensland.

Highlights for 2000-01

- We established the Office of Energy to implement the *Queensland Energy Policy – A Cleaner Energy Strategy* and ensure a coordinated policy framework is in place to progress the development of the State's energy markets.
- The Government's first annual report, *Priorities in Progress*, was prepared on the outcomes achieved by the Government in delivering its key policy priorities for the community.
- We successfully presented the 2000-01 State Budget in July 2000 and the 2001-02 State Budget in June 2001 to deliver on the Government's social and fiscal objectives outlined in the *Charter of Social and Fiscal Responsibility*.
- The Duties Bill and Taxation Administration Bill were released for public consultation as part of our efforts to overhaul and modernise Queensland's taxation legislation.
- The \$100 million Smart State Research Facility Fund was initiated in cooperation with the Department of Innovation and Information Economy as a centrepiece of the 2001-02 State Budget.
- We commenced phase 2 of the *Managing for Outcomes* (MFO) framework to foster best practice performance management with a particular emphasis on meeting whole-of-Government outcomes.
- The Government committed to comprehensively examine all Government services and activities through the *Aligning Services and Priorities* (ASAP) initiative.
- A revised Fuel Subsidy Scheme was successfully implemented to ensure all Queenslanders benefit from the 8.34 cents per litre subsidy on the cost of fuel.
- We finalised significant structural changes to the Queensland water industry, including the corporatisation of SunWater, to manage and develop State-owned water infrastructure.
- The Office of Government Owned Corporations (OGOC) assessed a number of major investments by GOCs. One of the most significant was Powerlink's involvement in a consortium which acquired the \$900 million South Australian electricity transmission business, ElectraNet SA.