

Probity of Pearson project under review

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QUEENSLAND Premier Campbell Newman wants more financial accountability before he funds an extension of indigenous leader Noel Pearson's Cape York Welfare Reform Trial.

A spokeswoman for Mr Newman said yesterday when all the Liberal National Party government's concerns about the Family Responsibility Commission were resolved, it would hand over the \$1.6 million sought by the Gillard government.

"The Newman government is finalising funding arrangements for a one-year extension to the Cape York Welfare Reform Trial," she said. "It is seeking to ensure value for money, and to address probity issues.

"We have concerns that current governance arrangements are inconsistent with good government probity and financial accountability requirements.

"When these matters are resolved, we anticipate allocating funding for the extension."

A spokeswoman for Indigenous Affairs Minister Jenny Macklin said it was hoped that any issues delaying the Queensland government from delivering its share of the funding would be resolved promptly. "The Australian government has committed \$11.8m to extend the Cape York Welfare Reform Trial until the end of 2013," she said.

Federal opposition indigenous affairs spokesman Nigel Scullion said the issues needed to be resolved immediately. "This is too important an issue to go around from one government to the other," he said. "That's disappointing and if the agreement was that Queensland would have to pay, then they should pay."

Ms Macklin has called on Tony Abbott to use his influence with Mr Newman to persuade him to fund the trial until the end of next year.

The Opposition Leader will next month join a three-day working bee to rebuild a school library in the Cape York community of Aurukun.

Mr Abbott has recruited business leaders, including Fortescue Metals chairman Andrew Forrest and NAB and Woodside Petroleum chairman Michael Chaney, to join the project.

Ms Macklin first wrote to Mr Newman on May 3 seeking his support with a contribution of \$1.6m from the Queensland government to continue the the FRC,

which operates under state legislation. Mr Newman replied to the minister providing "in-principle" support for the trial to continue, but indicating Canberra should fund the ongoing operation of the FRC.

Ms Macklin wrote again to Mr Newman on June 25 outlining the Gillard government's commitment of \$11.8m to continue the FRC and urging Queensland to continue its funding for services and programs supporting the trial, which Queensland says cost about \$10m a year.

The Cape York Welfare Reform Trial is a partnership between the federal and Queensland governments and the Cape York Institute.

The Bligh government provided \$41.6m over five years.