

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 8 SEPTEMBER 1987

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Mr SPEAKER (Hon. K. R. Lingard, Fassifern) read prayers and took the chair at 10 a.m.

PETITIONS

The Clerk announced the receipt of the following petitions—

Food Irradiation

From Mr Ahern (113 signatories) praying that the Parliament of Queensland will ensure that no irradiation of food is permitted.

Fire Levy

From Mr White (70 signatories) praying that the Parliament of Queensland will take action to maintain the fire levy on private households at \$48 and review the recent increase.

Award System and Industrial Commission

From Mr Eaton (27 signatories) praying that the Parliament of Queensland will ensure the support of the existing award system and the Industrial Commission.

Balance between Public Ownership and Private Enterprise

From Mr Beanland (138 signatories) praying that the Parliament of Queensland will amend the Land Act and the Integrated Resort Development Act so as to maintain a balance between public ownership and private enterprise, particularly on Barrier Reef islands.

Equine Chiropractice

From Mr Harper (449 signatories) praying that the Parliament of Queensland will legislate for regulation of the practice and profession of equine chiropractice.

Petitions received.

TREASURER'S ANNUAL STATEMENT

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer) presented the Treasurer's Annual Statement for the year 1986-87.

Ordered to be printed.

PAPERS

The following paper was laid on the table, and ordered to be printed—

Report—

Industrial Court and the Industrial Conciliation and Arbitration Commission
Queensland for the year ended 30 June 1987.

The following papers were laid on the table—

Proclamation under the National Parks and Wildlife Act 1975-1984

Orders in Council under—

Diseases in Timber Act 1975

Forestry Act 1959-1984

Harbours Act 1955-1982

Harbours Act 1955-1982 and the Statutory Bodies Financial Arrangements Act 1982-1984

Fauna Conservation 1974-1985

Land Act 1962-1987

National Parks and Wildlife Act 1975-1984

Regulations under—

Sawmills Licensing Act 1936-1979

Mining Titles Freeholding Act 1980-1986

Miners' Homestead Leases Act 1913-1986

By-laws under the *Harbours Act 1955-1982*.

MINISTERIAL STATEMENT

Courier-Mail Editorial on Education Act Amendments

Hon. L. W. POWELL (Isis—Minister for Education) (10.08 a.m.), by leave: I refer to an editorial in the *Courier-Mail* on Saturday, 5 September, which not only shows a lack of research but also is based on misinformation and distortion of the facts in order to make a personal attack on me.

The editorial, headed "Parents treated with contempt", is contradicted by an article quoting me on an earlier page, where I have reaffirmed the role of the consultative committee on proposed amendments to the Education Act, which was in response to an inaccurate, misleading and ill-informed article the previous day.

The editorial errs in many respects, including: (1) The editorial says that I—
"... announced a new Government body".

The proposal for the Queensland Course Accreditation Council is nothing new. The consultative committee knows that the Government's rationale for Education Act amendments includes such a council. I hope to see it established by 1 January, if and when legislation is passed by the Parliament. The same applies to Dr Peter Botsman, whom the *Courier-Mail* described on Friday as—

"... former Brisbane College of Advanced Education director, (who) has been appointed . . . chairman (of the council)."

He is still director of BCAE, but I did advise several weeks ago that it was my intention to nominate him as chairman of the Course Accreditation Council if and when the legislation was passed.

(2) The editorial dramatises the situation with terms such as "control education", "concentrates power in the hands of the Minister" and "tighten his control over those independent schools". The Government has no intention of assuming "total control" over education, as was asserted also in a completely non-objective heading in the *Courier-Mail* on Friday. I have given this assurance repeatedly, and I am sure that that will be embodied in any recommendations from the consultative committee and in the amendments that are eventually drafted. The editorial does not even take into account the wide community representation suggested in regulations proposed in conjunction with the original amendment Bill. Without seeming to pre-empt the deliberations of the consultative committee, I am sure I can give an assurance that independent schools will be no less independent than they are now; in fact, they will be more independent.

I am sure I could also safely presume, if the legislation is passed, that community representation will be wider than on the existing three boards the council would supersede. It is worth noting that I already have the power of nominating the membership of those boards—and, for that matter, other bodies, such as grammar school boards—to Executive Council.

There was justifiable concern with the original legislation over the inclusion of so-called plenary powers and an inferred right for the Minister or his nominees to be on any school or college board or council. Before the legislation was even withdrawn, I had given a guarantee that these concerns would be more than adequately addressed. This was reported at that time in the *Courier-Mail* and elsewhere.

(3) The editorial reads—

“The Queensland Government has an appalling record of political interference in education.”

The Queensland Government is political; so is the Minister for Education. We make no apology for that. Surely that is what ministerial responsibility to Parliament is all about.

Sir Joh Bjelke-Petersen: The editor of the *Courier-Mail* is also political.

Mr POWELL: As the Premier said, the editor of the *Courier-Mail* is also political.

Sir Joh Bjelke-Petersen: Can you tell us his name?

Mr POWELL: Yes. His name is Chamberlain. If time permitted in the future, I could inform honourable members of his record.

Sir Joh Bjelke-Petersen: I think it is time you said what his history is.

Mr POWELL: Yes, I agree with that.

The Minister is responsible and accountable for education. It is worth pointing out that the original proposal for amendments to the Education Act went through the process of the National Party education policy committee, the parliamentary education committee and Cabinet. The amendments were then tabled in Parliament in April to allow the public debate and submissions that have ensued. Before being tabled in Parliament, the intended legislation was explained to a meeting of independent school representatives at a meeting in the Parliamentary Annexe and at other meetings.

(4) The editorial states further—

“The minister has not made a convincing case for any changes in the education system.”

That would be quite true of the *Courier-Mail*, because it has not allowed me to. As with most of its coverage of education, it is the negative report that gets the headline. The positive report is ignored. The *Daily Sun* on both Friday and Saturday had positive and fair contributions to make in reference to this issue. My case, when I explained the legislation to a meeting of State and Territory Education Ministers and their senior officers at a conference last week, must have been convincing. They strongly supported the proposal, as I pointed out in a Friday media release ignored by the *Courier-Mail*.

(5) The editorial asserts—

“His”—

that is my—

“main concern should be to see that education, often neglected in this State, receives an increasing proportion of the Government’s spending. We will be able to judge that on Tuesday.”

That seems to carry an amazing insinuation that I, not the Cabinet, am responsible for the amount allocated for education. While I have made strong representations on behalf of education, I accept that the Cabinet makes the final decision. It is an irrelevant point in the editorial that probably was needed to fill up the space.

(6) The editorial is headed—

“Parents treated with contempt”—

referring to a statement in the editorial that both parents and teachers have been treated with contempt. This, of course, was contradicted in the same edition of the newspaper in the article on a previous page, in which it was reported that I had reaffirmed the

consultative role of parents, teachers and independent and Catholic schools. As the report says, I have no intention of proceeding on the legislation without proper consideration of their recommendations. In a media release yesterday, I said I hope to receive the recommendations of the consultative committee in early October.

For the benefit of the Parliament, I point out that on that committee are: departmental representatives, Dr Ken Robertson, Assistant Director-General (Schools), chairman; Mr Norm Alford, Assistant Director-General (Post School); Dr Ray Barrett, principal of the Rochedale State High School and chairman of the Secondary Principals Association; Mr Alan Druery from the Catholic Education Commission; Mr Cec Munns from the Association of Independent Schools in Queensland; the Reverend Les Percy, a ministerial nominee and a previous TAFE teacher; Mrs Bev Galtos from the Queensland Council of Parents and Citizens Associations; and Ms Mary Kelly from the Queensland Teachers Union.

Following a meeting of the committee on Saturday—and I congratulate them on meeting, I believe, positively, despite the *Courier-Mail's* white-anting editorial of the same day—I have been advised that recommendations should be finalised at the committee's final meeting on 5 October. The committee has spent the best part of 40 hours in official meetings alone.

We will not be pulling an "Australia Card trick", to coin a phrase. After I have received the committee's recommendations and appropriate legislation has been drafted, that will be tabled in Parliament when approved by Cabinet. I am confident that the result will be seen as being in the best interests of education in Queensland and, therefore, of all of this State's young people. The only contempt of Queensland's parents was in the editorial of the *Courier-Mail*.

RAILWAY PROPOSAL

North Coast Line Deviation; Withdrawal of Notice of Motion

Hon. D. F. LANE (Merthyr—Minister for Transport) (10.15 a.m.): I seek leave to withdraw Government Business, Notice of Motion No. 1, standing in my name, in relation to the construction of a railway deviation.

Leave granted.

RAILWAY PROPOSAL

Relocation of North Coast Line at Mackay

Hon. D. F. LANE (Merthyr—Minister for Transport) 10.16 a.m.): I lay upon the table of the House the working plans, sections and book of reference of the relocation of the North Coast Line at Mackay, together with the report of the Commissioner for Railways, and I move that the report be printed.

Whereupon the documents were laid on the table and the report was ordered to be printed.

PERSONAL EXPLANATION

Mr De LACY (Cairns) (10.17 a.m.), by leave: I refer to an article in the *Courier-Mail* of Saturday, 5 September, and to yesterday's 5.30 Report, in which, amidst his rantings and ravings, the Premier said the same thing——

Mr SPEAKER: Order! The member will withdraw that comment.

Mr De LACY: I withdraw.

Those media reports implied that I was opposed to World Heritage listing. Let me say that these reports are wrong—dead wrong. I have never opposed the World Heritage listing. I support World Heritage listing. I even supported it before it was popular to do

so. Nothing that I have ever said or done could lead the media or the National Party to conclude that I do not support it. If the timber industry or the National Party is waiting with bated breath for the Labor Party to change its mind on World Heritage listing, it will be waiting in vain.

For the record, let me say once again that I support World Heritage listing because it is the only way that we can save our heritage from that pack of environmental vandals that call themselves the Government.

QUESTIONS UPON NOTICE

1. Patient Transit Scheme

Mr BEARD asked the Minister for Health and Environment—

“With reference to the \$3.193m provided by the Commonwealth Government to the Queensland Government to operate the patient transit scheme in the period 1 January to 30 June—

(1) How many patients were assisted with air travel and what amount was spent on this travel?

(2) How many patients were assisted with rail travel and what amount was spent on this travel?

(3) How many patients were assisted with bus/coach travel and what amount was spent on this travel?

(4) How many bed-nights accommodation were claimed and paid for and what amount was paid for this accommodation?

(5) How many staff were employed to administer this program?

(6) What amount was budgeted for administration of the scheme?

(7) What was the total amount spent on the scheme in the period 1 January to 30 June?

(8) Who are, or will be, the members of the committee to review the patient transit scheme?”

Mr AHERN: (1 to 4) Based upon the information received from hospitals boards throughout Queensland which are responsible for the processing of claims, the following information is furnished in respect of claims which were processed in the period 1 January to 30 June—

Travel Mode	Patients	Escorts	Attendants	Estimated Cost
Air	2 110	959	29	\$928,588
Rail	225	116	1	\$32,890
Bus	892	257	2	\$99,411

Accommodation Nights 14 403

Estimated Claims Paid \$293,713.

The above includes payments under the new patients transit scheme for accommodation and air, rail and bus travel for private patients, but in regard to public patients, costs are included only for accommodation and motor vehicles use, which were not covered under the interhospital transfer scheme. Additionally, costs for public interhospital transfers, excluding accommodation and motor vehicle use detailed above, were—

Travel Mode	Patients	Esorts	Attendants	Estimated Cost
Air	3 190	1 283	149	\$1,108,112
Rail	891	320	4	\$119,543
Bus	2 417	631	11	\$45,429

(5) Additional staff for administration purposes has been kept to an absolute minimum with both the Department of Health and hospitals boards generally being required to manage the scheme from existing resources. However, this has not been possible in all situations and the equivalent of 2.5 full time clerical staff has been temporarily engaged over a number of hospitals boards.

(6) All administration costs other than in (5) are being met from within the total Commonwealth allocation. No specific amount was identified by the Commonwealth for this purpose.

(7) \$1,640,479.

(8) The committee of review, which will have power to co-opt, will include the following Health Department personnel. Director, Hospitals Administration; Assistant Director-General (Hospitals); Assistant Chief Nursing Officer; Finance Officer, Hospital Finance Branch; Senior Inspector, Public Hospitals Branch; Director, Research and Planning; Senior Management Services Officer; and Health Planning Officer. It will receive submissions from any body or individual wishing to make a contribution.

2. **Proposed Bayfield National Park**

Mr COMBEN asked the Minister for Tourism, National Parks and Sport—

“With reference to the proposed national park in the Yeppoon area known as the ‘Bayfield’ proposal, in connection with which I table a map of the proposal showing the freehold area sold within the proposed boundaries and also his department’s own proposal stating the proposal is north of Corio Bay where the subject land is contained—

(1) Why is it still not gazetted six years after the proposal was formally accepted by the National Parks and Wildlife Service and why was freehold land within the proposal area allowed to be sold to interests connected with Mr Iwasaki?

(2) Does this sale of what should be part of the Queensland National Park Estate confirm this Government’s contempt for the rights and heritage of ordinary Queenslanders whilst supporting uncontrolled special deals, rights and privileges for foreign nationals?”

Mr MUNTZ: (1) The Queensland Government thoroughly researches all proposals placed before it. This is in marked contrast to the Commonwealth Government’s hasty, ill-considered and naive action in announcing its intention to nominate the north Queensland rainforests for inclusion on the World Heritage List.

A sensible land-use package is being developed for the Bayfield area, taking into account all the various options. An announcement will be made at the appropriate time.

As regards the sale of freehold land—I can only assume from the tone of the honourable member’s question that he wishes restrictions to be placed on the owners of freehold land as to when and to whom they can sell their own land. This socialist attitude—and it is a socialist attitude—is in line with a view expressed—

Mr De Lacy interjected.

Mr MUNTZ: That is the attitude of the member for Cairns.

This socialist attitude is in line with a view expressed recently in Townsville by the chairman of the Commonwealth Government’s Australian Heritage Commission, who is reported in the *Townsville Bulletin* of 27 August 1987 as having said the following—

“We have inherited this idea that private property is sacred. I believe we are now in the era when . . . all lands will be perceived as public in some degree.”

That is the policy espoused by the Labor Party, in particular by the member for Windsor.

With the chairman of the Australian Heritage Commission expressing such views, is it any wonder that the Queensland Government is totally opposed to the Commonwealth Government's attempted take-over of 12 000 square kilometres of this State?

(2) No. Surely the honourable member was not serious in asking this part of his question?

QUESTIONS WITHOUT NOTICE

Attack on Senator Richardson at Ravenshoe

Mr Warburton: In directing a question to the Premier and Treasurer, I refer to the attack last Friday at Ravenshoe on Federal Government Minister Senator Graham Richardson. I refer also to statements that the Premier made two days earlier in Cairns in which he used inflammatory language such as, "We are at war. Put a fire under Richardson when he comes here."

I ask the Premier: does he support tactics such as the cowardly mob attack against a Federal Minister which honourable members witnessed last Friday? Does the Premier take any responsibility at all—can you hear me, Mr Premier?

Sir Joh Bjelke-Petersen: I can hear you.

Mr Warburton: I want to make sure that he can.

Does the Premier take any responsibility for inciting that attack? More importantly, under the Premier's particular code of law and order, are offences such as assault and malicious damage acceptable as long as they are directed against Senator Richardson, the Prime Minister or other members of the Federal Government?

Sir Joh Bjelke-Petersen: If anybody is to blame for this whole episode, which has struck the people in the timber industry in north Queensland like a plague, it is, of course, the Federal Government—the honourable member's colleagues.

Mr Richardson, who I think is a new Minister—an assistant Minister or something of that nature—showed the sheer ignorance of his attitude by going up there after what he has done to these people. That is exactly what one would expect.

Mr Eaton interjected.

Sir Joh Bjelke-Petersen: The honourable member's turn is coming. I will go to Innisfail and I will say the same thing to the people up there. I will say, "Put a fire under him. Make him change his mind." My Government made the member for Mourilyan change his mind.

Mr Eaton: I am not changing my mind. You are causing trouble.

Sir Joh Bjelke-Petersen: That man over there is a turncoat. He has now gone the other way because he can see which way the wind is blowing.

Mr De Lacy interjected.

Sir Joh Bjelke-Petersen: The honourable member for Cairns has not had enough pressure put on him. He needs to be reminded that his job is in jeopardy, and will be in jeopardy at the next election.

What the Commonwealth Government has done to the people of north Queensland, nobody can comprehend. How or why that Government would come to a decision like that, which will put all these people out of work—

Mr Warburton: Why won't you talk to Senator Richardson about it?

Sir Joh Bjelke-Petersen: Why? Simply because—who is he? All he has to do is revoke the decision that has been made down in Canberra.

I reiterate that there will be no compromise. These meetings will continue and this Government will continue its efforts on behalf of these people. There is no purpose in talking to Senator Richardson, because he has no say. This morning the office told me that I have received a letter, but I will not see anyone who does these kinds of things to people. He has to reverse that decision.

There will be no compromise and no discussion. We will continue. It is scandalous that the honourable member for Cairns, Mr De Lacy, publicly declares his support in this House for the dismissal of thousands of people.

Mr De Lacy: Do you know what they think about you in Cairns? You are too old.

Mr SPEAKER: Order! I will not allow that interjection.

Sir JOH BJELKE-PETERSEN: The honourable member had his say a moment ago. He will regret for ever the decision made by the Government in Canberra, which he supports. He will be history. There is no doubt about that.

Mr De Lacy: The more you come up, the better off I am.

Sir JOH BJELKE-PETERSEN: What is he talking about?

Why is the Leader of the Opposition upset? Is it because of a challenge to his leadership, or is it because I went up to north Queensland? There are two contradictory statements. The Leader of the Opposition knows very well what the problem is. He ought to be on the side of the workers.

Mr Warburton: You do not really care about the people up there.

Sir JOH BJELKE-PETERSEN: I do care about these people.

Mr Warburton: No, you don't.

Sir JOH BJELKE-PETERSEN: The Leader of the Opposition does not; that is for sure.

Allegations of Corruption in Queensland Police Force

Mr WARBURTON: I direct my second question to the Deputy Premier and Minister for Police. I refer to yesterday's alarming allegations by Commissioner Fitzgerald that corrupt police in Queensland are engaged in a desperate campaign of lies within the force to stop honest officers coming forward to give evidence and expose them. I ask: in view of the commissioner's fears and his statement yesterday that corruption does exist within the force, what instructions or assurances has the Minister given either today or yesterday to Police Commissioner Sir Terence Lewis to counter such a frightening attempt to obstruct justice? Does the Minister agree that details of any instructions or assurances should be released now in this Parliament to dispel doubts held by both law-respecting police and the Queensland public generally? In short, I am asking the Minister what action he has taken either today or yesterday concerning the statements made by Commissioner Fitzgerald.

Mr GUNN: I would love to answer this question, but the matter has been declared sub judice in this House. I do not intend to discuss it in this House. I have made that statement time and time again, and I stand by it.

QIDC Rural Sector Assistance; Carry-on Loans to Sugar Industry

Mr FITZGERALD: I direct a question without notice to the Deputy Premier. Could he provide details of assistance provided in 1986-87 by the Queensland Industry Development Corporation to the rural sector through Government schemes and also the subsidies provided to the sugar industry through carry-on loans?

Mr GUNN: It is extremely important for people to realise just what the QIDC has done for the rural sector. I have obtained updated figures this morning from Mr Buising.

These figures show that a total of \$112,765,880 has been approved for the year 1986-87, of which \$9,576,656 has been subsidy. The total number of those assisted was 3 233. The figures are set out in the following table—

Summary of Assistance

Assistance through Government schemes for 1986-87 is now detailed below.

Scheme	Amount Approved (Loans and Debts Subsidised)	Subsidy Amount	No. Assisted
Rural Adjustment Scheme			
Loans	7,249,036		145
Debts subsidised	33,912,563	2,780,452	402
Welfare assistance	370,356		85
Natural Disaster Relief Arrangements			
Drought	22,949,273		1 071

An Opposition member interjected.

Mr GUNN: I know that these figures are not of any great importance to members on the other side of the House, but they are to any member who represents a rural area. Mr De Lacy would not be interested in this, but I point out that an amount of \$10,693,904 was approved following Cyclone Winifred, and that assisted 377 people. Other assistance provided was as follows—

Scheme	Amount Approved (Loans and Debts Subsidised)	Subsidy Amount	No. Assisted
Natural Disaster Relief Arrangements			
Other Disasters	520,850		21
Sugar Cane Growers Adjustment Scheme	18,127,823	4,145,787	289
Refinanced sugar carry-on loans	8,697,952	2,650,417	550
Young Farmer Establishment Scheme	2,528,500		18
Farm Water Supplies Assistance Scheme	1,872,180		77
Brucellosis & Tuberculosis Eradi- cation Scheme	1,651,900		20
Rural Housing Assistance Scheme	1,416,670		42
Rural Debt Assistance Scheme	978,000		26
Dairy Farm Adjustment Scheme	580,101		21
Sugar Carry-on Loan Scheme	366,530		29
Small Business Debt Assistance Scheme	333,806		19
Vine Pull Assistance Scheme	313,800		36
Family farm adjustment	160,043		2
Soil Conservation Assistance Scheme	42,593		3
TOTAL	\$112,765,880	\$9,576,656	3 233

I will make the figures available to anyone who wishes to see them.

Proposal by ACTU to Reduce Number of Unions in Australia

Mr FITZGERALD: I ask the Premier and Treasurer: is he aware of moves by the ACTU to reduce the number of unions in Australia to a small, powerful group? Will that lead to more industrial peace, or what will be its effect on the economy?

Sir JOH BJELKE-PETERSEN: Honourable members opposite know the answer to that question, of course. They are determined to obtain even greater power by centralising their activities into 20 unions. That, of course, spells to an even greater degree the end of democracy as we know it today, because unions today dictate to the Commonwealth Government the terms and conditions on privatisation or anything at all. They can make the Prime Minister either come or go. Whatever they say, he does, and he has to do it. He has already backed down on some of these things, such as privatisation. One can ask, "Why do we have a Federal Parliament?" The people who do these things that are so undemocratic are people who have not been elected.

Honourable members opposite are laughing and smiling. They are happy. They want to see a republic come into being. That is their only hope of getting anywhere politically. It is a very serious matter if the unions do that. I guess that they will be helped by the Commonwealth Government.

Proposed World Heritage Listing of North Queensland Rainforest Areas

Mr SIMPSON: I ask the Premier and Treasurer: in the light of the Prime Minister's appalling record of broken promises, how can the people of north Queensland trust any promises of offsetting lost jobs and ruined lives? Surely Hawke's desire to get into bed with foreign powers to control north Queensland rainforest and to stop logging is a subversion of the spirit of Australia's Constitution? Are we not in danger of vast areas of Queensland, such as Fraser Island and Cooloolo, being lost into the hands of foreign powers and Hawke's mates?

Sir JOH BJELKE-PETERSEN: There is no way that one can give any credence to the Prime Minister's suggestion that he will find work for those people in north Queensland. He cannot even find work for the thousands of unemployed people in north Queensland now. As honourable members know, they come from down south. The people in Cairns realise that, contrary to what Mr Hawke has said, they cannot get work or hope to get work. That is the first matter to be considered.

The other thing in relation to Mr Hawke's attempts to log rainforests is that he is attempting to gain votes from a section of the community. Under Queensland's system of logging and provision of national parks, 90 per cent of north Queensland's rainforests are already very genuinely and effectively protected. Approximately 18 or 19 per cent of that rainforest is being logged. The Minister, Mr Geoff Muntz, is responsible for that matter.

This Government has an enviable record, which no other State has. In New South Wales, only 25 per cent of the original rainforests remain, whereas Queensland has 90 per cent of its rainforests protected, including those areas that are not designated as national parks.

Queensland contains millions of acres of national park land that has been logged once, twice or three or four times. However, after a number of years it is still impossible to detect where that logging has taken place.

The Federal Government has acted in a completely irresponsible way. It is irresponsible to suggest that it will find jobs for those people who will be displaced.

Gun Laws

Mr ELLIOTT: I ask the Deputy Premier, Minister Assisting the Treasurer and Minister for Police: will he assure this House that he will consult all genuine organisations in respect to the proposed changes to gun laws in this State? Will he also give an assurance that there has never been any suggestion that purchasers of firearms would be subjected to fingerprinting?

Mr GUNN: I think that the media have become confused on this particular issue. In New South Wales and Victoria, when one applies for a shooter's licence, one has to be fingerprinted. That will not happen in Queensland. I assure the honourable member that it will not happen in Queensland.

I believe that the confusion has arisen because of proposed changes to the Drugs Misuse Act that are currently before this House. The proposed amendments to the Firearms and Offensive Weapons Act are entirely different.

Proposed World Heritage Listing of North Queensland Rainforest Areas

Mr COMBEN: I ask the Premier and Treasurer: if he will not join the Opposition in jointly approaching Mr Richardson to ensure that a proper, comprehensive compensation package is made available by the Federal Government to maintain and increase employment in the wet tropics, will he advise this House what his economic strategy and plan is to guarantee employment for those loggers who may shortly lose their jobs, or who, even if the World Heritage listing does not go ahead, will certainly lose their jobs within five years in the rapidly declining rainforest logging industry?

Sir JOH BJELKE-PETERSEN: There are none so blind as those who cannot see. Surely the honourable member and other Opposition members can see that the tide is going against them. No doubt the Opposition will be split into pieces by the time that this issue is finished with.

Mr Gunn: He's going to resign.

Sir JOH BJELKE-PETERSEN: What a blessing that would be.

Proposed World Heritage Listing of North Queensland Rainforest Areas

Mr COMBEN: In directing a question to the Premier and Treasurer, I refer to his personal press release of this week in which he refers to World Heritage listing threatening thousands of north Queensland jobs. My inquiries and research have revealed that only approximately 300 jobs will be directly affected in the timber industry and that those jobs can be replaced by permanent positions in the following spheres: firstly, softwood-milling, 25 jobs; secondly, plantation establishment, 20-plus jobs; thirdly, national park works, 100-plus jobs; and, lastly, tourism, where less than a 1 per cent increase in tourism would produce 150-plus jobs.

Government members interjected.

Mr COMBEN: I ask the Minister: will he advise this House why he claims that jobs will be lost—

Mr SPEAKER: Order! The House will come to complete order. The honourable member for Windsor must ask a question, not make a statement. The honourable member will ask the question.

Mr COMBEN: My question is: are not Labor's policies of long-term economic and strategic planning for the northern wet tropics not superior and in contrast to the Queensland Government's short-sighted policy of blind defence of short-term jobs in a declining industry?

Sir JOH BJELKE-PETERSEN: I have one suggestion to the honourable member. From reading reports in the media, it is obvious that he cannot understand what is happening. I suggest that he attend a meeting at Ravenshoe and say to the people there exactly what he has said here.

Privatisation of Public Assets by Australian Labor Party

Mr STEPHAN: In directing a question to the Premier and Treasurer, I refer to the suggestion of the Prime Minister, Mr Hawke, that public assets be sold to private enterprise, which is a hijack of the Australian Labor Party's policy and which was certainly not mentioned before the Federal election.

Mr SPEAKER: Order! The question?

Mr STEPHAN: I refer also to Mr Hawke's statement in which he said that the major issue of privatisation was not why a public asset should be sold, but why a public asset should continue to tie up public resources. I ask: can any Australian citizen believe the Prime Minister, who blatantly contradicts himself and his own Government's public policies?

Sir JOH BJELKE-PETERSEN: I am sure that the average Australian today is beginning to wake up to the fact that the Prime Minister cannot be relied upon to carry out the promises that he has made. That point has been made clear on a number of occasions. In relation to the whole question of privatisation—honourable members know that he has adopted that view not because he is turning private-enterprise in his thinking but mainly to obtain revenue to help him over a very difficult period. That is the main reason why he is talking in that way.

Of course, the unions say to the Prime Minister that it will not happen. Honourable members should mark my words when I say that I do not think anything very much will come out of it. It is all froth and bubble again, as are so many of the statements of the Prime Minister.

Effect of Shopping Centres on Small Business

Mr BRADDY: In directing a question to the Minister for Small Business, I refer to the Minister's recently published remarks about his concern for the proliferation of shopping centres and his admission that a Cabinet decision to establish a committee to prevent the continuation of such proliferation had not resulted in any positive action to date. I ask: what action is the Government now taking to overcome the proliferation of major shopping centres, which is acknowledged by the Minister as being detrimental to small business?

Mr LESTER: I make no apologies whatever for any statements that I have made on this matter. There are too many shopping centres not only in Queensland but throughout Australia, and small business is suffering. It is about time that the Labor Party got behind the Government in what it is trying to do and stopped the outlandish ridicule that is being levelled at the Government. It is about time that the Opposition started to be positive.

I make it very clear that, since the Cabinet decision, I have visited all areas of Queensland. If the honourable member does not know that I have been around, he has his ears blocked and his eyes shut. There is no doubt about that. Extensive publicity has been given to the issue throughout Queensland. It is very clear that the established fact is that there are too many shopping centres. I have called upon the shopping centre developers to count to 10, and perhaps extend and modernise the existing shopping centres. Shopping centres would be far better off if that occurred.

What did the honourable member do to stop proliferation of shopping centres in Rockhampton? I have not heard him make a comment about the proliferation of shopping centres in Rockhampton.

When the State Government decided not to build a new Government block in Rockhampton, to try to assist small business with rents, who knocked small business and the Government? The honourable member for Rockhampton did. He stands condemned so far as that is concerned.

The next step is for me to talk to my parliamentary committee and, as soon as possible, to establish a committee comprising parliamentarians and representatives of the industry. That committee will be able to achieve results. I expect constructive support from the Opposition.

Galaxy Shopping Centre Extension, Cannon Hill

Mr BRADDY: In the context of the concern expressed by the Minister for Small Business in his reply about proliferation of major shopping complexes, I ask the Premier and Treasurer: why did he direct the Minister for Local Government to conduct a ministerial rezoning of the Galaxy Drive-in Theatre land to enable a major extension of the large shopping complex known as the Galaxy Shopping Centre at Cannon Hill? Did such direction to the Minister for Local Government by the Premier occur after the Premier's help was sought by Mr Ron Walker, a former Lord Mayor of Melbourne, on behalf of the Hudson Conway Group?

Sir JOH BJELKE-PETERSEN: The honourable member does not know much about how the Government operates. I do not instruct Ministers on those sorts of issues at all.

Ogmore Railway Station

Mr HINTON: I ask the Minister for Transport: can the Minister assure the House that the Ogmore Railway Station, north of Rockhampton, will remain a manned station?

Mr LANE: The honourable member raises the issue of the future of Ogmore, which is one of the last outposts of civilisation as we know it. Of course, I am happy to give him the assurance he seeks.

This outpost is situated 776 kilometres north of Roma Street and 137 kilometres north of the city of Rockhampton. I am happy to inform the House that Queensland Railways provides an essential life-line to this outpost by bringing to the district medical supplies, mail and that very essential commodity on the daily meal table—bread. I am informed that Ogmore is remote from any other commercial, land-based form of transport and is yet to be serviced by aircraft of any kind. It is beyond the reach of Stage 4 mainline electrification.

It is ably staffed by a competent station-mistress fourth class, Mrs Shirley Rolls. Mrs Rolls is a valuable member of the local community and, I am informed, a member of the local branch of the Country Women's Association. She is supported in her endeavours by No. 8 fettling gang, consisting of one ganger and five fettlers, which is in turn assisted by No. 9 fettling gang—based locally in Ogmore—which consists of one ganger and five fettlers. No. 10 bridge gang is also located in this "metropolis". It consists of three leading hand bridge carpenters, two bridge labourers and one nipper—that is, a bridge labourer under the age of 18 years.

In total, 18 proud employees of Queensland Railways are located at Ogmore. They are responsible for the receipt of 296 tonnes of freight, which returns revenue to the department of \$9,156 annually. The freight consists, inevitably, of alcohol, livestock and general merchandise. They also consign outbound from that station 373 tonnes of freight, which consists mainly of livestock, and pay to the Commissioner for Railways \$7,230 in freight charges in respect of those commodities.

In view of the strong representations from the honourable member and in view of the fact that he has drawn to my attention a community service obligation to the people of Ogmore, I am happy to assure the honourable member that the station will remain open and attended.

Reservation of Land for Proposed Sunshine Coast University

Mr BEANLAND: I ask the Minister for Lands, Forestry, Mapping and Surveying: is it time that reserve 249, which is forestry reserve land outside Nambour, be set aside for a Sunshine Coast university, as claimed in a *Sunshine Coast Daily* article on 25 August 1987?

Mr GLASSON: Some representations have been made by people within the National Party and others for the department to make inquiries into areas of suitable land which

may be available for the setting-up of a university. At present, no land has been positively set aside as a prospective site for a university on the north coast.

Sydney International Airport

Mr BORBIDGE: In directing a question to the Minister for Tourism, National Parks and Sport, I refer to the Federal Government's failure to address severe congestion and overcrowding problems at Sydney's Kingsford-Smith international airport by interlining and spreading the load over all international airports across Australia, including Queensland, which would considerably alleviate this congestion. I ask: what is the Queensland Government's attitude to overcoming this very major impediment to tourism growth in Australia?

Mr MUNTZ: It is quite true that the facilities at Sydney airport are completely out of date. It is the busiest domestic airport in Australia. Under false pretences it is being used as the doorway to Australia. The Queensland Government believes in an open skies policy. At the present time the international airports at Brisbane, Townsville and Cairns are underused, particularly the airports at Cairns and Townsville, which are of a standard acceptable to international flights.

The Brisbane airport, as we know it, is not acceptable. It is basically a tin shed, and that is to the discredit of the Labor Party and the Federal Government following their lack of action over a number of years. The Federal Government should be looking at a policy that will ensure equal flights and equal international seats into all States.

I have brought to the attention of this House the discrimination that exists not only against Queensland but also against Western Australia, the Northern Territory and South Australia. Far too many international flights are being directed into Sydney and Melbourne. Research has shown that the majority of people want to go elsewhere and not to Sydney and Melbourne. In fact, the number of seats into Queensland is something like 27 per cent of the international flights. Of that number, Brisbane receives 5 per cent of direct international flights. Sydney has something like 42 per cent of the visitation nights for something like 81 per cent of the international seats into Sydney.

That needs to be addressed. Mr Hawke and his Government talk about privatisation. I believe that the only way in which the problem can be rectified is for the Federal Government to sell Qantas to private enterprise and allow it to operate in the open market. I do not know what hope there is of that happening when one looks at the recent appointment to the board of Qantas of the ACTU president Mr Simon Crean, a former employee of Mr Whitlam and a friend and associate of Mr Bourke. The Federal Government has a big problem, because those appointees have determined that it will not happen. As much as Mr Hawke might like to grandstand to big business and say that he is in favour of privatising Qantas, that will not happen while those types of people with such attitudes sit on the board of Qantas.

That is not to say for one minute that Qantas does not provide a service second to none. If an open skies policy was initiated in Australia, because of the competition Qantas would prosper.

With the approach of Expo 88, many things need to be addressed. A large percentage of international tourists will want to come to Queensland. In the not-too-distant future, day flights from Coolangatta and Brisbane to Sydney, to see its sights, will be introduced. Those flights will then return to Brisbane, so that people can attend Expo, Coolangatta or north Queensland. International flights will be coming directly into Queensland and departing through Queensland. The only way for the matter to be addressed is for the present Labor Government and the Qantas board to consider seriously the option of selling Qantas so that that enterprise can operate in the free-enterprise system, service the whole of Australia and ensure that airports in States such as Queensland are not discriminated against in favour of airports such as those at Sydney and Melbourne.

Chemical Residue in Meat

Mr COOPER: I ask the Minister for Primary Industries: has he corresponded recently with the Federal Minister for Primary Industries and the chairman of the ALMC with reference to chemical residue testing facilities in Queensland? If so, what has been their response?

Mr HARPER: Yes, I have contacted the Federal Minister for Primary Industries and Mr Austin of Aus-Meat in regard to laboratories for testing for chemical residue in meats in Queensland. As yet I have received no response. So that this State may responsibly decide on steps to be taken to increase its facilities, I want a clear indication from the Federal authorities as to their intentions in the future in regard to the testing of fat samples taken from slaughter cattle.

Honourable members will appreciate that the Queensland Government responded very quickly and without hesitation to the need to increase those facilities at its own expense. The State has increased its capacity from testing 80 samples a week to 300. Later this week I expect that to increase to some 600 samples. I believe that it is important that the State expand those facilities further, but naturally the Queensland Government is not prepared to commit Queensland tax-payers' funds to this expansion unless the Federal authorities give some indication of their intentions in regard to testing in the future. As I consider it to be a matter of extreme urgency, I certainly await a response from both of those gentlemen.

Private Road, Southedge Station Development

Mr EATON: In asking a question of the Minister for Lands, Forestry, Mapping and Surveying, I refer to the *Courier-Mail's* front-page story on 26 August about a private road to the development projects on Southedge Station. I now ask: in view of the objections of both the Mareeba and the Douglas Shire Councils to the Government's granting permission for construction of this road, can he inform the House whether the Government is making any contribution, financial or otherwise, towards construction? What time-limit is placed on the developers to fund maintenance and costs if this road goes ahead? At any time in the future will either or both the Douglas or Mareeba Shire Councils have to take responsibility for all or any section of this road?

Mr GLASSON: The member for Mourilyan is endeavouring to put the Government in the position of financing the road. The development is private enterprise at its best. The road will provide access from the Cook Highway to the Peninsula Development Road. In the long term that will provide a great service and advantage to the people of north Queensland.

The Government is not committed to one cent for the completion of that road. One of the conditions of the construction of the road is that it should be adequately maintained. To that end the bank holds a \$60,000 bond. Because the road will enable the extraction of timber from the forests, it will be of service to the Forestry Department. In addition, it will serve as a very formidable fire-break in that area of north Queensland. If the maintenance is not up to the required standard, the bond shall be called on and the road will be closed. The department has put very stringent conditions on the construction of that road where it traverses the forest areas. The Main Roads Department was consulted and it approved access to the Cook Highway, that is, the highway from Cairns to Port Douglas. Most certainly, every endeavour has been made to protect the Government's future responsibility in relation to the road.

Mr SPEAKER: Order! The time allotted for questions has now expired.

MATTERS OF PUBLIC INTEREST

Education in Queensland

Mr SCHUNTNER (Mount Coot-tha) (11 a.m.): There is an urgent need for responsible and competent leadership in education at the political level in Queensland. Under this Government, education has stumbled from one fiasco to another right through this year.

Early in the year people were faced with the holiday dates debacle. I do not think that much repetition is needed for people to recall what that was about. If reasonable consultation had taken place, if advice had been sought from various areas within the Government's own Education Department bureaucracy, and if advice had been sought from broader fields within education, people would not have been faced with a foolish decision on those holiday dates. Of course, inevitably, the Government had to back down on that issue and realise the folly of what it had done.

Throughout the year society has been faced with inadequate AIDS education in our schools. Attempts are being made to provide some form of AIDS education. However, it is not within the range of a full sex education program. People are wondering what is happening with that program. I understand that the video script still is not finalised, despite many attempts to produce it. I am aware that a set of guide-lines has been distributed to schools. However, month after month goes by and no satisfactory action is taken on this important matter.

Of course, there was the fiasco of a few days ago in which the report reviewing tertiary entrance was referred to by me in a question. In answer to that question, the Minister told this House that even on 27 August that report had not been received by him. However, anybody is able to read significant details of that report in the newspaper. Dozens of copies of that report are around. I find it curious in the extreme that the Minister for Education, representing his Government, has not received a report that dozens of other people have received. I will have a little more to say about that shortly.

I turn to the ongoing saga of the Education Act and Another Act Amendment Bill and proposed changes to the Education Act. That Bill was introduced after several media statements had been made about it. There was such instantaneous opposition to it that it has now been withdrawn. However, the sort of doublespeak that has been going on regarding that Bill—even this morning's ministerial statement about it—indicates that the Government has a clear intention to go ahead with basically exactly what was proposed in the Education Act and Another Act Amendment Bill, that is, to sack three boards, set up a new council, and to change the control structure so that instead of boards operating at arm's length from Government control they operate under the direct control and supervision of the Minister.

I want to speak briefly about the need for responsible leadership regarding the provision of quality education resources in Queensland. Queensland needs to pursue excellence in education. The task needs to be undertaken in a co-operative way through consultation that involves parents, teachers, industry, post-school education and the general community. It will not be achieved by somebody irresponsibly attacking various elements in the schools or in the community. Some form of co-operation is required.

While quality education requires human commitment as well as the sound provision of resources, any Government which reduces resources from an already inadequate level is acting in a grossly irresponsible manner. I want to state in the strongest terms that the Liberal Party opposes the types of cut-backs that have been reported as being under consideration in the Budget. Reductions in teacher numbers have been mooted and there is a prospect of a large number of teachers graduating at the end of the year and not obtaining employment. That is an enormous waste of public money in the training of those teachers. It is devastating to their morale. Those human resources are greatly needed within the education system.

Any reduction in teacher aide hours that are provided to schools will reduce the quality of the education that takes place in the schools. Redeploying teachers away from support services and redeploying principals away from their leadership roles will also reduce the quality of education. We should be looking at improving the quality and not reducing it. There are also suggestions that school library services will be reduced. That is also opposed by the Liberal Party.

I wish to speak briefly about the shortage of tertiary places, including the shortage of TAFE places. Skilled, trained people are the nation's most valuable resource. The Australian participation rate in tertiary education is pathetic and compares very

unfavourably with those in overseas countries. On the national scene, despite this very poor performance, there is a dramatically increasing proportion of eligible students who are not receiving a tertiary offer. The basis for the figures that I will refer to are the Australian Vice-Chancellors Committee's report, the Australian Bureau of Statistics and the Commonwealth Tertiary Education Commission.

The Queensland situation is the worst in Australia. When one realises that Australia performs very badly on the international scene, one gets some indication of how bad the situation is in Queensland. Of the eligible students, 33.4 per cent in Queensland are not receiving offers of tertiary places. That is 11 269 people. I emphasise that no State in Australia can afford to exclude from tertiary education 11 269 people who are eligible for that form of education and should be there. The nation suffers badly if they are unable to take up the offer because no offer is made. That percentage of 33.4 is dramatically up from 16.6 per cent of those who were eligible but who failed to obtain an offer last year.

What is needed is a set of initiatives by this Government if it is to provide responsible educational leadership. Actually the figure is worse when one looks at students aged 20 years or under, because 37.2 per cent of those students who are eligible for tertiary education failed to receive an offer.

I would like to look very briefly at the report which reviews tertiary entrance. This report, which is dated July, is the product of a joint committee that was established at the behest of the Minister for Education. It contains 52 important recommendations. Although it was delivered to the Minister's office early in August, last week the House was advised that the Minister has not received that report. Whatever tertiary entrance score has been achieved at the end of Year 12, it should be available to students before they finalise their applications for tertiary education. Common sense dictates that that ought to happen and the system should be changed so that it is available as early as possible. Had action started on that a month ago, when the report was finalised, it could have been in place this year. Instead there is another cohort of students who have to make decisions not knowing what their TE scores are. That is a piece of stupidity that could be rectified very quickly if there was responsible educational leadership in this State at the political level. There is a desperate need for the Government to open the report, read it and act responsibly on the recommendations contained in it.

The Board of Secondary School Studies has come under a great deal of criticism as the Minister and this Government seek ways to justify the sacking of various boards and setting up new organisations. The task of the board is an enormous one, given the hopelessly inadequate level of resources in Queensland's secondary schools. The board has been criticised for not being flexible enough and not adjusting to changing times and needs. It should be noted that there are now 41 board subjects, 1 400 board-registered school subjects and 200 TAFE subjects available. That provides an enormous range of offerings to students.

Sound Government leadership would refrain from destabilising education with irresponsible action over issues such as Education 2000, the P-10 curriculum, holiday date changes, inadequate AIDS education and provocative education Bills. There is a need for consultation, for listening and providing responsible, sound, educational leadership at the political level.

Coal Mine Safety

Mr HINTON (Broadsound) (11.11 a.m.): **Mr Speaker**——

Mr R. J. Gibbs: Ian Sinclair's apprentice.

Mr HINTON: The member for Wolston is making a lot of noise. I draw the attention of the House to the colour of his face. **Mr Speaker**, I would suggest to you that it is as red as a beetroot, because on the stage at Dysart I debated the industrial legislation with the honourable member and I thrashed the pants off him. He still has not got over it, and he does not like it.

I raise an issue of concern on the coal-mining fields, and one of particular concern to the FEDFA. I hope that the member for Wolston is listening, that he listens very attentively and that he is a little bit less noisy. I have been a critic of the actions of mining union-leaders, particularly the QCEU; but the FEDFA is, on my observation, a more responsible union, in this case with a legitimate concern regarding safety and operator competence, and I am pleased to raise its issue. Indeed, I attended a meeting of FEDFA members at the Dysart football ground to hear their concerns, and I was very well received.

The issue relates to the supervision of plant-operators on mine sites and the accreditation of operators, by Government departments, with certificates of competency. These certificates relate to the operation of different classes of machinery, and are transportable across industry, having wide recognition in other industrial areas.

At this stage, Department of Employment and Industrial Affairs machinery-inspectors test operators, who must have completed 100 hours on a particular class of machine, and issue the certificates of competency.

Department of Employment and Industrial Affairs inspectors have jurisdiction over all above-ground and, hence, open-cut operations, whilst the Department of Mines supervises below-ground operations, and has wide powers across the mining industry.

Following the publication of the Savage report, which is critical of dual systems of Government control, a push has been made by the mining companies, supported by the Chamber of Mines and the Mines Department, towards one system of inspection with the Mines Department personnel replacing the Industrial Affairs personnel on both above-ground and underground coal mines. However, there is a basic difference of philosophy, with the Department of Employment and Industrial Affairs supporting independent examination of operator competence, and hence operator and machine safety, whilst the Mines Department is supporting the mining companies in their quest for self-regulation.

Under this proposal, a training officer on each mine site employed by the mining company but responsible to the Mines Department would instigate an approved training program with the mine-manager at each mine site being responsible for the program that would be adopted at each particular mine. It would be a good program in that companies would be required to commit considerable funds to training, and hence improve operator safety. Each operator and the mine-manager would keep log-books on the operator's hours. However, this system would allow a wider operation of machinery by persons other than FEDFA members. Obviously, that would be of concern to that particular union.

The system entails the supervision of operators being in the hands of the mine-manager, who would delegate such responsibility to the foreman on site. The FEDFA is very concerned about this procedure, and I accept the men's claims that, whilst some foremen are experienced operators and are competent to judge their fellow-operators, other foremen may have had little or no experience, and their judgment on operator competence could lead to dangerous situations. The issue of personality conflicts also arises.

Further, the mining companies' approach to certificates of competence is of concern. As I have stated, each operator will be required to keep a log-book on his operations, and this could be presented to the Division of Occupational Safety for the issuing of certificates of competence, which would be recognised by other employers across industry. But all honourable members know how effective Mr Keating's log-book system was—it did not last two months—and there is a risk that this system could similarly collapse through apathy, and there would be little or no uniform recognition of standards across industry.

There are very serious problems with the present dual system. Machinery-inspectors issue the certificates of competency, but the Mines Department personnel investigate accidents, which is a ludicrous situation.

There must be one system, and I would support both in-house training and independent testing arrangements, although we must ensure that all inspectors are themselves competent. That is debatable at present. Leaving it to the mine management and foremen to determine operators' competence could create dangerous situations and is rightly unacceptable to the plant-operators.

I therefore request that the mines management, the Combined Mining Unions—including the FEDFA—the Department of Employment and Industrial Affairs and the Mines Department, get together to solve this problem, which could erupt into serious industrial action that can be avoided. I believe further that a Green Paper on the issue should be produced for wide discussion throughout the industry.

The issue has the potential for wide industrial disputation on the mine-fields and should be addressed by industry as quickly as possible.

John Minuzzo

Mr R. J. GIBBS (Wolston) (11.17 a.m.): I wish to raise a matter that is of concern to all Queenslanders. I refer specifically to the continual habit of the Premier of this State to associate with people of dubious character.

I refer to an article that appeared in the *Times on Sunday* on 6 September 1987, which was headed "man with big plans for Brisbane, could face jail for contempt". I am referring to Enzo alias John Minuzzo, who is the proposed developer of what will be the world's tallest building, which is to be erected in Brisbane. A recent survey of Queenslanders showed that, without any doubt, the majority of them are against the proposal.

That article stated—

"Minuzzo was once part owner of real estate agency Moore Williams and Son in Victoria. He was named in both the Frost and Gowans Inquiries, in the 1970s, into the Victorian Housing Commission Land scandals, and found himself in several courts over land deals.

The Gowans inquiry reported that Minuzzo received nearly \$196,000 from a sale to the Housing Commission of land at Sunbury, Victoria, for \$3,418,604.

In 1983 Minuzzo was convicted of conspiracy to defraud the T & G Society of \$568,000 in a land transaction and sentenced to two years' jail. His conviction was later quashed on appeal.

In 1984, he was acquitted of charges that he offered more than \$70,000 in secret commissions to employees of a finance company."

I have another article here relating to the Victorian Supreme Court headed "Land sale charges—7 for trial", which stated that seven businessmen were sent for trial on charges alleging conspiracy to defraud T and G Mutual Life Society. The article went on to name Enzo Minuzzo, together with a number of other people. It goes on to say that Minuzzo was charged with conspiracy to defraud T and G by causing or permitting large sums of money to be paid to Payne and Clayton Pty Ltd, which was a company in which McGinley had financial interests, as an inducement to Mr McGinley to show favour, or as a reward for having shown favour, to Lensworth Finance (Vic.) Pty Ltd over the sale of land at Craigieburn owned by Lensworth to T and G or its subsidiary company, Kajane Pty Ltd.

The article states further that Minuzzo and other gentlemen were implicated in the Lensworth transaction by a letter dated 19 December 1973. It further states that, on 30 April 1983, the three men were found guilty by a criminal court jury the day before for involvement in a conspiracy to defraud the T and G Society of \$568,000.

A further article dated 30 April 1983 stated that Mr Justice Gray, sitting on the bench of the Supreme Court in Melbourne, said, "Agent's 7 years not enough". The article goes on to state that Mr Justice Gray said that the maximum penalty under the Crimes Act has been inadequate for cases that involve massive secret commissions.

The final article to which I refer is dated 12 May 1983. It states—

“Three men, convicted of conspiracy to defraud the T&G Society of \$568,000 over a land transaction at South Morang were jailed for two years yesterday.

The Criminal Court, said each man was a party to a scheme to pay a large bribe to a T&G real estate manager, John Stephen McGinley, as a reward for him inducing T&G to buy the land.

The three were motivated by naked greed when they went into the scheme, the judge said.

Enzo Minuzzo”—

and this is John Minuzzo, the gentleman who is now seeking to develop the world's tallest building in Brisbane—

“a company director, of Kooyong Road, Toorak, Basil Evan Hetrel, 47, of Deauville Street, Beaumaris, and George Henry Vine Williams, 69, retired, of Knox Street, Canterbury, all pleaded not guilty to a charge of having conspired to defraud the T&G Society between 1975 and 1977. They were all convicted by a jury on 29 April, after a month-long trial.”

The article further states—

“Mr. Justice Gray said a company, Stratford Estate Pty Ltd, associated with the three men, obtained an option over the land, and McGinley persuaded T&G to buy Stratford's interest in the option, at a price which meant a large profit to Stratford.

The profit was shared between McGinley—who got about \$285,000—and some of the conspirators, the judge said.

He said the jury was satisfied that each of the three men participated in a dishonest scheme which caused T&G a substantial monetary loss.

‘The picture the evidence discloses is not a pretty one,’ Mr. Justice Gray said. ‘At the time each of you was a mature, intelligent and financially well-off man, each capable of judging the quality and culpability of your conduct.

‘This was not a crime committed on the spur of the moment, or under the impulse of strong passion or emotion. It was simply a dishonest scheme, carefully conceived and coolly carried out.’

He said the men took elaborate measures to conceal their activities, which indicated they were aware of the illicit nature of the plan.

He said each man made an unsworn statement trying to clear himself of blame, but the jury clearly rejected them.”

He made this damning comment at the end—

“Each of you embarked on this enterprise with your eyes wide open, presumably motivated by naked greed.”

I intend to be fair to the gentleman today. After spending three months in gaol, his appeal was upheld and the conviction was dismissed on the grounds that the judge on a technicality of law—that is important to remember—had misdirected the jury. The case never went to trial again. However, as outlined by that article, that person has many flaws in his character. Again, in 1984, he was before the courts for offering more than \$70,000 in commission to employees of a finance company. Of course, he was acquitted of that charge. He now faces the very real possibility of being charged with the serious offence of contempt of court over the premises that he is leasing to a Mr David Reason, who refuses to leave the premises.

This is another clear case of shonky business-operators from the south coming to Brisbane. They seem to have the incredible ability to be able to obtain the listening ear of the Premier of this State.

Recently, honourable members have seen one of the most disgusting displays of back-flipping from the Liberal members of the Brisbane City Council. In May 1986, the Brisbane City Council's Program Planning Advisory Committee approved in principle the erection of 85 storeys of the proposed project. In principle, it approved the erection of 85 storeys of this current world record building that we are told Brisbane must have.

In the *Sunday Sun*, Alderman Atkinson stated that she was not against the height of the building. In fact, most rate-payers are against the height of the building and the traffic problems that will be created. The Liberal administration in the Brisbane City Council removed the height limit from the town plan. Noel Robinson, an architect, stated that the sky is now the limit in future developments.

The Liberal Brisbane City Council, under the administration of Alderman Atkinson, actively encouraged the development of this proposed building all the way. Now, of course, Alderman Atkinson has done a back-flip and says that she opposes it in the same way that she opposes the ICI plant, although every thinking person in Brisbane knows that her Liberal Brisbane City Council not only will be partly responsible for this project, if it goes ahead, but also was responsible for the siting and location of the ICI plant at the mouth of the Brisbane River.

I say very clearly in this House today that members of the public have indicated that they are not in favour of this development. The State Government should immediately cancel any negotiations that it has with Mr Minuzzo. In conclusion, may I compliment and congratulate the honourable member for Broadsound on being the first graduate in this Parliament from the "Ian Sinclair school for master forgers".

Mr SPEAKER: Order! I ask the honourable member for Wolston to withdraw that comment.

Mr R. J. GIBBS: I withdraw it.

Southport Bar Stabilisation

Mr HYND (Nerang) (11.27 a.m.): Today I wish to compliment the State Government on its foresight and initiative in stabilising the Southport Bar. Few people realise that the Nerang River has been creeping northward during its long history; that in fact research shows its original estuary was approximately where the Cascade Gardens now stand; or that, during the development of the Cascades, it was necessary to bring archaeologists to the site of an old midden to have the site researched and not lost by development.

The next major outfall for the Nerang River is located at Narrow Neck. The engineers of the day sealed off this entrance in favour of an outfall where the old Southport Bar was located. The continuing northerly drift of sand drove the estuary of the Nerang River many kilometres north of its original location.

The Southport Broadwater has now become a tourist mecca over these last years. For the first time in the history of the Southport Broadwater, mariners may come and go through a man-made entrance to the Nerang River. The vagaries of the sea and the northerly drift of sand have been responsible for the loss of many lives and vessels during the known history of the Nerang River.

The State Government took a great step forward in the development of the Broadwater and, indeed, the future growth of tourism when it made the decision in September 1983 to stabilise the Broadwater entrance and arrest the northerly drift of sand. The construction of the seaway has now opened the Broadwater to larger ocean-going vessels by giving them good deep-water access into and out of the Broadwater. A recent example of this was the Jupiters Sydney to Bayview Harbour Race.

Consideration should now be given to the enormous benefits which will flow into the Gold Coast in tourist revenue. If time is taken to relate the effect of yacht-racing in Honolulu in 1980 and 1982, it will be seen that this was the time Gold Coast Express

entered the Pan Am clipper series of races. It bears mentioning that the number of vessels participating in the series rose from 50 to 100 yachts over a four-year period.

The impact on tourism on the Gold Coast through ocean yacht races can be likened to Honolulu when it is estimated that Gold Coast Express had a crew of 10 and approximately 30 people as share-holders and spectators who went to watch her progress. A total of 100 yachts competed in that series. In fact, the Waikiki Yacht Club wrote 5 000 ID cards for visitors to gain access to the yacht club during their stay. It was reported that in 1982 the value to the economy was of the order of \$35m. Of course, this was made up of accommodation, advertising, catering, local transport, retail trading, ships' chandlery, boat-building, sail-making and other such items.

With everything put into its correct perspective, it would take only one international event on that scale to more than justify the capital cost of the seaway in tourist dollars. The exposure of the Gold Coast through worldwide media coverage would be of enormous benefit to the Gold Coast, to Queensland and, indeed, to Australia.

With the new, safe entrance to the Broadwater, annual and biannual events such as those that I have just mentioned confirm that the expenditure of \$36m was money well spent and in tourist dollars will never be truly assessed.

The unique environment of South Stradbroke Island has been saved from the encroaching sea. Pleasure-boat traffic can enjoy virtually an unrestricted access to the Pacific Ocean. The silting of invaluable fishing spots such as the Deep Hole has stopped, and in fact people are once again catching fish in that area.

The development of Wave Break Island in itself has done much to benefit the Broadwater by providing further sheltered waters for anglers and picnickers. As always, the State Government made an investment in Queensland's future. The benefit of the Gold Coast Seaway was first appreciated by the trawlermen, who previously could only go to sea according to the position of the shifting passage of the Southport bar. No-one needs to be reminded that the Southport bar was responsible for claiming many lives.

Sports fishermen, water police, Harbours and Marine officers and volunteer rescue organisations were the next to have a full appreciation of the new and safer seaway. Initially it was necessary to wait for the first heavy rains to flush out the seaward side of the seaway so as to gain full depth of the seaway project. Unfortunately, as in all ambitious projects, there were a number of knockers—those people who do not have the brains to say anything of any intelligence. However, it does not serve any useful purpose to keep on knocking projects just for the sake of having something to complain about. When a professional fisherman lost his life in May 1986, prior to those flooding rains that were required to flush out the mouth of the seaway, the knockers once again reared their ugly heads.

That of course led to the Queensland Government's taking the initiative and accepting the costs to establish a seaway control tower, an observation tower to monitor the traffic and the conditions of the seaway. That 11-metre high reinforced concrete tower has an air-conditioned 20-square-metre glazed observation platform to provide an effective communications base during search and rescue operations. However, I think it was hitting below the belt when one of the contractors, who no doubt made a handsome profit on the job, decided to label the project a white elephant.

It is a shame that the whole project, which has done so much to enhance the boating reputation of the Gold Coast, has been criticised to such an extent. It is my strong personal view that this project has more than lived up to its expectations. With the current degree of protection afforded by the seaway, it must still be used with common sense at all times. Mother nature does not allow for stupidity, nor does this Parliament, and everyone should be aware that there is no such thing as a safe entrance for 24 hours a day, seven days a week.

For example, an experienced skipper knows that unless it is absolutely necessary no entrance should be negotiated on a strong ebb tide or in rough seas and strong winds.

It is just common sense not to go to sea in a vessel not designed for or capable of handling the ocean conditions.

Since the completion of the \$100,000 seaway tower, volunteer organisations have manned and controlled the system on a roster basis. Both the Australian Volunteer Coastguard and the air sea rescue organisations have supplied their radios on a loan basis to the tower. The volunteer organisations are doing an excellent job in informing boat-owners of the current sea and weather conditions. It is interesting to note that after the opening of the seaway tower and its continuous manning by those voluntary organisations, during the first 10 days, 3 000 movements of water traffic through the seaway were recorded and logged.

Few places in Australia—and I venture to say in the south Pacific—can offer magnificent surfing beaches on one side and excellent calm-water areas on the other side for marine sports and fishing.

Specific acknowledgment should be given to the Minister of the day, the late John Goleby, for his part in this development. His involvement will be marked by the John Goleby Light, which will prove to be one of the most important navigational aids in the Broadwater.

Congratulations should also be extended to the present Minister, the Honourable Martin Tenni, for his involvement in guiding the total project to fruition.

In closing, I must reiterate that the most important part of the entire expenditure is the provision of a safe boating passage between these two magnificent areas. The State Government should be congratulated on its foresight and initiative in developing this project. I further feel that it is most important that we realise the benefits it will provide to the economy, particularly the tourist industry. As I said earlier, in 1982 the economy of Honolulu was enhanced by \$35m by the holding of a yacht race. Just one event of that magnitude on the Gold Coast would well and truly warrant the expenditure of the meagre \$36m to provide a safe seaway entrance for mariners now and in the future.

What must be realised is that international yacht-racing will bring tourists and thus provide spin-offs through accommodation, advertising, catering, local transport, retail trading, ships' chandlery and all sorts of other things.

Time expired.

Fire Services Levy

Mr WELLS (Murrumba) (11.37 a.m.): On the last sitting day but one the Minister for Administrative Services stood in this House and insulted thousands of my constituents. He described a peaceful protest in which rate-payers of the city of Redcliffe queued up in the rain to pay \$48 of the \$72 fire services levy as "civil disobedience". Those rate-payers were not people who were accustomed to being at odds with any Government. They were almost all senior citizens, many of whom had served their nation in war-time. They were people whose habit is to pay their bills when they fall due. They were people who owe not a penny to any man or woman. Significantly, they did not refuse to pay their fire levy; what they did was to refuse to pay the increase in the fire levy that the Minister had imposed on them.

The fire levy increase was exactly 50 per cent. That is an unheard-of rate of increase for any tax. No Minister who has done his homework and no Government that has done any forward planning whatever, needs to increase taxes by 50 per cent. The worst of this savage increase in the fire levy is that it is a blatantly regressive charge on homeowners. The people it hits hardest are retired people who have sunk their life-savings into a home and now live only on a pension or retirement benefit. These are the people who made the polite protest in Redcliffe and who, as a result, earned not the Minister's reconsideration but his abuse.

Mr Borbidge: What would they be paying under the old system?

Mr WELLS: The honourable member who interjects was just conferring with the honourable member for Nerang. I think the member for Nerang ought to know that he might have trouble with his own constituents as well. They are equally concerned about the level of the fire levy.

Mr Borbidge: What would they be paying under the old system?

Mr WELLS: They would be paying much less than they are paying now.

It is odd that the so-called civil disobedience of which the Minister accuses my constituents is civil disobedience only when it is engaged in by the little bloke.

Mr Hayward: What about what Mr Bjelke-Petersen said in Cairns the other day—his incitement to a call to war?

Mr WELLS: The honourable member for Caboolture refers me to the call to war made up north by the Premier. If that is not advocating civil disobedience, what is it? The Minister for Administrative Services has accused my constituents of doing exactly what the Premier has done. However, the Premier really did do that; my constituents did not.

One of the reasons why the Minister imposed the 50 per cent hike in the fire levy was that the big boys were not paying it. Certain big businesses were deferring payment of the fire levy as a matter of course. It was a simple policy decision. They know that under the Act the Government cannot prosecute them for three years.

Mr Borbidge: Name them.

Mr WELLS: The honourable member wants me to name them. I would not like to do that, because, if I did, the honourable member would be around at their businesses trying to collect money from them for the Bjelke-Petersen Foundation.

Keeping their levies in their own cash flows instead of adding them to the Government's reserves simply made good business sense to them. They did not pay. They assumed that, even if they eventually had to pay, they would come out of it the better for having had the cash and gaining the interest or dividends that it made for them in the interim. In these circumstances, with a shortfall of funds due in part to the failure of the Government to recoup levies from businesses, the Minister had two alternatives. He could round up the people who were not paying or he could slug further the people who were—the honest home-owners of Queensland.

Everyone knows what he did. He made minimal increases in the levy on businesses. He gave them a saving clause so that they would pay no more than they paid under the insurance-based system. He took no steps to amend the legislation to prevent further delays in the receipt of business levies and he slugged the honest little people—the home-owners and pensioners—for an extra \$24.

The citizens of Redcliffe are not the only ones who are incensed by the fire levy increase. The Gladstone and Livingstone councils have refused to collect it. The Town Clerk of the Gladstone City Council was instructed to write to the Minister in the following terms—

“This council has many times been embarrassed and offended by the continuous disgraceful litany of fire levy blunders and errors since 1984, all of which are well documented and all of which caused serious problems in this administration.

To suppose that 1987 is the right year to increase any tax by 50% is frankly absurd and is literally the last straw.

This Council is now perceived by the local community to be conniving in the administration of this monstrous farce and is forced at last to protect its own reputation.”

The Town Clerk went on to say—

“I have been plainly instructed by Council that until you seriously review the quantum of these charges, no fire levy notices will be served.”

Meanwhile the Mount Isa, Logan, Rockhampton and Pine Rivers councils have indicated that they will not prosecute citizens who do not pay the levy. It is, to say the least, unusual for a Government to get itself into a position in which its collection agencies will not collect its taxes and its prosecuting agencies will not prosecute the people who do not pay.

It is all because of this Government's original decision to make the poor old councils collect the levy. This Government sought to avoid some of the odium of the fire levy by concealing it in the rates levy. The Government did not even have the courage to collect the levy itself. Now the councils are deciding not to do the Government's dirty work for it.

Recently I came across a Cabinet document security classification A——

Government members interjected.

Mr WELLS: I notice that honourable members opposite are interjecting. When I quote my own words they are not satisfied. When I quote the words of their National Party colleagues they are still not satisfied; they still want to interject. What would please them?

The words that I am about to read are from a National Party Cabinet document. Honourable members opposite should revere this. If the Minister was saying it, they would be down at his feet licking his boots. However, because I am saying it, they are interjecting.

I want to draw the attention of the House to this very important document. The first point made in the document is as follows—

“1. The deficit is likely to escalate to \$43 million by 31st October, 1987.”

This is what the National Party says to its friends in the Cabinet. The document goes on—

“2. The present level of indebtedness by Fire Services is due to the maintenance of the levy at \$48 for three financial years and the introduction of an appeals system in 1985/86 which allowed commercial and industrial property owners to object to the levy on the basis of comparison with the insurance-based system.”

I will not bore honourable members by reading the whole document——

Mr Borbidge: Be selective.

Mr WELLS: I will be very selective because this is the part that honourable members opposite need to know. The document goes on—

“7. The major increase in the schedule relates to residential property. Increases of a lesser order are prescribed for commercial and industrial properties.”

The tenth point that was made was the most interesting one, and honourable members will hear more of it this afternoon. The document states—

“10. Options include:

- A reversion to the insurance-based system in whole or in part.
- In addition to the current schedule, a levy be attached to motor vehicle registrations to recognise fire service activity during vehicle incidents.

Other options include:

- A charge on usage of electricity and other fuel sources.
- Levies based on improved capital values.
- Funding from Consolidated Revenue.”

Honourable members will hear more about that this afternoon in the Budget.

When the Minister found himself in the ridiculous position of trying to manipulate unwilling councils to cop the flak for collecting inflated taxes which nobody wanted,

when he found himself administering a ramshackle empire of 81 fire boards, with one fire board member for every two full-time professional firemen, when he found himself with a burgeoning deficit caused by the ineptitude of his administration, what did he do? Did he act decisively to withdraw the increase and restructure the system? Did he grasp the nettle? What he did was dither.

On 3 July 1987 the Minister told the *Courier-Mail*—

“I have said all along I am not totally happy with the current property levy system. I am looking closely at it. I believe I will have an alternative system by August to give a wider spread of the fire levy burden.”

August has come and gone, and the 50 per cent increase on the fire levy paid by home-owners stayed. Unfortunately the Minister is not in the House to hear this speech. I understand he is visiting his department's liquidators. I regret that in his absence I have to say that he has not come up with any ideas for a wide spread of the fire levy burden. He has only come up with ideas for increasing the weight of that burden by adding to it such extra costs as increased motor vehicle registration and electricity surcharges.

The fire levy blunders of this Government and this Minister would be great comic theatre if the home-owners of Queensland did not have to pay so much for the performance.

Mr Hayward: He is asking the Caboolture Shire Council to collect \$486 from the Intellectually Handicapped Persons Association for Pine Lodge. Isn't that a grubby act?

Mr WELLS: The honourable member for Caboolture draws my attention to the fact that the Minister is asking the Caboolture Shire Council to collect \$486 from the Intellectually Handicapped Persons Association. There is no precision, accuracy or propriety in this fire levy system. The 50 per cent increase in the fire levy should be withdrawn.

Australia Card

Mr GATELY (Currumbin) (11.47 a.m.): It is with genuine concern and fear for the freedom and liberty of every Australian that today I speak out in opposition to the Australia Card.

Opposition members interjected.

Mr GATELY: Yes, the members of the Opposition will all need to laugh, because in days to come they will remember what has been said to them.

This is an iniquitous piece of legislation on which in the Federal Parliament the Hawke Labor Government was defeated not once, but twice. It was the reason why another election was called on 11 July. A recent poll conducted on commercial television indicated that in excess of 80 per cent of viewers opposed the introduction of this identity card. Following this poll I received many phone calls and a number of letters from the electors of Currumbin.

Mr R. J. Gibbs: Ben Lexcen wrote this for you, a tax cheat.

Mr DEPUTY SPEAKER (Mr Row): Order!

Mr GATELY: People such as the honourable member would need to have Ben Lexcen write it for them.

Mr DEPUTY SPEAKER: Order!

Mr R. J. Gibbs interjected.

Mr DEPUTY SPEAKER: Order!

Honourable members interjected.

Mr DEPUTY SPEAKER: Order! I have called the House to order four times, and I now warn the honourable member for Wolston.

Mr GATELY: I have a letter written by Mrs Lillian Russell, a pensioner of Tugun. She asks that I read this letter to the Parliament. I make representations on her behalf, and I am pleased to do so. The letter states—

“I am requesting your help with reference to the ID card. I strongly suggest a referendum to enable every Australian to register their vote in this matter.

Our armed forces fought”—

Ms Warner interjected.

Mr GATELY: If I need the honourable member for South Brisbane to teach me how to speak in this House or do anything, I will ask her to get up and do it. I am aware of the nonsense that one gets in this House from the rabble. I will get on with the matter that I wish to speak about. If I have to lift my voice and raise the roof, I will do so.

The letter continues—

“Our armed forces fought for two world wars to protect our country and freedom, and this is what we want to keep.

Hawke was voted in as a leader not as a dictator, and I feel he should be stopped, before he does any more damage to his Communistic ideas.”

An Opposition member interjected.

Mr GATELY: I would not want to feel the honourable member, that is for sure.

A gross invasion of people's privacy and their personal privacy is involved in the production of the Australia Card. I am aware that this legislation was defeated in Parliament.

I believe that the Commonwealth parliamentary joint select committee has inquired well and truly into this matter and has reported on all aspects associated with it. The committee also indicated very clearly that it has no intention of passing such legislation. Proponents of the Australia Card have claimed an enormous range of alleged benefits that would flow from its introduction. It is suggested that it would reduce tax avoidance and evasion, reduce social security fraud, stop illegal immigration and eliminate organised crime. Might I just come to one point in regard to it. The Labor Party has suggested that claims that it will not prevent welfare fraud is National Party rubbish. It is the report of the select committee of the Parliament of the Commonwealth of Australia. As to welfare fraud, the report stated—

“Many quite extravagant and unsubstantiated claims about the level of welfare fraud have been made. On the evidence of the Department of Social Security”—
a department of the Federal Labor Government—

“which was closely examined in two public and one in-camera session, I accept that only 0.6 per cent of overpayments are attributable to identity fraud and some 61 per cent are attributable to income variations—which cannot of course be picked up by the Card proposal.

I accept also that many of the so-called ‘Saturday-night myths’ (to use the Department's phrase), on investigation turn out to be quite false.”

That is an indictment of the Federal Labor Government. It is an indictment of it in that it has the temerity to suggest to all Australians that they must be labelled with a number and cart around a card and that, if they do not, they will not be able to do many things. They will have to produce their card to transact business in any financial institution. Already as people walk through the door of a bank, they are told, “If you cannot properly identify yourself, you cannot open an account.”

Opposition members interjected.

Mr GATELY: It damn well should be that you and I have freedom in this country—freedom that was fought for——

Mr DEPUTY SPEAKER: Order! There is too much audible conversation in the Chamber.

Mr GATELY: I have no bodgie accounts, and I would like to inspect those of Opposition members.

To deposit money with a legal practitioner, to transact business with a cash management trust or any other property trust, to effect a remittance of funds——

Mr Hamill: What are you frightened of?

Mr GATELY: I am not frightened of anything, but you guys will have plenty to be frightened of when the public of Australia take the Government on over this issue.

As I drove to Parliament House this morning, I listened to Senator Ryan on the radio. She said, “We will not take any notice of the people of Australia.” Bob Hawke, the Prime Minister, has said, “We won’t take any notice of what the people of Australia have to say. We will push it through.” Well, well, well! What about Mr Hawke and his consensus? He will not take any notice of the people! He was going to govern by consensus. What does he say now? He says, “We won’t take notice of the people.”

Let me remind every member of the Labor Party in this Chamber that the Federal Government will take notice all right. I believe that the people of Australia are now starting to take up the cudgels and that they will fight like hell to prevent the Australia Card legislation being passed. It has already been thrown out of the Parliament twice.

Opposition members: War!

Mr GATELY: Opposition members will get all the war they want up in the timber country if they have the intestinal fortitude to go up there. That is where they ought to be.

The people of Australia are concerned about these things. I call on every member of the public of Australia to stand up and fight the Federal Government on this issue. Every man, woman, child and business-operator should understand that they have some responsibilities. They will be charged thousands and thousands of dollars to put this proposal into place. However, the Federal Government says, “We won’t take notice of the people.” I ask the people of Australia to stand up and be counted. The people of Australia should stand up and say to the Federal Government, “We don’t want your communistic cards. It is a Berlin Marxist card.” Mr Hawke and his Fabian friends from Canberra ought rightly to bury the legislation about the Australia Card with the wolf in sheep’s clothing, and, if necessary, Mr Hawke and his merry band of bandits should be buried with it.

I turn now to tax avoidance. Adequate numbers of personnel are employed within the Taxation Department. If the Federal Government lived up to its responsibilities and ensured that its employees, as public servants, went out and did their jobs properly, it would not have to be looking at sinister methods of doing this.

Public servants should get off their backsides and do something in relation not only to tax avoidance but also to social security fraud. People ring in to those departments complaining about bludgers who are taking money under false pretences; people who have got other jobs but who still apply for social security. Those people are ripping this country off for thousands. An example of that is the Vietnamese people who come out here and then write back to their families telling them what a great place Australia is—“Come out to Australia and get all the money you want.”

I wish to make it clear that if the public servants get into gear, do what they are supposed to do and stop saying to people who take the time and trouble to ring in and say that a certain Billy Brown down the track——

Time expired.

Fire Services Levy

Mr PREST (Port Curtis) (11.57 a.m.): I wish to refer to the fire services levy. At the outset I wish to make it clear that since the fire services levy was introduced approximately four years ago, I have always been against it.

The introduction of the levy was made possible only by the support of politically conservative dominated local authorities, including the Gladstone City Council.

The Gladstone City Council has obeyed the request, which I sent to all local authorities in this State, to refuse to issue fire levy notices. Because of its concern for its future at the forthcoming election next year, the Gladstone City Council did as I requested.

A local government conference is currently being held on the Gold Coast. The Gladstone City Council has proposed a motion at that conference requesting that the Minister for Local Government, Mr Hinze, be asked to amend the Act to provide for an emergency services levy of not less than \$2 per rateable property to be incorporated in the general rate component of rate levies, the resulting revenue to be paid to each respective SES to assist with the funding of essential services in this State. On the one hand, it is asking that no-one pay an essential fire levy and, on the other, it is giving the Minister the opportunity to introduce further levies on essential services within this State.

The suggestion of \$2 per rateable property means that a pensioner or worker of modest means would pay as much to fund the State emergency services as would the multimillion-dollar property-owner, the company or the tourist complex, which would be far more inequitable than the fire services levy.

My concern about the motion proposed by the Gladstone City Council stems from the levy of a quantum of "not less than \$2", which would give the Government the right to increase the levy as it so desired.

The National Party Government in this State needs no prompting when it comes to the introduction of additional charges. I ask all members of the local government conference to vote against the motion that is proposed by the Gladstone City Council, which will allow the Minister to increase or to impose levies for emergency services in this State. What could happen is that, if one emergency service is funded, the Minister could then introduce levies for ambulance services, hospital services and police services, which are all emergency services. Where will it all end? There is no limit to what the Minister could charge the rate-payer. I am concerned that the quantum is \$2 across the board or as the Minister so desires.

Mr DEPUTY SPEAKER (Mr Row): Order! The time allotted for the debate on Matters of Public Interest has now expired.

ROOFING TILES ACT REPEAL BILL

Hon. I. J. GIBBS (Albert—Minister for Works and Housing) (12 noon), by leave, without notice: I move—

"That leave be granted to bring in a Bill to repeal The Roofing Tiles Act of 1949."

Motion agreed to.

First Reading

Bill presented and, on motion of Mr I. J. Gibbs, read a first time.

Second Reading

Hon. I. J. GIBBS (Albert—Minister for Works and Housing) (12.01 p.m.): I move—

"That the Bill be now read a second time."

This Bill being introduced to the House rationalises a situation wherein an Act of almost 40 years' standing has, for various reasons, no longer effective usefulness and

thus should be repealed. The Roofing Tiles Act of 1949 was originally enacted during the post World War II era to provide standardisation in relation to roofing tiles and for that purpose to control and regulate the manufacture, sale, supply and use of roofing tiles. The need for the introduction of the Act arose as the result of the shortage of galvanized iron and other roofing materials and was intended to afford a measure of protection to home-builders by ensuring that inferior products were not being sold to them.

Since the Act was assented to in 1949, it has been superseded by Australian standards which are recognised and used throughout the building industry on an Australia-wide basis. I would mention that my Department of Works prefers the Australian standards and in fact does not call up the Act in its master specifications. Records held by my department indicate that no testing of roofing tiles, as required under the Act, has been carried out since 1975.

Under the Act, testing of tiles is restricted to that undertaken by my Department of Works which may, in certain situations, be one of the parties in a dispute and would not therefore be considered to be an impartial testing authority. An independent authority within the National Association of Testing Authorities, such as the University of Queensland, could undertake these tests.

Honourable members would, no doubt, be familiar with the provisions of the Regulatory Reform Act 1986. In terms of this particular Act, the regulations made under the Roofing Tiles Act of 1949 were, on 30 June 1987, automatically revoked. Taking all these factors into account, it is considered that it is timely and opportune to now repeal the Roofing Tiles Act of 1949.

I commend this Bill to the House.

Debate, on motion of Mr R. J. Gibbs, adjourned.

CREDIT BILL

Second Reading

Debate resumed from 19 March (see p. 951).

Mr GOSS (Logan) (12.04 p.m.): At the outset I say that credit should be given to the Minister for allowing this quite complex and important legislation to lie on the table over the recess. That was most necessary and has been appreciated by everybody with an interest in this area. It is unfortunate, given that very positive approach on the part of the Minister, that some important amendments are to be brought forward at very short notice. I appreciate the opportunity that the Minister afforded me today to have a brief discussion with some of his officers in explanation of the amendments. However, the legislation has been so long in coming and is so important that more time and notice could have been given of those amendments. Certainly, other persons, apart from members of Parliament and other groups who have an interest in the legislation, would also have appreciated an opportunity to examine and discuss the amendments.

On examining the credit legislation and seeing how complex it is, as I look across the Chamber at the Minister, it seems clear to me that what is being dealt with here is an oxymoron. Lest it be thought by anybody that I am insulting the Minister for Justice, I hasten to explain, as you will know Mr Deputy Speaker, that that is an infrequently used term simply describing an expression involving a contradiction in terms. That is what this legislation is. Other examples of oxymorons are "military intelligence", "Government efficiency" and "happily married". Now the Queensland Government and the Minister for Justice have added another category of oxymoron: "simple and uniform credit legislation". This legislation is anything but the simple and uniform credit legislation that it purports to be.

It is hard to disagree with the assessment that has been made by many commentators, including the Director-General of the South Australian Department of Public and

Consumer Affairs, Mr Noblet. In that vein, most people would be aware of the popular television series *Yes, Minister*. I am certain that all Government Ministers have practical, day-to-day experience of the sorts of events portrayed in that television program. On one occasion it was an observation of the Minister, Mr Hacker, that there were three articles of faith in the public service: (1) it takes longer to do things quickly; (2) it is more expensive to do things cheaply; and (3) it is more democratic to do things secretly, which certainly applies to this Government. The experience gained by the Opposition in examination of these new credit provisions leads members of the Opposition to add a fourth article to that category; that is to say, (4) it is more complicated to do things uniformly.

It must be said at the outset of this debate that generally Queensland has a very poor record indeed in the protection of the rights of consumers/ordinary citizens. In Queensland, where there is virtually a complete absence of any teeth in the enactments relating to bodies or institutions that are supposed to protect the rights of consumers, this Government's record is particularly glaring. Queensland has been very late in following other States and often has failed to follow those other States at all in terms of enacting serious and substantial consumer protection legislation.

The credit legislation is generally agreed to be very complex and technical. The present position in Queensland in terms of existing legislation is also a complicated one and much in need of reform. To that extent, this new legislation is definitely a positive step, and a step in the right direction. However, the Queensland effort, insofar as it purports to be uniform legislation following the legislation that has been enacted in other States, is a poor reflection indeed. Although the new provisions implement the same legal framework with all the problems, it leaves out fundamental aspects of uniform legislation that operate in the other States and are designed to protect the consumer.

Insofar as this legislation brings Queensland into line with what has happened in other States, I give credit to the Government. Insofar as this legislation makes the finance industry more efficient and puts it on a national, uniform footing, I give credit to the Government for that, too. The Opposition whole-heartedly supports that move. However, as the legislation stops short and fails to bring in protections that operate in other States, the Government has failed badly the consumers of this State. A significant imbalance remains between the bargaining and fighting powers of the consumers and those of the powerful finance companies with whom they deal. A particular example of this is to be found in the role of the Queensland Commissioner for Consumer Affairs in taking action on behalf of consumers. Although commissioners in other States have that power, that provision is left out in the Queensland legislation. Although other legislation—for example, the legislation that applies in New South Wales—contains specific reference to and provisions for intervention by the Commissioner for Consumer Affairs to take action on behalf of consumers before the court—or, in the case of New South Wales, the Credit Tribunal—that does not exist in Queensland, which is unfortunate.

Apart from the work of this particular Minister and his officers, who have worked on this legislation for a long time, some credit should also go to the previous Minister for Justice, Mr Harper, who was centrally involved in the preparation of this legislation and in trying to bring it forward. It was not possible for him to do so within the time he had promised to do it; but at least it has been brought before the Parliament, which is a positive step.

The Queensland Government certainly seems to have taken to heart the principle that I enunciated before—that is, (4) it is more complicated to do things uniformly. Although the Government purports to enact uniform legislation by this Bill, it is making a number of changes which reduce the so-called uniformity even further. As I said before, important aspects of consumer protection, which are fundamental, are left out. I will speak about those in more detail in a moment.

Effectively the Queensland legislation is not uniform, and certainly not in the interests of consumers. The question that then has to be asked is: given that the uniform

legislation is not uniform, is it better? The Opposition's answer to that is clearly, "No." Is it simpler? Once again the Opposition's answer to that is clearly, "No."

I will now refer to those three particular aspects on which I say this legislation falls down and fails Queensland's consumers badly. Firstly, I refer to the absence of a real role for the Commissioner for Consumer Affairs. In other places the Commissioner for Consumer Affairs steps in with the resources, knowledge, experience and understanding of such legislation. Many lawyers and, I dare say, many magistrates and judges will have considerable difficulty and will take some considerable time to come to grips with the intricacies of this legislation, because it is not simple legislation; yet consumers will have to try to battle it out. That is why a specialist body with the power to intervene and the knowledge and understanding of how the legislation works is needed.

In New South Wales the Credit (Administration) legislation in Part V deals with the functions of the commissioner in relation to proceedings. Certain provisions are set out. For example, section 40 provides that the commissioner may represent a debtor. It provides that a person may be represented before the commercial tribunal by the commissioner or by counsel, solicitor or agent for the commissioner. Section 41 provides that the commissioner may proceed for another person. Where a person has made a complaint to the commissioner in respect of a matter arising under a regulated contract or mortgage, the commissioner can investigate and then may take or defend those proceedings on behalf of the complainant. That is important to give some fair measure of balance between the fighting position and the arguing position of the consumer in terms of protecting his or her interest and those of the finance company. At the moment there is a dramatic imbalance, and that will be continued by this legislation. It does not even require that the commissioner go to court in relation to each particular case. What one tends to find with this area of the law is that the commissioner can take a particular case which reflects what is happening to thousands of consumers and which deals with a particular practice in the industry. That case operates as a test case, as it were, for the benefit of all consumers and, in some cases, for the benefit of the finance industry or the finance company itself, because clear guide-lines can be laid down. That is what is needed.

That leads to another aspect of this legislation and how it falls down. A specialist body is needed to take up the cudgels on behalf of the consumer and to hear disputes and proceedings based on this legislation. I am referring here to the role of a body such as the credit tribunal which operates in other States. The proposed legislation—and this cannot be said too often—is very complex and very technical. Queensland needs a specialist body such as exists in other States—that is on top of the legislation and the relevant principles and the practices which are engaged in by some unscrupulous credit-providers to the disadvantage and detriment of consumers. I say "some unscrupulous credit-providers" because clearly the experience in this State and in other States has been that some credit-providers are very unscrupulous in their dealings with consumers. That is why a specialist body is needed.

I am sure that most members who have an interest in this matter have had the benefit of some contact with or advice or representation from representatives of the Australian Finance Conference and in particular the president, Mr Anning, and the previous president, Mr Gillet. Those executive members of the AFC whom I have named and the other executive members have always been more than helpful in explaining their position and the benefits of this legislation. Members of Parliament and others who have been associated with those people owe them a debt of some gratitude for the time and effort that they have been prepared to put into this debate to make sure that it is an informed debate.

Notwithstanding that, notwithstanding the people whom they represent and despite the official policies of the AFC and the reasonable attitude adopted by those policies, the Opposition says quite clearly that there is still a need to provide the mechanisms. Even if there were no unscrupulous credit-providers, the potential is always there. The

system has to have built into it responsible and reasonable mechanisms so that the balance is maintained and there is a mechanism to keep those people in line.

Firstly, there is the absence of a role for the Commissioner for Consumer Affairs to stand up for consumers. Secondly, there is the failure to introduce a credit tribunal to provide specialist expertise to process this legislation. Thirdly, there is the decision by this Government not to provide such a licensing system as operates in other States to scrutinise the way in which credit-providers operate and to make them justify their existence on a regular basis. Later I will make further reference to that because there are valid arguments for and against the licensing system. It depends on the particular approach.

It is interesting to refer to some comments by Mr MacGillivray, a very experienced solicitor on credit matters, in a Law Society publication. In that article he spoke about credit legislation, what was being done about it in Queensland and its relationship to the legislation that has been adopted in other States. He spoke first about what he calls the "awful model" and the fact that the format of the southern legislation has been the subject of criticism, including that of Dr Pengilly. The article states—

"It is a convoluted interrelationship of sections and subsections complete with exclusionary and inclusionary proliferating alternatives which defy accurate synopsis. No matter how charitable one may feel to the legislative draftsman, this drafting effort must be considered to be a legislative monster of Frankenstein proportions."

Mr MacGillivray went on to talk about the effort of the Queensland Government and the Minister. He says that the Minister is well aware of such criticism and refers to the Minister's statement—

"Detailed discussions are also continuing with other jurisdictions in order to improve those elements of the uniform legislation with which Queensland is not happy."

I understand that the Minister made that statement some time ago.

It seems to me that what Mr MacGillivray is really saying in a polite way is that in the name of uniformity the Queensland Government has served up the same awful pap that has been served up in other States. To me that does not seem to be much of a glowing recommendation for this particular legislation given, as I said, that it leaves out the parts that benefit the consumer most.

As to the operation of the southern legislation—Mr MacGillivray quotes the Minister as saying—

"... it is encouraging to see that the equivalent legislation in the other States appears to be operating satisfactorily."

Mr MacGillivray's comment on that is—

"Assuming for the moment that that view is held by all persons affected by the southern legislation (which I am inclined respectfully to doubt) ... one wonders why that would be so given the complexity of the legislation."

To a large extent, what confronts us here is a traditional lawyer's point of view: we have a mess at the moment but we all understand where the holes are and the exact nature of the mess; now that we are to inherit this new mess, we will have to learn some new rules and some new tricks to get on top of it. What I am saying is that the criticism by people in the legal profession who have expertise in the area is that the southern legislation is awful; it does not work; it is too complex; it is a mess; and it is unnecessarily complicated. What he is effectively saying is that Queensland has done nothing more than repeat the exercise. What I am saying is that, if the Queensland Government intends to do the same, why can it not introduce consumer protection measures as well?

I also wish to quote a statement that is referred to in Mr MacGillivray's paper. He quotes the New South Wales Minister for Consumer Affairs, who said—

"... there is a need for a simpler credit Act. One thing everyone agrees on is that the present Act is too complex. In view of our commitment to uniformity with the

other States and Territories, we cannot just go our own way and simplify it, but I will certainly be encouraging our partners in the uniform exercise to give serious consideration to a simpler Act."

That shows the problem that I think is universally acknowledged: the legislation needs to be simpler. However, in view of the fact that a uniform exercise is being undertaken, it is very difficult for one State to go a different way.

This problem will only be made worse by this Government's adopting what is a poor reflection of the uniform legislation. Governments are moving further and further away from uniform legislation in Australia. That will make the task of obtaining simpler credit legislation and more uniform, or uniform, credit legislation more and more difficult.

I want to refer to another comment by Mr MacGillivray in which he quotes Mr Justice Connolly of the Queensland Supreme Court, who referred to seeing in other Queensland legislation "the hand of the amateur draftsman". Mr MacGillivray says—

"On this occasion the draftsman to be blamed is not a Queenslander. The author of the southern legislation would by now presumably have gone back to where he came from, probably the teaching of Sanskrit grammar."

As I said before, it seems to be a polite way of saying that Queensland has been served up with the same pap as down south but taking the fairly parochial stance that a Queenslander could not be responsible for this legislation. Of course, all honourable members know that Queenslanders are responsible for this legislation because it has come from the Queensland Cabinet and the Queensland Government.

As I have said, it is a very difficult area, and I acknowledge those difficulties. However, what I am saying is that the difficulties down the track—in the future—will be made worse by the approach that is being taken by the Queensland Government.

Before going on, I think I ought to outline briefly some of the historical deficiencies of the existing law. The quest for uniform credit legislation in Australia has been a long one. The first concrete steps were taken some 20 or 30 years ago. Since then somewhat uniform legislation has been introduced in other States. Of course, now honourable members are seeing the Queensland example. Although the quest has been long, the Holy Grail of uniform legislation is still nowhere in sight. The Queensland legislation will make that goal even harder to attain.

What are the deficiencies? There are probably seven major defects in the framework of the current credit legislation, with which this legislation seeks to deal. Firstly, transactions are regulated according to their form rather than their substance and function. Secondly, the law fails to distinguish between consumer and commercial transactions. More problems will arise with this legislation because of one of the foreshadowed amendments that talks about "predominantly business use" instead of "exclusively business use". I think that will cause interpretation problems in the future. If there are not already enough problems in interpreting this legislation, more problems will arise with the introduction of the term "predominantly" instead of "exclusively".

Thirdly, the law relating to lending is artificially separated from the law relating to security loans. The legislation does deal with that. The fourth is that no rational policy exists in relation to third party rights. The fifth is that the law is excessively technical. The sixth is that there is no consistent policy with respect to sanctions for breach of statutory provisions. Lastly, the law is irrelevant to present-day requirements and it therefore fails to provide solutions to the common example or the average person.

Mr FitzGerald: Does that come from the English Crowther committee report?

Mr GOSS: It did make some of those comments, yes.

As I said before, in practical terms, the current legislative framework shows up the inequality of the bargaining power between the consumer and a potential credit-provider. I think that that is the major criticism that this Government has to wear over this legislation.

As honourable members know, in the past it has been especially difficult for the consumer to compare the cost of obtaining credit through various types of credit transactions. Therefore, the consensus of the reformers was that the existing legislation should be repealed and replaced by a single set of provisions that would go a long way towards improving the situation. However, I foresee problems in the proposal to have variable interest rates. Many people have been caused problems through variations in the mortgage interest rates on their houses. People who are operating at the very margin of their income have been pushed into bankruptcy or loss of their houses or serious financial problems by those interest rate fluctuations. The same thing will happen to consumers and ordinary citizens as a result of this legislation because of the provisions for variable interest rates.

The Government is saying that the Bill will provide protection because, before someone signs a variable-interest contract, he will be given a pre-contractual notice relating to the variable-interest provision.

The problem is not so much with the finance companies as at the salesman level. A person who is susceptible to pressure to buy a product signs a contract and the salesman is out of the door before the purchaser knows it. What will happen is that there will be consumer protection which, like so much of the Queensland Government's attitude towards consumer protection legislation, is completely illusory. Another small piece of paper will be thrust under the customer's nose notifying him in small print that the credit contract contains a provision for variable interest. That is not good enough. It does not serve the interests of consumers, particularly when people are over-anxious to buy something. The reality is that human weaknesses when combined with pressure selling have to be recognised. This legislation provides insufficient protection and people will find themselves in big trouble down the track.

The legislation is being introduced across Australia and has a number of objectives. It seeks to deal with the present deficiencies regarding the substance and effect of transactions, regulation of the industry, efficient administrative frameworks, ability of consumers to compare the cost of credit, provision of adequate levels of protection and regulation of the provision of security.

The matter of the regulation of credit-providers has to be addressed. One of my criticisms relates to licensing provisions. I am in two minds about this provision, because there are arguments for and against the licensing system. Other States operate licensing systems under which credit-providers come before a tribunal on a regular basis in order to justify their licenses. In Queensland there will be a negative licensing system. Both systems have drawbacks. Under the positive licensing system, if one wants to call it that, there is a tendency for people to simply comply with the red tape and the forms in order to obtain a licence. That concentration on the forms takes the place of concentrating on the reality of the conduct of the credit-provider. In that situation I can see that the licensing system could fall down. By the same token Queensland has inadequate staff for an enforcement body, whether it be under the Commissioner for Consumer Affairs or a registrar. Because there is inadequate provision for the policing and supervision of the activities of credit-providers—and this Government has a very poor track record in that regard—a negative licensing system simply will not work.

Unless the Government and the Minister give some concrete assurances that contain specific details as to how the negative licensing system will work so that it is actually policed and supervised, it will not be worth a cracker and will be worth even less than the current licensing system. At the moment credit-providers know that every now and then they will have to justify their existence. That provides an opportunity for critics or those people who have complaints to put the credit-providers on the spot and ensure that they justify some of the practices in which they have been engaged. They may well be able to do so and it is good if they can, but at least it keeps them on their toes. Those who might tend to be unscrupulous are kept honest because a mechanism, safeguard or watch-dog exists. There will be no watch-dog in Queensland at all; simply

a negative licensing system which, in the absence of a positive policing mechanism, will allow the credit-providers to do what they like.

I saw the New South Wales commercial tribunal in operation and found it very refreshing. I observed one particular case in which an unscrupulous credit-provider who was charging excessive rates of interest was being put out of business by the tribunal. His licence was to be suspended. I observed that the argument basically came down to whether the tribunal suspended his licence for three years, five years or absolutely. It was a very refreshing exercise to observe because the credit-provider, who had done the wrong thing in a serious way, was being put out of business completely. That was not only deserved in his case, but it must be a salutary lesson to all other credit-providers to learn that every now and then they may have to face the exercise of having to justify how their particular finance company has been operating, that they may face the risk of some conditions being put on their licence or that they may lose their licence altogether. That has a lot more teeth to it and will be more effective than a negative licensing system that is not backed up by a police body, staff or a track record. Unfortunately, given this Government's track record on consumer protection, that is what I foresee happening in Queensland.

In summary—the Opposition gives credit for the legislation as far as it goes, but it gives no credit to—indeed, criticises—the Government for its failure to go the whole way towards providing uniform legislation and giving consumers and ordinary citizens a fair go.

When one talks about fairness in consumer protection legislation, one comes down to a question of balance. All honourable members know that credit-providers, particularly the bigger companies, have formidable resources, formidable expertise and the financial resources to bluff it out in the courts, or wherever, and that the consumer does not have those resources. The consumer is being denied a fair balance of bargaining power and negotiating power because the present system will preserve the imbalance. At the moment, if a dispute arises, the credit consumer will be thrown into the traditional court structure—the Magistrates Court, the District Court or the Supreme Court. That is a long-winded and expensive process that will deter virtually all consumers from undertaking that exercise. The unscrupulous credit-provider can use and rely on those difficulties to tough somebody out of it. That happens quite often at the moment. That is why a specialist, informal and experienced tribunal is needed. It could give consumers the justice and the administration of the legislation that they deserve. Instead of a cheap public relations role, the Commissioner for Consumer Affairs needs a real role so that he can take up cases—particularly test cases—on behalf of consumers so that some balance can be struck between the ordinary consumer, on the one hand, and the rich and powerful institutions that operate in this market, on the other hand.

Mr INNES (Sherwood—Deputy Leader of the Liberal Party) (12.34 p.m.): One of the commentators on similar legislation, referring to the New South Wales Act, said—

“The one piece of advice which can be given is that a reading of the Act to gain its purpose should be studiously avoided. Only a suitably affluent client prepared to pay for his lawyer's ulcers should be capable of enticing him into this slough of despond. The other lawyer who may be enticed to read the Act is one who, with a total lack of knowledge of the magnitude of the task before him, innocently agreed to write a book on the subject.”

It is not that the Bill, or its cousins in other States, alone falls foul of the criticism that has been levelled at credit Acts. The United States embarked upon uniform credit legislation. One of its commentators said—

“What finally emerged from Congress seemed far more concerned with the terms of consumer credit than the cost of it . . . In connection with open-end credit, for instance, before the account is even used, a creditor must disclose at least 13 specific items of information about the extension of sale credits and another 11

items in connection with loans. Most of them have nothing to do with cost. Of course, that is the crucial factor that is involved in the delivery of credit."

A similar exercise was undertaken in New Zealand which, in the early 1980s, acquired the Credit Contracts Act. In relation to that, another writer said—

"On 1 June 1982 there will be delivered to the New Zealand public (largely now blissfully unsuspecting) a monster the like of which has not been seen anywhere else in the world. The astonishing thing is that this creature has not been nurtured in some murky back street or distant hamlet by a mad scientist but has been lovingly sculptured and created quite legally and openly. Regrettably the main architects come from the legal profession.

. . .

The Act is incredibly complicated and it is going to require an extraordinary amount of changes to well established commercial practices which have existed for a long period. It is going to be administratively expensive and, of course, the ultimate payer will be the public. It is going to take years of litigation before any great degree of certainty evolves on many aspects of it. It is going to involve more people in stress in a world which is stressful enough. And the tragedy of it all is that it is really unnecessary."

Dr Pengilley, who wrote about the New South Wales Act, of which this Act is a very close relative, said that the comments about the New Zealand Act were totally applicable to the Credit Act of 1984 in New South Wales. Although he wrote one of the first books on the subject, Dr Pengilley went on to disclaim responsibility for any negligence in the production of his book or any statement that he made about the Act. In fact, he delivered a learned dissertation on the subject to interested lawyers to forewarn them as to what would happen. Subsequently, he had to publish a retraction of his interpretation of one of the sections. He stated that he preferred not to go into a minute dissertation of statutory language.

The problem is that many of the troubles that are involved with the Act relate to the language in which it is expressed, for which the Queensland draftsmen bear little responsibility in a qualified sense. We cannot disclaim the responsibility of producing legislation in this House. Because of the pressures of modern co-operative legislative action and because of the reality that Australia, in a commercial sense, knows no boundaries for transactions, Queensland inherits the sins of other States.

I turn now to the reason why, at this juncture, Queensland is facing these problems. As the Attorney-General and the honourable member for Logan have said, there were several reports. There were inadequacies in some credit laws. The different laws relating to credit had been the subject of criticism in some particulars.

If I were being fanciful, I might proclaim the realisation of a matter that I have pursued in this House for nine years. During my first few months in this House I called for the virtual abolition of the Money Lenders Act, or at least the restriction of the operations of the Act to all business-type loans. That action was taken in New South Wales.

I am delighted that the Credit Act will repeal the Money Lenders Act. Problems arose in complying with that Act in the tens of thousands of commercial transactions that were conducted. Even though some of those transactions related to businesses—small business and other business—and involved tens of thousands of dollars, or more, the costs were eventually borne by the consumers.

The legislation all operated on the presumption that everybody was as educated as the average nineteenth century chimney-sweep or the chimney-sweep's boy. It assumed that people were stupid, could not look out for themselves and had to be protected from loan sharks or usurers. When commercial companies were involved, with lawyers on both sides, that clearly was not the case. However, the revenue of Queensland prospered mightily, as did the hirers of photocopiers. Transactions involving related loan matters had to be duplicated in their entirety. About seven years ago I cited in the House a

transaction that involved about two feet of photocopy paper, which had to be paid for, and stamp duty fell upon the production of each series of documents. It was an outrageously anachronistic document for the majority of transactions which it fell upon.

The other problem with the legislation was that it forbade the charging of up-front or establishment costs or procuration charges of a type that were totally usual for significant loans in which substantial commercial people made their own judgment as to what was offering and whether they wanted to enter into it. In fact, carpet-bag financiers were setting themselves up in motel rooms in Queensland. They entered into the transaction in this State, concluded the documentation out of the State, the stamp duty went out of the State and they usually operated from out of the State.

A number of devices were developed to get round something that was anachronistic and stupid. However, that was the Money Lenders Act. There was a way of reforming it without bringing it necessarily into relationship with the Hire-purchase Act, the Bills of Sale and Other Instruments Act or other related Acts.

The Molomby committee fell into that trap, in a sense. It has been criticised by commentators such as Dr Pengilly. Because there were some inadequacies in some legislation and because they had a common characteristic, which was that credit was involved, legislators therefore reformed the law by bringing all the transactions together and having a standard piece of credit legislation. They themselves set up the criterion of simplicity—comprehensible documents evidencing the transaction, like the agreements or documents that will be involved in this legislation. As Dr Pengilly pointed out in his book about the Credit Act, what they did was to reject the model that was well understood and time-tried—the hire purchase agreement, which was widely used throughout Australia, well understood and caused no major difficulties for the public. I hear many pleas about consumer abuse in this House from time to time, but I cannot recall the last time that I heard any pleas involving a hire purchase transaction.

Dr Pengilly pointed out that the Molomby committee went through a sort of a logical warp. It said that there were some problems in some areas, but that what is needed is certainty—something that consumers and people advising consumers will understand—and therefore something new was needed. It rejected a model that was already in existence, that being the Hire-purchase Act that operated in New South Wales, Victoria and Queensland.

Different finance companies in different States perhaps place a different emphasis on the degree to which different types of chattel mortgages or chattel loan credit situations are conducted. Depending on one's view of the matter, it might have been a fatal flaw had everybody decided to go down the Molomby track and say that, because all the transactions involve credit and because there is a problem generally with regard to protecting consumers against transactions that they do not understand, and which have severe financial implications, that is a sufficiently common characteristic to bring them all together. We find ourselves with the offspring or the descendant of the Molomby committee.

In the early 1970s, a Queensland Law Reform Commission report dealt with the Money Lenders Act. Proposals for reform of the Money Lenders Act were brought forward in a draft Bill and in fact reform was taken a little wider than the Money Lenders Act.

Discussions were held at the level of the Standing Committee of Attorneys-General. Indeed, it was those discussions—which, similarly, were held before introduction of standard companies and securities legislation and before certain constitutional reforms—that were of some significance to this State in setting the path and putting the whole thing on the rails.

Victoria was the first State in which the intended new uniform legislation would be tried out to see how it would operate. New South Wales would refine it and then Queensland would follow. Although momentum for uniformity was present for a number of good, social reasons—such as people moving round Australia acting within the same

commercial environment and facing the same sorts of transactions with which they had begun to become familiar—pressure had come from the finance industry itself.

Pressure for reform has not arisen from purely venal interests. In many ways, people who are involved in institutions such as the Finance Conference of Australia have traded off what they believed to be excessive consumer protection in the interest of uniformity, which they believe will give them lower operating costs in the form of a lower overhead base, standard documentation, and standard computer systems, which in turn will result in a product that is therefore more likely to be consumed—in this case, credit. One could say that a lower level of operating cost might increase profit but, of course, in a competitive world it also allows financial institutions to offer credit at a less expensive rate of interest. Members of the public benefit by a system that standardises and reduces overheads associated with the major trans-State barriers that are encountered by financial institutions, which are nearly all members of the Finance Conference of Australia.

Social benefits have motivated the Attorneys-General. Obviously, several changes in Attorneys-General have taken place which have led to this particular point in time. Other strands of interest in operation also impinge on the States. I understand that among the proposals for constitutional reform that are about in Australia at present, one has come from the Federal Government's consumer organisation to move for amendment of section 52 of the Australian Constitution to specifically provide the Federal Government with a total and exclusive head of power over consumer affairs. Those are matters that State Governments must take into account in deciding whether they should appear to be acting co-operatively when clearly logical reasons exist to warrant co-operation. The trade-off for that co-operation might be that in order to achieve one aim, something must be given away.

What is common to this legislation is that it is almost universally condemned by commentators in all jurisdictions as a tortuous piece of legislation. The Molomby committee said that it wanted simple legislation—legislation that encouraged forms of legal transactions which are simple and which accord with the substance of the commercial transaction—and that such legislation should discourage transactions that are more complicated than they need be to give effect to the commercial bargain.

One commentator on the "uniform" credit Acts has said in computer language, "It is not user friendly." That was not the same commentator as Dr Pengilley who himself confessed in his book that he actually had to produce a computer model of intended transactions and pick his way through the legislation to find out where it found its source and where it found its controls within the Act. In relation to the interpretation of this Act, he said that it is done by the treasure-trove principle. He stated further—

"The Act believes in 'the treasure trove' principle of statutory interpretation. By this method, the draftsman drops clues in certain sections of the Act which enable the astute seeker of truth to see the possibility of the relevance of other sections, and thus by shuttling back and forth, hopefully to arrive at the correct conclusion."

He took a great deal of time to produce the computer model, and I understand that it was refined by Queensland lawyers who were attempting to inform their own profession. Mr Thorpe of Morris Fletcher and Cross produced a flow chart of the way in which this Act operates.

We started with a committee that said that in the interests of the consumer a standardised form of consumer credit transaction was needed. It also said that the legislation should start with the intention of having something simple, because the simpler something is the more likely the consumer will understand it. We end up with something that is universally condemned as tortuously drafted.

If one wishes to see whether things can be simply drafted, one can turn to see the forms which are attached to this legislation. They are simple and they have been commended. In marked contrast to the drafting of the statute, the forms prescribed in

the draft regulations are an impressive model of clarity, though perhaps sometimes they stretch the legislative wording a little, and some views have been put that they are in some respects likely to mislead. That is probably only because the Bill itself is so unbelievably tortuous. Simple schedules and simple forms which will be the evidence of the contract which the consumer will have can be drawn up. It can be done. The Bill could have been simply worded. Legislation dealing with hire purchase, bills of sale and bills of exchange is relatively simple, certainly time-tried and understood by hosts of operators.

In the interests of uniformity, Queensland is introducing legislation, which the Liberal Party and the Labor Party will support, but which the Liberal Party condemns and which the Minister himself as well as all the operators in the field have recognised as being one of the most tortuously phrased Acts that have come before the Parliament.

In the United Kingdom one eminent judge said about this type of legislation—

“To reach a conclusion on this matter involved the court in wading through a monstrous legislative morass, staggering from stone to stone and ignoring the marsh gas exhaling from the forest of schedules lining the way on each side.”

That is what this legislation is about. Things were so bad that not merely the commentators said those things, but the Standing Committee of Consumer Affairs Ministers is now reviewing this legislation. The model legislation was gestated by the Standing Committee of Attorneys-General, born in Victoria, has a cousin in New South Wales and is about to have a cousin in Queensland, all of which could face extinction or replacement later this year.

Mr FitzGerald: And all legitimate, I presume?

Mr INNES: There are doubts cast upon the legitimacy of the offspring. It is about to be given legitimacy.

In dealing with the broad principles of the legislation, I should state that the Liberal Party attitude is that it is very unhappy about what it is involved in but, as I understand it, we in the Liberal Party do not put ourselves in a position different from that of other parties in this House. Because the legislation is so tortuous, there is a distinct discomfort about it. That probably goes back to the fact that the legislation is trying to do too many things at the same time and is dealing with too many transactions that are really quite different in kind. That will provide the focal point of some of the direct criticisms of the mechanical provisions of the Bill.

The Liberal Party advocates the complete rewriting of the basic legislation. I foreshadow that the Liberal Party supports this legislation on sufferance in the interests of an industry that has a computer system set up and that has standardised things in a climate of co-operation between the States to attempt to get uniformity. However, if the legislation continues to provide the bugs that the Liberal Party believes it has and the difficulties it presents, it should be repealed. It should be given a year or two to see what happens and to ascertain the recommendations of the Standing Committee of Consumer Affairs Ministers of Australia. The legislation should not be on the books in its present form; it certainly needs rewriting.

The Liberal Party is not happy about the contracts review provisions that are introduced in the legislation. Many criticisms have been made about the lengths to which Governments go to protect people from themselves. Some commentators have suggested that this type of legislation goes out of its way to protect the illiterate and the stupid; in other words, it gives no sanction to the people who are not prepared to try to look out for themselves. A world in which that happens and a world that goes to those lengths becomes an overregulated world. The ability to rewrite a contract that is made fair and square between people, because the circumstances of one of them changes, does not seem to members of the Liberal Party to have the virtue of predictability and reliability, which should be a feature of transactions and by which all people, be they consumers or corporations, wish to order their lives.

This legislation has some positive features. As presently proposed this Bill differs in some ways from those in other States. The member for Logan has referred to licensing. He acknowledged that he has ambivalent views, or can see two arguments, on this matter. The Liberal Party comes down strongly in favour of the argument for negative licensing. It believes that the presumption should be that people are prepared to act honestly and reasonably; if they are proved not to, only then is action taken. When licensing was introduced in the United Kingdom, there were complaints that after a year there was still a backlog of some 70 000 organisations awaiting licensing. That is unnecessary. The way in which Queensland legislation differs is a positive improvement. We in the Liberal Party hope that other States adopt that improvement.

The Queensland legislation differs in other areas such as assignments, variable rates, questions of the upper monetary limit involved in the transactions covered and in civil and criminal penalties. I understand the Minister is to deal with some matters about which I would have made comment in the short time I have left. I have just been warned that the definition of "business finance" that applies in the legislation in other States is proposed to be amended to incorporate some of the constructive criticism that has been made. At the moment there is an exemption for finance which is exclusively for the purpose of carrying on or establishing a trade, business or profession. When a business or professional transaction is involved, the Liberal Party believes that different rules apply from those relating to ordinary consumers. The Liberal Party believes that the proposal to widen that to "predominantly" for the purpose of carrying on or establishing a trade or business is beneficial.

After lunch I will raise another matter in relation to another amendment, about which I have been warned.

Debate, on motion of Mr Powell, adjourned.

Sitting suspended from 1 to 2.30 p.m.

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer) (2.30 p.m.): Mr Speaker, I table the following documents and move that they be printed—

Estimates of Receipts and Expenditures 1987-88;

The Queensland Economy;

Departmental Services and Programs: A Budget Perspective 1987-88;

The State Capital Works Programs 1987-88.

Whereupon the documents were laid on the table and ordered to be printed.

ESTIMATES-IN-CHIEF, 1987-88

Mr SPEAKER read a message from His Excellency the Governor forwarding the Estimates of the Probable Ways and Means and Expenditure of the Government of Queensland for the year ending 30 June 1988.

Estimates ordered to be printed, and referred to Committee of Supply.

SUPPLY

Opening of Committee—Financial Statement

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer) (2.32 p.m.): I move—

"That there be granted to Her Majesty, for the service of the year 1987-88, a sum not exceeding \$741,000 to defray Salaries and Administration Expenses, etc.—His Excellency the Governor."

Introduction

Mr. Chairman,

The 1987-88 State Budget which I present today has been prepared under the most difficult circumstances that have been encountered for many years.

There is no doubt that the blame for these circumstances must, to a large measure, be sheeted home squarely to the Commonwealth Government——

Opposition members interjected.

Sir JOH BJELKE-PETERSEN: I know that Opposition members expected it. That is true.

The CHAIRMAN: Order! I remind honourable members that I will not tolerate interjections during the Treasurer's Budget Speech. There will be ample time for debating the Budget at a later stage.

Sir JOH BJELKE-PETERSEN:—which has tried to pass on to the States the burdens of its own budgetary problems and the mess that it has created.

As a result of the May Statement by the Federal Treasurer and the subsequent Premiers' Conference, the States have been required to accept a collective reduction in Commonwealth general revenue assistance of \$1 billion for 1987-88.

Queensland's share of this \$1 billion cut is \$172.9 million, a reduction of 6.3 per cent in the previously expected level of assistance.

In addition, a further \$1 billion overall was cut from the States' "Global Limit" borrowing programs. Queensland's share of this further \$1 billion cut is \$226.5 million or a reduction of 16.6 per cent on the 1986-87 level.

In preparing the Budget for 1987-88, the State therefore had around \$400 million less funds available than previously anticipated. The cut represents about \$150 for every man, woman and child in this State, and does not include the effect of probable Commonwealth reductions in specific purpose grants for roads, housing and so on, which will be revealed next Tuesday.

The Government has had to adjust overall expenditure programs by this \$400 million cut to ensure that the Budget remains balanced.

The adjustment will not be without pain and I do not believe that it would be reasonable to expect otherwise.

The likely permanency of the Commonwealth cuts and their magnitude means that the Budget structure must be reshaped in a very fundamental way.

It would have been easy for the Government to have increased taxes or to introduce new taxes or to dismiss staff.

I can say here and now that this Budget does not provide for staff to be dismissed or the introduction of any new taxes—not a tobacco tax, nor a petrol tax nor a financial institutions duty. The Budget has been balanced without these new taxes which have been a fact of life in the other Australian States for a long time now.

COMMONWEALTH-STATE RELATIONS

Mr. Chairman, the reductions which have been made to the Commonwealth general revenue assistance to the State would have been more readily acceptable in the interest of the national economy had the Commonwealth demanded of itself what it has required the States to bear. It is essential that these reductions and other measures be accepted by all levels of government to correct the current malaise of the Australian economy.

The Commonwealth has not done so, nor is there any indication that it will do so in the future. The result then is that State Budgets are to be cut to the bone with little if any positive effects on the overall economic problem.

The reductions in the Commonwealth Budget deficits that have occurred have been brought about by inflation-fed revenue increases, not from expenditure restraint.

Commonwealth spending on its own functions in the period 1982-83 to 1986-87 has increased by 22 per cent in real terms, fully matching the very significant increase in revenues they have taken from the Australian taxpayer in the same period.

By comparison with the 22 per cent increase in Commonwealth spending, payments to the States in the same period have grown by only 6 per cent.

If the Commonwealth had limited growth in its own outlays to the same 6 per cent it has imposed on the States in the same period, the Commonwealth would have had a \$4 billion surplus in 1986-87, rather than a \$2.7 billion deficit.

I have stated on a number of occasions previously that the Federal Treasurer's May Statement was just a sham. I do not propose to restate the detail of those comments here. However, for the public record, let me put the indisputable figures.

The cut was trumpeted as being \$4 billion.

It must firstly be noted that the cut was not from actual expenditures but from forward estimates of expenditure which coincidentally had been increased by \$1.1 billion and revealed for the first time virtually on that very morning.

Of the \$4 billion—

- \$1.1 billion was a reduction in inflated forward estimates, not real expenditure;

- \$1.2 billion was from asset sales and other one-time revenue measures;

- \$1 billion was cut from payments to the States;

- \$0.4 billion will flow from additional taxes largely through Telecom and Australia Post;

leaving only \$300 million to be found from genuine cuts in Commonwealth outlays, and then only from 1987-88 forward estimates.

I firmly believe that the Federal Budget will show a real increase in the Commonwealth's own outlays, despite these measures, while assistance to the States, the real providers of essential services, will decline in real terms by 3.5 per cent.

It is clear to me that relationships between the Federal and State Governments cannot improve while Canberra's policies so actively discriminate against the States.

The economic problems of this country cannot be solved while a big spending mentality exists in Canberra and while the States are being asked to shoulder the majority of the burden.

The States have very real difficulties in providing the 'bread and butter' services to the community. There are limits to the measures that can sensibly be taken to reduce real expenditure in areas such as education, health and welfare.

Priorities can be adjusted but these will require hard decisions.

Furthermore, this adjustment process cannot be done while Canberra puts ever-increasing administrative demands and so-called policy direction on the States.

If smaller, more effective Government is to be the aim—and I am firmly in favour of such an objective—then we must have the flexibility to achieve this aim.

The Commonwealth Government could save almost 6,000 public servants alone if it simply handed back to the States their proper Constitutional responsibilities for education and health.

The State could save a host of public servants of its own, who spend totally unproductive time shuffling paper backwards and forwards to Canberra, simply to satisfy the whims of Canberra and the Government of the day.

I have identified at least thirty-three areas where Commonwealth programs and functions could be transferred to the States, with enormous savings to both Governments.

Mr. Chairman, I have made the offer to the Commonwealth Government to join with me in a genuine effort to reduce Government outlays and to put this country back on its proper road to prosperity. They have lacked the courage to take up this offer and we will suffer for it. I did that at the Premiers Conference and I set it out very clearly.

The 1987-88 State Budget will take up the challenge and prove that it can be done if Governments have the will, and those who call for smaller government accept the changes that must occur.

THE ECONOMY

The Queensland economy continued its strong performance in 1986-87 against a background of high interest rates, generally declining world economic growth, further falls in Australia's terms of trade, and drought conditions which have affected much of the State.

A separate Budget document, "The Queensland Economy" has been prepared. The document outlines in some detail relevant factual data on the Queensland economy and I commend it for examination.

I will now highlight some of the important features of the State economy. The indicators I quote are critical ones in the measurement of a State's relative economic performance. These are the latest figures available. Each of these indicators shows the positive performance of the Queensland economy compared with the rest of Australia.

These are the facts concerning the Queensland economy:

- Population growth remains above that of the rest of Australia. In the twelve months to 31 December 1986, Queensland's population grew by 1.9 per cent compared with only 1.4 per cent for the remainder of Australia.

Mr Burns: What does that mean?

Sir JOH BJELKE-PETERSEN: It means that it is obviously too hard for the honourable member to understand.

- In the same period, Queensland recorded the highest growth of any State from interstate migration, maintaining the consistent pattern of the last ten years.
- Other critical indicators show that, compared with its population share of 16.3 per cent, Queensland is generally performing better than the average of the other States. These critical indicators include:
 - dwelling unit approvals, 18.6 per cent for the twelve months to June 1987;
 - dwelling unit commencements, 17.8 per cent for the twelve months to March 1987;
 - value of non-residential building approvals, 19.3 per cent for the twelve months to June 1987;
 - engineering construction commencements 20.6 per cent for the nine months to March 1987.
- Despite further falls in international commodity prices during the year, decreasing world economic growth, the increasing use of export subsidies and unfair trade practices by some of our competitors, Queensland maintained export earnings at around the 1985-86 level. The value of Queensland's exports for the eleven months to the end of May 1987 totalled almost \$7,000 million, representing 22.6 per cent of total Australian exports.
- Coal exports again reached record levels in 1986-87 in both volume and value terms, with Queensland accounting for 59 per cent of the total value of Australian coal exports.

Mr Burns: What does that mean?

Sir JOH BJELKE-PETERSEN: Again the honourable member staggers me.

- Queensland continues to lead Australia in the development of the tourist industry. As at 31st March 1987, major tourist projects either under construction or firmly committed for construction in Queensland totalled \$4.3 billion. This represents over 43 per cent of the total of such tourist infrastructure investment in Australia at this date.
- Brisbane, with 8.8 per cent, had the lowest Consumer Price Index increase of any State capital in the year to the end of June 1987. The average of the eight capital cities in the same period was 9.3 per cent.
- Queensland's labour force growth for the last five years exceeds that of Australia as a whole. In the five years to June 1987, Queensland's labour force increased by almost 18 per cent compared with only 13 per cent for Australia as a whole.

THE 1986-87 FINANCIAL YEAR

The Government's Budget task for 1987-88 has been helped by the very sound position of the State's finances at the close of the 1986-87 financial year.

The outcome of the 1986-87 Consolidated Revenue Fund Budget was a surplus of \$326,000 which, with the accumulated surplus of \$380,000 at the commencement of the year, leaves the Consolidated Revenue Fund in credit to the extent of \$706,000 at 1 July.

Revenues in 1986-87 were considerably enhanced by higher than expected activity in the property market and also in share dealings, which resulted in stamp duty revenue being \$51.8 million or 14 per cent above the Budget estimate.

At the same time, net expenditure savings were able to be achieved in a number of areas, notably in staff costs.

The net improvement in the Budget position was able to be translated into an enhanced capacity in the capital works area, which has benefited the 1987-88 Budget.

More detailed information in regard to the 1986-87 year can be found in supplementary Budget documents, including the Treasurer's Annual Statement which was presented to Parliament earlier today.

BUDGET STRATEGIES AND OVERVIEW

I have already referred to the difficulties created for the Budget this year by the reductions in Commonwealth funding. They have been without doubt the critical influence on this year's Budget strategy.

The Government's over-riding objective has been to cope with the Commonwealth funding cuts this year in a way that—

- recognises unavoidable commitments;
- is equitable and sensitive to community impact;
- results in no staff retrenchments;

and critically,

- leaves the Budget in balance.

This objective will be achieved.

The options open to the Government were—

- to increase taxes or introduce new taxes;
- to reduce capital works expenditure as the Commonwealth funding reductions were most severe in this area;

- to increase borrowings, although again Commonwealth limitations in borrowing approvals left little room to manoeuvre;
- to sell off assets and engage in other one-time measures as the Commonwealth and Victorian Governments are proposing;

or—

- to reduce expenditures.

So far as this Government is concerned, new and higher taxes are not an option. The community has had enough of big spending and high taxing Governments. I am committed to small government, and this will be attained.

Capital works have been an important element in this Government's Budget strategy. If Loan Council cuts were allowed to stand, the Governmental capital works program for schools, public buildings and so on would be reduced by \$112.2 million.

Such a reduction in essential capital works was not acceptable to the Government. Priority has been given to capital works in the Budget by—

- supplementation of the normal Governmental works program from the Consolidated Revenue Fund Budget to the extent of \$220.1 million, compared with \$125.4 million in 1986-87; and
- implementation of the \$400 Million Special Capital Works Program as a follow-on from the previous \$600 million Program, as promised by the Government during the 1986 Election.

It may have been possible to increase the level of State borrowings, although the \$226.5 million reduction in the 'Global Limit' fixed by the Commonwealth left little room for this purpose. Increased borrowings would only have meant higher public debt with escalating costs to the Budget in servicing the debt. This option was also rejected.

While the sale of assets would also have helped toward solution of this year's Budget problem, it would not address the fundamental restructure of the Budget that is required to take the State into the next decade. In other words, we would have been in trouble next year well and truly if we had done that.

The Government has responsibly and correctly taken the view that the adjustments required must be made on the expenditure side of the Budget.

This has been done.

Because of the permanent nature of the Commonwealth reductions and the very real prospect of even further pressures being brought to bear on the Budget in the future, a key objective of this Budget has been to put in place a framework that will maintain the State's financial position strong and responsive, well into the 1990s.

THE 1987-88 STATE BUDGET

The Consolidated Revenue Fund Budget provides for expenditures of \$6,004.2 million in 1987-88 compared with \$5,557.7 million budgeted for in the previous year. This represents an increase of 8.0 per cent. Departmental operating expenditures are expected to increase from \$4,674.8 million to \$4,953.3 million or about 5.9 per cent.

The lower percentage increase in operating costs reflects the need to supplement the normal Governmental capital works program and the \$400 Million Special Capital Works Program from Consolidated Revenue to an overall extent of \$270.1 million. The comparable figure provided in the 1986-87 Budget was \$125.4 million. The major part of the increased supplementation required can be attributed to the reductions in Commonwealth funding.

Even at this enhanced level of supplementation, the normal capital works program will only be maintained in the same dollar terms as the previous year.

Estimated revenue receipts to the Consolidated Revenue Fund for 1987-88 are \$6,003.7 million, an increase of about 8 per cent on budgeted receipts in the previous year. In terms of actual receipts for 1986-87, the estimated increase for 1987-88 is less than 6.3 per cent.

The Government is therefore budgeting for a deficit of \$540,000 in the Consolidated Revenue Fund. This will be more than offset by the accumulated surplus of \$706,000 in the Fund at the commencement of this financial year. The expected accumulated position of the Fund at 30 June 1988 is \$166,000 in surplus.

Considerable detail in regard to proposed Budget expenditures is set out in the accompanying document—

'Departmental Services and Programs: A Budget Perspective'

My remarks in this Speech will therefore be directed to key features and matters of interest, with matters of detail left to the individual members to glean from the supporting documents.

At this point, I would mention that the usual Budget document "Summary Tables Relating to the Public Account" has not been published this year. The information contained in the Summary Tables is readily available, in many cases in a more appropriate and informative format, in other Budget documents.

I turn now to the key features of the Budget.

THE \$400 MILLION SPECIAL CAPITAL WORKS PROGRAM:

At the last election, the Government promised to implement a \$400 Million Special Capital Works Program.

It was the Government's intention to build on the great success of the \$600 Million Special Major Capital Works Program so that a total of \$1 billion would be spent on a special works effort over the six year period 1984-85 to 1989-90.

Implementation of the \$400 Million Special Program was announced early this year and work has commenced in line with the Government's commitment. High priority has therefore been given in the Budget to the funding needs of this Program.

Let me take a moment to highlight the work that will be undertaken under the Program.

- \$81M. has been allocated for the construction of three new prison complexes. The first at Chewko near Mareeba has commenced. A second is proposed for the Wacol area, while a third will be built in south-east Queensland.
The complex at Wacol will be an Industrial Prison for maximum and medium security prisoners who will be engaged in productive enterprise while incarcerated.
- \$63M. has been allocated for the new Police Headquarters which will be the most modern in Australia.
- \$10M. will be spent on 27 police projects throughout the State, including new and/or replacement facilities on the Aboriginal communities of Palm Island, Woorabinda and Yarrabah and also Thursday Island.
- \$16M. towards Stage 1 of the new Scientific Services Complex at Nathan, incorporating new Government Chemical Laboratory facilities.
- \$20M. has been set aside for additional Government office accommodation, including redevelopment of the previous Government Printing Building and an Annexe to the Executive Building.
- \$67M. has been allocated under the Program for road projects throughout the State.
- \$60M. has been included for construction of the Logan Motorway. The cost of construction of the Motorway will be privately funded, with toll revenue being used to meet the debt servicing costs.

- \$60M. has been provided to supplement the normal hospital capital works program.
- \$15M. will be spent on various water resource projects throughout the State.
- \$10M. has been set aside under the Program to upgrade small craft facilities at a number of boat harbours, including Rosslyn Bay.

These projects will add significantly to the essential community infrastructure in this State as well as providing jobs for thousands of Queenslanders.

Mr Prest: Hundreds of thousands, Joh. Don't be modest.

Sir JOH BJELKE-PETERSEN: We have been trying to make up for the ones you have dismissed.

The apparent determination of the Commonwealth to restrict the State's access to the necessary funding requirements for capital works makes it imperative that this \$400 million Program proceed as planned.

LAND TAX:

As I have previously announced, a substantial increase in land tax concessions has been provided for in the Budget. These are—

- a doubling of the statutory exemption from \$60,000 to \$120,000;
- a threefold increase in the land tax threshold from \$10,000 to \$30,000 for companies, trustees and absentees;
- introduction of a special rebate of tax for smaller companies and trusts ranging from 25 per cent at the taxable value of \$119,999 to 6.25 per cent at the taxable value of \$134,999;
- a 50 per cent increase in the deduction qualifying exempt proprietary companies and trustees undertaking prescribed activities, from \$30,000 to \$45,000;
- a restructure of the tax scale to achieve a 20 per cent reduction in tax for taxable values up to \$400,000, phasing down to NIL reduction at \$750,000 taxable value;
- continuation of phasing in of large increases in unimproved values for land tax purposes for 1987-88.

The total cost of the concessions is estimated to be \$11.1 million in 1987-88 and a full year.

SUPERANNUATION:

Major changes are proposed for the State Service Superannuation Schemes.

As from 1 January 1988, the option of retirement from age 55 years will be available to all members of the Schemes.

Members electing to take the earlier retirement option will receive proportionate benefits depending on age of retirement and years of service.

By way of illustration, a member with 35 years of service at age 55, i.e. maximum eligibility, would receive 79 per cent of the aged 60 lump sum benefit. A member at age 58 would receive 91 per cent.

A member electing not to take a lump sum would still be eligible for a pension benefit, also on a proportionate basis.

The Government also proposes to reduce the rate of member's contribution by 1.5 per cent of salary, effective from 1 July 1988.

Concurrent with the reduction in the rates of contribution, an Accumulation Fund for superannuation benefits will be established, into which the Government will contribute 3 per cent per annum of the member's salary, with no contribution required of the member.

The accumulated benefits will be available to the member on retirement. In the event of resignation from the Fund prior to age 55, the Government contribution will cease, with accumulations left in the Fund as an invested sum on behalf of the member. The funds would be released to the member at age 55 or on the date of effective retirement from the workforce where this occurs after age 55.

The new Accumulations Scheme will commence as from 1 July 1988.

These amendments to the Superannuation Schemes will provide very tangible and worthwhile benefits to all Crown employees who are members of the Schemes. They will mean an effective 1.5 per cent increase in after-tax income to contributors without any diminution in overall benefits under the Schemes.

Following on from the proposed new arrangements for members of the State Service Superannuation Schemes, discussions are proposed with police officers in regard to the Police Superannuation Scheme. I want to say to the police force that we have always sought to look after them. I can assure them that we will always do that.

Opposition members interjected.

Sir JOH BJELKE-PETERSEN: I will repeat that. Honourable members can very easily see that members of the Opposition hate the police force.

Opposition members interjected.

Sir JOH BJELKE-PETERSEN: We have recognised the very difficult task that they have to do and we have given recognition to it in the past.

Discussions are proposed with police officers in regard to the Police Superannuation Scheme, and there can be no doubt about that.

Mr Davis: Would there be any left?

Sir JOH BJELKE-PETERSEN: You wouldn't qualify for anything.

WORLD EXPO 88:

World Expo 88 will open on April 30 next year and the Government and I have every confidence that the people of Queensland will make this wonderful event the highlight of the Bicentenary Year Celebrations.

If early ticket sales are any indication, it will be a resounding success, to the great credit of all concerned. I pay tribute to all those involved in putting it together—which, of course, excludes the Commonwealth Government.

Expenditure of \$12.8 million is provided for in the Budget for completion and outfitting of the Queensland Pavilion and its operation to the end of this financial year.

In addition, special allocations have been provided to ensure that overall Government participation in this event is of the highest standard.

Financial support has also been provided for under the Enterprise Queensland vote in my Department towards the Business Visitors' Program. The Program is designed to encourage overseas and interstate business people to come to Queensland as part of the Expo celebrations, with a view to exposing the visitors to the business opportunities the State has to offer.

These key features of the Budget for 1987-88 represent real achievements for the Government and, in the case of World Expo 88, will bring to fruition years of careful and, at times, difficult planning.

The Queensland Government has had the courage—and it did have the courage when New South Wales and Victoria ran away from it in great fear—to persist with this \$600 million project in the face of lack of support from many quarters outside this State. I refer to the Labor States. The Government's reward will be the benefits that it will bring to the people of Queensland. Those States who are not there will miss out tremendously.

I turn now to other matters of significance for this year's Budget.

REVENUES

I have already referred to the land tax concessions provided for in the Budget.

It is also proposed to reduce the rate of turnover tax payable by bookmakers at metropolitan race meetings from 2.25 per cent to 2 per cent. The reduction will come into effect once the necessary amending legislation has been approved.

In keeping with the Government's commitment not to increase taxes, there will be no increase in the rate of pay-roll tax to 6 per cent, as is happening in other States, nor will there be any increase in stamp duty rates, casino tax rates, liquor tax and so on.

Fees and charges for Government services provided to the public have been reviewed in line with movements in costs, and increases have been provided for where appropriate.

Accountable Officers are required to undertake this task in terms of the Financial Administration and Audit Act to ensure that the taxpayers of Queensland do not subsidise Government services where these are for the benefit of specific users.

The reviews by Accountable Officers are undertaken sensitively and, in this regard, I point to the fact that the increase in rail fares announced recently was 6 per cent, which is less than the expected rate of inflation. In the case of hard-pressed rural industries such as sugar and grain, freight rates overall have not been increased, with grain freight rates still fixed at 1984 levels.

The Government also announced early in the year that electricity charges would increase by only 4 per cent this year, less than half of the increase in the Consumer Price Index of 8.8 per cent.

These are indicative of the Government's concern with increasing costs to the community.

EXPENDITURES

As I have already indicated, Departmental operating budgets for 1987-88 have increased overall by around 5.9 per cent to \$4,953.3 million. The increase is below the expected level of inflation as measured by movements in the Consumer Price Index.

Close management of budget allocations will be required of Ministers and Departments to ensure that expenditures are contained within the sums of money able to be made available. Programs and services will need to be reviewed and priorities very carefully assessed and ranked.

This task has already begun. It has been and will continue to be carried out in a sensitive way.

STAFFING:

There will be no sackings or retrenchments of staff as a result of this Budget. Media speculation to this effect is simply nonsense.

The employment opportunities afforded by existing staff taking advantage of the early retirement proposed for members of the Superannuation Schemes, together with natural attrition, will ensure that employment opportunities will continue to exist.

Overall Establishment numbers for teachers, police and hospital staff will remain at the enhanced levels provided for in the 1986-87 Budget.

In the administrative area, efficiency and productivity improvements through such activities as greater recourse to computerisation will enable some staff rationalisation by normal processes.

However, there are two important issues, the successful resolution of which will determine the Government's capacity to maintain employment without recourse to sackings and retrenchments.

— *Flexitime*

The high hopes and aspirations with which flexitime was introduced have not been realised. Attention has focused not on productivity, service and work quality aspects but rather on filling in forms and running up time credits, whether productively or not, to virtually the sole advantage of the employee.

Abuses of the system have damaged the image and standing of public servants in the eyes of the community.

The Government will be moving quickly to cease flexitime arrangements as they presently stand.

In its place, the Government proposes that a system of employer-discretionary flexible working hours be put in place to ensure that the needs of all parties—the employee, the employer and the public can be fully reconciled.

All staff must be available when required by the employer, not just when it suits the employee.

— *17½% Leave Loading*

The 17½% annual leave loading is costing the Consolidated Revenue Fund upwards of \$41 million per annum. This same sum of money would meet the employment cost of around 1,700 workers. As I indicated earlier, if the Government continued to pay the 17½ per cent leave loading, it would have to dismiss that number of workers.

The loading was introduced in times of prosperity and on very doubtful industrial grounds—honourable members will remember the strikes and the other turmoil that occurred when the unions forced this measure through—and no satisfactory argument could be put forward to justify its retention in these difficult times.

The Government will therefore be taking action to abolish the leave loading on all leave accruing after 1 January 1988.

A saving of \$5.2 million is expected to result this year. The expected saving in 1988-89 is around \$31 million, with the full annual saving of \$41 million expected in 1989-90.

Should the loading not be abolished and the saving of \$5.2 million not achieved, the Government will need to consider staff reductions to ensure that savings of this amount are achieved.

I note that there has been some media speculation on this decision. No union which has the genuine interests of its members at heart could oppose the package of changes being implemented by this Government. There is no way these changes can be argued against. In fact, taking into account the 1.5 per cent reduction in superannuation contributions that the Government has given and the abolition of the 17½ per cent leave loading, public servants will be taking more cash home each fortnight. On average, the 1.5 per cent represents a 2.5 per cent increase in pre-tax income, whereas the 17½ per cent leave loading represents only a 1.34 per cent increase. In other words, a clerk 21 years of age will take home \$131 a year more than he would otherwise have. A person on a classification I-15 will take home \$737 a year more than he would with the leave loading. So there is no argument against this measure in any shape or form.

EDUCATION:

The total amount allocated to the Education Department in this year's Budget is \$1,331.2 million or almost 27 per cent of the \$4,953.3 million required for Departmental operating budgets in total.

It is inevitable that, in a year when growth in expenditures must be curtailed and new commitments accommodated, the growth in the Education budget allocation must also reflect these circumstances.

In determining the level of resources to be committed to the Education sector in 1987-88, the Government has had the following objectives—

- maintenance of teacher employment;
- minimising any possible impact on parents;
- maintenance of support for the non-Government sector, including Creche and Kindergartens.

To achieve these objectives, the Government has decided to—

- defer implementation of the second phase of the new technology program for commercial studies courses in secondary schools to release \$4 million.
- rationalise present teacher aide provisions for primary and secondary schools to remove anomalies. This will result in some increased entitlements for smaller schools and reduced entitlements for larger schools.
- discontinue the free milk scheme for pre-school and child care centres.

Mr Davis: What about the dairy-farmer?

Sir JOH BJELKE-PETERSEN: I know the honourable member needs a bit of milk to keep him going.

- suspend the offering of new teacher bursaries.
- divert \$6.4 million from the Education capital works program to supplement the recurrent budget.

The clear priority for the Department at this time has been maintenance of teacher employment in preference to capital expenditure on school buildings. The Department's capital works effort has been considerably enhanced in recent years by the \$100 million allocation under the \$600 Million Special Major Capital Works Program, and this one-time adjustment can be accommodated.

The measures I have just outlined will result in the capacity to continue to employ more than 800 teachers in 1987-88.

The Government remains firmly committed to support for the non-Government school sector. While the per capita grants provided for in the 1986-87 Budget will not be further enhanced this year, overall payments in respect of the grants, are expected to be \$69 million compared with \$65.8 million in 1986-87.

The Government remains similarly committed to the Creche and Kindergarten movement, where total grants are expected to be \$9.2 million, 5.8 per cent up on 1986-87 total payments.

HEALTH AND HOSPITAL SERVICES:

Overall funds available in the Budget for health and hospital services total \$1,176 million which represents an increase of 7.6 per cent on the amount provided in the previous year.

Within this amount, \$894.8 million has been allocated for support of the hospital system, an increase of over 10 per cent on the previous year.

The increased allocation required is due in part to the very large increases in Awards and other payments granted to nursing staff and medical officers in recent months.

In addition—

- \$1.1 million has been allocated for support of the Royal Flying Doctor Service, an increase of 61.3 per cent on the amount budgeted in the previous year. The increase reflects the new funding arrangement whereby the Government will meet a percentage of approved operating costs.
- \$1 million has been provided for the AIDS Program in the form of a 50 : 50 cost-shared arrangement with the Commonwealth.

COMMUNITY WELFARE AND ASSISTANCE:

The Government has placed great importance on the family and its welfare. An amount of \$68.2 million has been provided to the Family Services, Youth and Ethnic Affairs portfolio, an increase of 9.4 per cent on a comparable basis with the previous year.

An additional \$2.148 million in State funds has been provided to increase by \$3.352 million, the funds available under the Commonwealth/State Supported Accommodation Assistance Program. Program expenditure in 1987-88 is estimated to be \$13.542 million.

Funding has been provided to set up a Domestic Violence Task Force in 1987-88. The objective of the Task Force will be to consider the most effective ways by which this growing community problem can be dealt with.

An amount of \$337,000 has been provided under the Home and Community Care Program for the Disabled Taxi Service which commenced operations in 1987.

ARTS, CULTURE AND RECREATION:

Stage 4 of the Queensland Cultural Centre Complex, the new State Library Building, will be opened in early 1988. It will complete the Government's long term aim to have the State's major cultural activities bodies housed in one complex.

A 22.4 per cent increase in grant to \$8.4 million has been provided to the Cultural Centre Trust in recognition of the additional operational costs of the Complex as a result of the Library Building coming on stream. Provision has also been made within this sum for additional responsibilities for the Trust associated with use of the Complex for World Expo 88.

The Library Board of Queensland is proposing to establish a Foundation to raise funds for various acquisitions for the new Library. Provision has been made to implement a new scheme of endowment for funds raised by the Foundation. Endowment will be on a \$ for \$ basis, up to a maximum contribution of \$100,000 in any one year.

An amount of \$7 million has been provided in the Budget for expenditure on the 1988 Bicentenary celebrations. This will bring the State contribution to \$17 million over the past three years. The Commonwealth has committed \$14.25 million to the State Programs, in addition to the \$17 million provided by the State.

The Queensland Film Corporation has made a major contribution to the development of the film industry in this State. Its activities have encouraged the establishment of a major film studio complex on the Gold Coast, at an estimated cost of \$18 million.

The Government, through the Queensland Government Development Authority, is providing financial assistance by way of a \$7.5 million loan facility to the operator, D.E.L. Studios. The project will provide employment for hundreds of Queenslanders and further promote tourism in Queensland. It will also provide for a significant training capacity for people wanting to enter the industry.

The Queensland Film Corporation's governing legislation provides for the Corporation to cease operations on 14 October 1987. As the Corporation has largely fulfilled its charter, the Government does not propose to extend its life but rather transfer some functions to the Department of The Arts, National Parks and Sport, to maintain a limited on-going support and developmental role to the industry.

I thank the members of the Corporation publicly for the wonderful achievements that have been made in the past ten years.

RURAL INDUSTRIES:

The primary producers of this State have been the great backbone of the economy for many many years. For the past few years, however, they have had to endure severe drought, falling product prices, high interest rates—created by the people in Canberra—and unfair international trading conditions.

The fact that so many are still there is a tribute to their tenacity and courage.

- Interest subsidy assistance was approved in respect of almost \$60 million in rural industry loans in 1986-87, including \$18 million for sugar producers. A similar level of assistance has been allowed for in 1987-88.
- \$2 million has been provided in Treasury for assistance under the State-funded Rural and Small Business Debt Assistance Scheme.
- \$21.8 million has been provided for the purposes of the Brucellosis and Tuberculosis Eradication Scheme.
- An additional 22 staff have been approved to undertake additional meat inspection and testing in view of the recent problems with pesticide residue that threatens our beef exports.
- The Farm Financial Counselling Service established during the year has been very successful. By the end of June 1987, more than 500 producers had received counselling assistance. The Service will be further expanded in 1987-88.
- \$1 million has been provided as Stage 2 of the \$3 million three year program to assist recreational fishing.

I can also announce that within the last week I have approached the Commonwealth Government to join with the State in providing urgent carry-on assistance of up to \$10 million to the State's grain growers under Part B of the Rural Adjustment Scheme.

INDUSTRY DEVELOPMENT:

An amount of \$29.065 million has been provided to the Department of Industry Development, an increase of 10.6 per cent on the previous year's comparable figure.

Included in the allocation is an amount of \$1.9 million which will be provided to the Arnott Morrow company to assist with relocation of its production facility. The subsidy will ensure the continued employment of 600 Queensland workers. That is different from throwing them out of a job, as the Commonwealth Government has done in north Queensland.

An amount of \$3 million has been set aside in Treasury votes for the following purposes:

- The establishment of a Defence Industry and Offsets Unit within the Department to provide for a substantial increase in access to defence and offsets work for Queensland industry over the next three years.

Mr Warburton: Three years too late.

Sir JOH BJELKE-PETERSEN: Canberra is the reason for that.

- A substantial enhancement of assistance to Regional Development Organisations to encourage greater local initiative and opportunities for industry development. Strong regional development is seen as a key element in the overall strategy for development of State industry.
- The establishment of a Queensland Centre for Manufacturing Technology at the Government's Mt. Gravatt Research Park. The Centre will be an exciting development in the process of fostering a strong internationally competitive 'manufacturing' and 'services to manufacturing' sector.

The Government is presently evaluating the privatisation of its Q-Net satellite communications network. Funds have been provided to maintain Q-Net operations pending evaluation of the privatisation proposal.

The Small Business Development Corporation's budget this year has been increased by 10.6 per cent to \$2.02 million in line with the priority given by the Government to industry development.

HOUSING:

Overall housing assistance to the State from the Commonwealth for 1987-88 is expected to be less in real terms following earlier Commonwealth announcements that the public housing program would be up overall by 1 per cent on the previous year, a decrease of 6 per cent in real terms.

Despite the decrease in Commonwealth funding, capital works expenditure by the Queensland Housing Commission is estimated to be more than \$251 million, an increase of 11.6 per cent on the previous year.

This is ample illustration of this Government's commitment to housing in this State.

EMPLOYMENT AND TRAINING:

An amount of \$27.4 million has been provided for employment and related industrial matters for 1987-88, an increase of 7.4 per cent on the amount provided in the previous year. Within this amount,

- \$1.2 million has been provided for Employment Initiative Schemes.
- \$700,000 has been provided for the Self Employment Venture Scheme.
- \$700,000 has been set aside for the Innovative Employment and Training Development Scheme.

These Schemes provide worthwhile "seeding" assistance towards employment self-help in the community. The objective is to achieve long term employment opportunities, leaving the Commonwealth to discharge its proper welfare responsibilities in this area.

- \$700,000 will be available for Group Training Schemes, including apprenticeship training.
- \$1.6 million has been set aside for assistance to apprentices and trainees for travel and accommodation expenses.

The Government has also implemented a Keyboard Services Traineeship Scheme within the public sector to provide for training of 500 people in keyboard skills as part of its contribution to the Australian Traineeship Scheme.

The Government is also committed to effective use of the old Printing Building in William Street, once refurbishment is complete. Funds have been set aside in Treasury votes for the establishment of a Craft Training Centre in the building to ensure that cottage industry skills are fostered.

MINING:

An amount of \$1 million has been set aside for further equipment purchases and operating costs at the Redbank Safety in Mines Testing and Research Centre.

CAPITAL WORKS:

The Government has given priority to capital works in this Budget. This is evidenced by the fact that \$270.1 million has been committed from the Consolidated Revenue Fund to supplement the normal Governmental Works Program and the Special Capital Works Program.

The Government's objective has been to maintain the normal Governmental Works Program for 1987-88 in the same dollar terms as the previous year.

This has largely been achieved.

The overall Governmental Works Program, at \$381 million, is only marginally less than the previous year after allowance is made for transfers from capital to the recurrent budget of the Education Department.

While the Government had sought to maintain the overall Co-ordinated Plan of Works for Departments at the same dollar level as in 1986-87, the magnitude of the cuts in Commonwealth funding and borrowing approvals, namely, around \$400 million, has made it inevitable that there be some winding back of the overall capital works effort under the Plan.

Estimated expenditure in 1987-88 at \$1,970.5 million is \$165.3 million or 7.7 per cent less than the amount spent in the previous year.

All of the reduction in expenditure is accounted for in electricity works which, at \$294.2 million, will be \$167 million less than in 1986-87, reflecting to a large degree lower capital expenditure requirements for generation following completion of the Tarong Power Station.

Other aspects of the Program have therefore remained at the same dollar level overall.

Within the overall program, \$311.6 million has been provided for capital works on roads. The Commonwealth contribution to this program is expected to be \$159.1 million, or 51 per cent. I make the point that, in the previous year when programmed expenditure was \$297.4 million, the Commonwealth contribution was \$178.1 million, or 60 per cent.

The decline in Commonwealth contribution is despite the massive taxation of the Queensland motorist through excise and crude oil levies.

While the Government is concerned at the decline in capital works effort, the Government is not prepared to engage in wholesale asset sell-off to inflate the capital works program.

A balance must be struck between capital and operational funding priorities and I believe the Government has achieved this in a sensible and responsible way.

Further details in regard to the capital works programs are provided in the Budget document "The State Capital Works Programs".

PUBLIC SECTOR REFORM AND THE SAVAGE COMMITTEE REPORT:

I have already referred in this Speech to the broad objective of this Budget to not only cope with the present but put in place a framework for the longer term.

It is critical that the public sector be equipped to deal with ever-changing and more difficult circumstances in the future in an efficient, effective and responsible way. The public sector cannot do this while burdened with outdated systems and procedures which have long outlived their relevance.

The appointment of the Public Sector Review Committee under the chairmanship of Sir Ernest Savage was seen as an important step in the process of reform.

It is now a matter of history that the work of the Committee had been largely completed before radical, permanent and far-reaching changes occurred in financial relationships between the Commonwealth and the States. The full implications could not have been adequately addressed by the Committee and, indeed, the full implications have only emerged since the Report of the Committee was received some seven weeks ago.

The Committee's Report with its 93 recommendations is to be commended for its thoroughness within the charter given to the Committee.

The Government has accepted the principles embodied in the Savage Report and endorsed the great majority of the recommendations. They will be implemented forthwith in the context of the necessary wider public sector reform.

It now is clear that, if true public sector reform is to be achieved in a way that will equip us for the next decade or so, the recommendations of the Committee must be built upon and placed in a much wider framework. Such a framework would need to address issues of—

- administrative and budgetary reform.
- commercialisation and privatisation.
- duplication and overlap.
- efficiency and effectiveness.

Unless these issues are properly and fully considered, the benefits of the Committee's work and its recommendations cannot be fully achieved.

To build upon the Committee's findings, an Expenditure Review Committee has been appointed. The core members of the Committee are the Co-ordinator-General, the Under Treasurer and a senior Treasury Budget officer.

The long experience and capacity of these officers will be invaluable in providing the Government with innovative, worthwhile and realistic recommendations for public sector reform to complement the Savage Committee findings.

The Committee will work with Permanent Heads and Ministers to identify opportunities at the macro level for achievement of permanent reductions and rationalisation of Government outlays.

The Committee will also complement work by Ministers and Permanent Heads who will be reviewing programs and services at the micro level with the aim of increasing efficiency and eliminating or scaling down services and programs where these are now of lesser priority.

I turn now to the specific actions which will be taken to address the framework issues.

(a) Administrative and Budgetary Reform

Greater autonomy and responsibility will be given to Ministers and Permanent Heads in the day to day management of their Departments, with greater accountability for performance.

In this regard, the Public Service Board will be disbanded forthwith and its responsibilities for appointment of staff, management and so on devolved to Permanent Heads.

An Office of Public Service Personnel Management will be set up, attached to the Premier's Department for administrative purposes only. It will have a limited role in dealing with Service-wide personnel issues.

The Internal Operational Audit Service and the Consultancy Services Division of the existing Public Service Board will be combined to form an independent Government Management Consultancy Bureau attached to the Premier's Department, which will operate on a full fee for service basis.

In recognition of the abolition of the Public Service Board and the changed management responsibilities for Permanent Heads and Ministers, the present Public Service Act will be repealed and replaced with new more relevant legislation.

The Financial Administration and Audit Act will be redrafted to remove impediments to enhanced financial responsibility and autonomy of Permanent Heads and to reduce prescriptive provisions where possible.

Changes to the Budget process have already been made and these are reflected in the Estimates document for this year. Permanent Heads and Ministers have been given almost total flexibility in the use of financial and other resources available to them, subject to broad constraints, and monitoring and review by Treasury for Budget management purposes.

The Budget system will be further refined during the year in keeping with the underlying principles of flexibility and autonomy.

A contract system of employment will also be introduced for all senior public service staff.

(b) Commercialisation and Privatisation

The Government must maximise all opportunities to increase revenue resources to minimise the tax burden and/or to improve service to the community.

Greater efforts will be made to identify areas within the public sector which offer opportunities for commercial outlets but which for various reasons could not be given to the private sector. The Education Department, for instance, has made significant progress in marketing educational products in the South-East Asia area.

At the same time, in keeping with the Government's commitment to smaller government, the Expenditure Review Committee will be looking at opportunities to return to the private sector those activities which can best be done by that sector.

In this regard, constructing authorities such as the Works Department and the Queensland Housing Commission will be making greater use of private contractors to undertake works.

An underlying thrust of the Savage Committee Report was greater use of the private sector, where this can be done efficiently and effectively. The Government strongly supports this thrust.

The Government has already moved to privatise public enterprises such as the Fish Board which had been a drain on scarce public resources.

(c) Duplication and Overlap

Duplication and overlap exist within the State public sector and a number have been identified in the Savage Committee Report. More may well exist and the Expenditure Review Committee will be looking to identify these.

The Government will be continuing its efforts to have the Commonwealth accept a sensible rationalisation of functions with the States for the good of all.

(d) Efficiency and Effectiveness

The Government is committed to improvement in the efficiency and effectiveness of the public sector. The Government's record in running a tight ship has been good up to now and we will continue this reform.

With greater management responsibilities and accountability, Ministers and Permanent Heads must be in possession of relevant management information, regularly and accurately.

Management decisions about programs and services cannot be made without full access to data on the costs and performance of such programs and services.

Program management and performance appraisal will therefore be encouraged and fostered throughout the public sector and integrated into the Budget process.

A Budget Development Branch has been established within the Budget Division of Treasury and will be expanded for this purpose.

As part of overall efficiency and effectiveness measures, the principle of 'user pays' will be written into the revised Financial Administration and Audit Act, and applied rigorously. Services which are specifically user-oriented will be required to recover the full cost of the service and this will be vigorously pursued through the Budget process.

Accountability and reporting mechanisms will be enhanced and strengthened.

I believe the reforms that I have briefly outlined will result in a smaller, more responsive public sector, more in keeping with community expectations and at a price the community is prepared to pay. A Policy Statement has been prepared in regard to the recommendations of the Savage Report and to the further reform that flows from the Report and this Statement will be included with the printed Budget Speech document.

I seek leave to have the document *Policy Statement on Public Sector Reform* incorporated in *Hansard*.

Leave granted.

CONCLUSION:

Mr. Chairman, the 1987-88 State Budget has been a most difficult one to prepare. There is nothing in the attitudes and policies of the present Commonwealth Government that would lead me to believe that the 1988-89 Budget for this State is going to be easier.

The task of trying to provide an increasing level of services with a shrinking level of resources is massive and extremely difficult.

Tough decisions have had to be taken and may well have to be taken in the future. To the great credit of this Government, it is taking them sensitively in the interests of smaller and more responsive government.

I firmly believe that the Budget I have just presented not only copes with the present but provides the very necessary solid base for the future through the public sector reform proposals I have outlined.

The Government has lived within available resources and kept the Budget firmly in balance.

The Budget is one of achievement and foresight, prepared under the most difficult of circumstances.

I commend it to the Committee.

POLICY STATEMENT ON PUBLIC SECTOR REFORM

In December 1986, the Government appointed a Public Sector Review Committee chaired by Sir Ernest Savage with the task of identifying—

‘opportunities for improving the productivity of the administrative machinery of the Queensland Government and make recommendations as to the appropriate measures to implement the desired changes.’

The Committee’s Report containing 93 specific recommendations was submitted to the Government on 22 July 1987.

The broad themes on which the Report recommendations were based were—

- Ministers and Permanent Heads to have greater autonomy, responsibility and flexibility, particularly in regard to the management of human and financial resources;
- Greater emphasis to be placed on co-ordination rather than control by central agencies, i.e. Premier’s Department, Treasury, and the Public Service Board;
- Duplication and overlap of functions to be reduced or eliminated within the public sector and between the public and the private sectors;
- Privatisation of functions and services to be undertaken where practical;
- Promotion and advancement within the Public Service to be based solely on performance and merit.

These themes have been accepted by the Government as an appropriate framework upon which reform should be based.

At the same time, the circumstances which existed when the Savage Committee was appointed and which the Committee sought to address have so changed that the recommendations could not be accepted in totality without further review in the light of—

- the budgetary impact of major reductions in Commonwealth financial grants to the State and the likely permanency of these reductions;
- the recent Commonwealth interest in duplication and overlap with the States;
- the Block Report proposals on changes to Commonwealth/State financial relationships.

The Committee could not have been aware of or taken fully into account these major changes in circumstances which now require further rationalisation of activities within the public sector.

While the Government has therefore endorsed in principle the thrust of the Report and the recommendations of the Public Sector Review Committee, the Government has seen it as necessary to go beyond what the Committee has recommended in a number of instances and the Policies outlined in this Statement reflect this position.

Individual Recommendations are listed below together with—

- comments where appropriate
- policy adopted by the Government
- person/organisation responsible for implementation.

RECOMMENDATIONS

Statutory Authorities

1. *That the Government should clearly specify its expectations of each Statutory Authority in its mandate.*

Policy: Accept. All Ministers to implement.

2. *That each Authority’s economic (financial) and social objectives should be distinguished.*

Policy: Accept. All Ministers to implement.

3. *That each Authority be required to submit an annual report to its Minister for presentation to Parliament. Such annual report should include—*

- *annual financial statements;*

- *other objectives and reports on progress towards achieving such objectives;*
- *summary of external and internal reviews during the report period;*
- *review of the need for its continued existence.*

Policy: **Accept. All Ministers to implement.**

4. *That the size and composition of the Board of each Statutory Authority be subject to rigorous review (especially as vacancies occur).*

Policy: **Accept. All Ministers to implement.**

5. *That in relation to each Statutory Authority which is a trading enterprise in competition with private enterprise, every appropriate step be taken to ensure as far as possible, that such Statutory Authority is not favourably advantaged.*

Policy: **Accept. All Ministers to implement.**

6. *That the Government should not move into any area of a similar type to those listed above without an exhaustive examination of the capability of private enterprise to fulfil the role or provide the particular service.*

Policy: **Accept. All Ministers to implement.**

7. *That the Toowoomba and Bundaberg Public Abattoir Boards be disbanded and their functions become the responsibility of the Livestock and Meat Authority of Queensland.*

Comment: A number of concerns have been expressed as to the full implications of the recommendation. These should be addressed.

Policy: **Defer. Minister for Primary Industries to provide a further report.**

8. *That individual advisory bodies be assessed periodically by relevant Ministers as to their current activity and the means by which experienced Private Sector input may be further encouraged and fostered.*

Policy: **Accept. All Ministers to implement.**

9. *That the attendance of members be monitored and the appointments of poor attenders be withdrawn or not renewed.*

Policy: **Accept. All Ministers to implement.**

10. *That Drainage Boards as currently constituted be retained.*

Policy: **Accept. No action necessary.**

11. *That the requirements of the Fire Safety Act and the Building Act (Standard Building By-laws) be unified under the Building Act administered by the Department of Local Government, and inspections by Fire Services Officers be delegated to Local Authorities.*

Policy: **Accept. Minister for Corrective Services, Administrative Services and Valuation and the Minister for Local Government, Main Roads and Racing to implement.**

12. *That the Minister concerned investigate the present structure of the Fire Brigade Boards system generally, with a view to reducing their numbers and instituting savings.*

Policy: **Accept. Minister for Corrective Services, Administrative Services and Valuation to implement.**

13. *That during the review process consideration be given to amalgamation and/or regionalisation of existing Boards.*

Policy: **Accept. Minister for Corrective Services, Administrative Services and Valuation to implement.**

14. *That the Minister concerned investigate the present structure of the Hospitals Boards system generally with a view to reducing their numbers and instituting savings.*

Policy: **Accept. Minister for Health and Environment to implement.**

15. *That during the review process, consideration be given to amalgamation and/or regionalisation of existing Boards.*

Policy: **Accept. Minister for Health and Environment to implement.**

16. *That after such a review, remaining Hospitals Boards be granted autonomy, with flexibility to allocate resources within budget allocations.*

Policy: **Accept. Minister for Health and Environment to implement.**

17. *That wherever possible, private contractors be engaged to carry out ancillary services.*

Policy: **Accept. Minister for Health and Environment to implement.**

18. *That because of their special nature, Water Boards and Bore Water Boards should remain as presently constituted.*

Policy: **Accept. No action necessary.**

19. *That the function of River Improvement Trusts should be a direct responsibility of Local Government.*

Policy: **Defer. Minister for Water Resources and Maritime Services and Minister for Local Government, Main Roads and Racing to provide a further report.**

20. *That the present arrangements pertaining to Cultural and Sporting Statutory Authorities remain.*

Policy: **Accept. No action necessary.**

21. *That the Mortgage Secondary Market Board be abolished and its function be undertaken by the Commissioner for Corporate Affairs.*

Policy: **Defer. Minister for Justice and Attorney-General to provide a further report.**

22. *That given the specialised nature of Health Inspector's work, inspections of such aspects of hotels that relate to health matters be undertaken by Health Department Inspectors (Local or State Government).*

Policy: **Defer. Minister for Justice and Attorney-General and Minister for Health and Environment to provide a further report.**

Role of Central Agencies

23. *That Central Agencies be required to concentrate their efforts towards a policy advisory role and allow Line Departments to pursue the strategies appropriate to their own area and expertise, subject only to broad operating and financial guidelines.*

Policy: **Accept. Premier and Treasurer to implement.**

24. *That as soon as appropriate the Premier's Department and the Co-ordinator-General's Department be re-established as separate Departments each with its own Permanent Head.*

Comment: The recommendation is contrary to the accepted need for rationalisation and achievement of administrative economies. Very little argument is advanced to suggest that the present arrangement does not work well.

A Premier's Department must be more than a 'protocol and paper' Department. It must be strong and active in policy formulation to provide the Premier with advice on the full range of issues that go with the portfolio.

Policy: No action be taken to separate the Co-ordinator-General's Office from the Premier's Department.

25. *That the Public Service Board, as presently constituted, be abolished and be replaced by a part-time Board comprising three Permanent Heads, appointed on a three year rotational basis.*

Comment: A key objective of the Review was devolution of responsibility to Ministers and Permanent Heads for the day to day running of the Government's business. Most of the responsibilities of the present Public Service Board will therefore be transferred back to line departments or be transferred to other agencies, e.g. Industrial Relations activities to the Department of Employment and Industrial Affairs.

The remaining personnel matters of Service-wide interest, e.g. a Code of Conduct for public servants, can be dealt with within the Office of Public Service Personnel Management.

Policy: The establishment of a part-time Public Service Board not be proceeded with.

26. *That the part-time Board be serviced by a small Secretariat.*

Policy: Not accept. See Recommendation 25.

27. *That the Department of the Public Service Board be abolished and that in its place an Office of Public Service Personnel Management, to be attached for administrative purposes only, to the Premier's Department, be established.*

Policy: Accept. Premier and Treasurer to implement.

28. *That a small support unit, consisting of a core of staff from the existing Personnel and Consultancy Services Divisions of the Department of the Public Service Board, be attached to the Office of Public Service Personnel Management.*

Policy: Accept. Premier and Treasurer to implement.

29. *That the Industrial Relations Division of the Department of the Public Service Board be transferred to the Department of Employment and Industrial Affairs.*

Policy: Accept. Premier and Treasurer, and Minister for Employment, Small Business and Industrial Affairs to implement.

30. *That the Accommodation Services Unit of the Department of the Public Service Board be transferred to the Department of Works.*

Policy: Accept. Premier and Treasurer and Minister for Works and Housing to implement.

31. *That the Technological Services Unit of the Department of the Public Service Board be relocated in the Office of Public Service Personnel Management.*

Policy: Accept. Premier and Treasurer to implement.

32. *That as many staff from the Administration Division of the Department of the Public Service Board, as determined necessary to service the Office of Public Service Personnel Management, be relocated to that Office.*

Policy: Accept. Premier and Treasurer to implement.

33. *That the Treasury Department determine policy guidelines to enhance budgeting and budget management processes within Line Departments.*

Policy: Accept. Premier and Treasurer to implement.

34. *That the Financial Administration and Audit Act be reviewed both generally and so as to remove impediments to the enhanced responsibility and autonomy of Permanent Heads, including the current restrictions on the transfer of funds between salaries and general contingencies.*

Comment: This recommendation is agreed with and in fact will be taken further, having regard for other changes proposed.

Policy: That the Financial Administration and Audit Act be redrafted by Treasury in conjunction with the Auditor-General having regard for the principles outlined in Appendix B.

Elimination of Duplication

35. *That the role of Management or Organisational Services Units within Departments be rationalised and that greater use be made of Private Sector consultancy firms.*

Policy: Accept but see also Recommendation 79.
All Ministers to implement.

36. *That surplus staff from the Consultancy Services Division of the Department of the Public Service Board be redeployed.*

Policy: Not accept but see Recommendation 79.

37. *That immediate steps be taken to rationalise progressively, in-house professional services by offering more government work to the Private Sector.*

Policy: Accept. Relevant Ministers to implement.

38. *That the Land Information Steering Committee (L.I.S.C.) be abolished.*

Comment: Concern has been expressed at possible implications if the Committee is abolished before the Consultant's report is obtained and considered.

Policy: Defer pending outcome of the Consultant's report.

39. *That a Private Consultancy firm be commissioned by the Co-ordinator-General to consider the options outlined herein and to recommend an efficient Land Information System for Public and Private Sector access and use and thereby eliminating duplication and overlap of functions currently existing.*

Policy: Accept. Premier and Treasurer to implement.

40. *That the Consultants report to the Government within six months, as to the appropriate measures and methods necessary to implement the recommended changes.*

Policy: Accept. Premier and Treasurer to implement.

41. *That the Co-ordinator-General be responsible to oversee implementation of the recommendations of the Private Consultants.*

Policy: Accept. Premier and Treasurer to implement.

Increased Responsibility for Departments

42. *That Ministers be responsible for establishing policy objectives and priorities for their respective Portfolios consistent with the overall policy of the Government.*

Policy: Accept. All Ministers to implement.

43. *That each Minister report regularly to Cabinet on the overall performance of their Departments.*

Policy: Accept. All Ministers to implement.

44. *That a Cabinet Budget Committee comprising three (3) Ministers, as nominated by the Premier, and chaired by one of them selected by him, be constituted to advise Cabinet on the allocation of resources and all other aspects of the Budget.*

Comment: A number of difficulties have been identified with this recommendation which were not addressed by the Committee. The Committee's recommendation really dealt with a concept and did not give sufficient weight to the process of consultation that now occurs.

Policy: No action be taken to establish a formal Cabinet Budget Committee in favour of improvements to existing consultative processes.

45. *That the Committee seek advice from the Permanent Heads of the Central Agencies as and when required.*

Policy: Not accept. See Recommendation 44.

46. *That Permanent Heads consult their Ministers prior to recommending appointments of senior officers within their Departments.*

Policy: Accept. All Ministers to implement.

47. *That the concept of a Senior Appointments Committee be not adopted.*

Policy: Accept. All Ministers to implement.

48. *That Performance Agreements, to be determined by the Ministers with their Permanent Heads be introduced.*

Policy: Accept in principle. All Ministers to implement.

Service Wide Personnel Matters

49. *That a system be developed for the recruitment of base-grade clerical and administrative staff that will ensure less reliance is placed on the T.E. Score of applicants.*

Policy: Accept. Premier and Treasurer to implement.

50. *That a centralised recruitment system for base-grade clerical and administrative staff be retained.*

Policy: Accept. Premier and Treasurer to implement.

51. *That Permanent Heads be responsible for conducting selection interviews and making appointments to base-grade clerical and administrative positions.*

Policy: Accept. All Ministers to implement.

52. *That Permanent Heads be given the authority to engage casual or part-time staff to perform essential functions which cannot otherwise be met by the redeployment of existing staff or the employment of further full-time staff cannot be justified.*

Policy: Accept. All Ministers to implement.

53. *That Permanent Heads be given authority to engage staff on contract for fixed-term periods to perform specific tasks and that appropriate guidelines be developed by the Public Service Board.*

Comment: Consistent with the need for more accountability and responsibility for persons appointed to senior managerial positions, the contract system already in place for Permanent Heads should be extended to all senior management positions, as is already the case in some areas of the public sector e.g. Suncorp.

Policy: Accept, but contracts to be extended to senior management positions. All Ministers to implement.

54. *That a new salary scale be considered for introduction to permit further progressional opportunities for Administrative Assistants performing appropriate clerical or administrative duties.*

Comment: The principle of the Recommendation has been accepted but it does not sufficiently address the problem. Under appropriate guidelines, Administrative Assistants should be eligible for transfer to the clerical scale after 5 years. In such circumstances, a new salary scale is unnecessary.

Policy: Administrative Assistants be eligible for transfer to the clerical salary scale after a minimum period of 5 years.

55. *That a performance appraisal system applicable to all Public Servants be developed and introduced as soon as possible and be incorporated into the proposed Salary Administration System upon its implementation.*

Policy: Accept in principle. Premier and Treasurer to implement.

56. *That a Salary Administration System be introduced with the assistance of qualified and experienced Private Sector consultants, under the supervision of the Public Service Board.*

Policy: Accept in principle. Premier and Treasurer to implement.

57. *That a formal Senior Executive Service be not introduced into the Public Service.*

Policy: Accept.

58. *That while Flexitime is retained, it is essential that it be applied in a manner which will provide the customer public with an adequate level of service at all relevant times.*

Comment: A number of concerns have been expressed in regard to the continued application of flexitime arrangements in the Public Service.

The image and standing of public servants in the eyes of the public has been affected by what are seen by many as excesses in the system.

There have been numerous complaints of a lessening in quality of service to the public with undue emphasis on filling in forms and obtaining time credits, whether productively or not, simply to take time off at the employee's convenience.

It is a privilege which the Government has had to look at very closely in the present situation where enhanced productivity and reduced costs are essential.

Policy: (i) Action be taken to discontinue the present flexitime arrangements as from 1 January 1988.

(ii) The matter of employee working hours be a matter for consideration by individual Ministers and Permanent Heads on the basis of broad guidelines to be established by the Office of Public Service Personnel Management.

59. *That public appeals be abolished.*

Policy: Accept but see also Recommendation 61.

60. *That promotions be based solely on merit.*

Comment: While the essential criteria for promotion should be performance and merit, officers with long periods of meritorious service but with limited qualifications should also receive full consideration.

Policy: Promotion and advancement in the Public Service be based primarily on performance and merit, but with some consideration also to be given to an officer's length of meritorious service.

61. *That service-wide appeals up to the equivalent of classification I-8 be introduced.*

Comment: The Committee raised a number of valid points on the practical effect of the appeal system.

With the increased responsibility and accountability now required of Permanent Heads under the new contractual arrangements, the Permanent Head should have the capacity to appoint the staff he sees as able to produce the best result for him.

Policy: Appeals against appointments and promotions be based only on irregularities in the selection process.

62. *That advocates be not allowed for either party to an appeal, but a Permanent Head may be represented by a Departmental officer nominated by him.*

Policy: See Recommendation 61.

63. *That a standard, comprehensive selection system, with appropriate guidelines to be complied with by all Departments in all promotions be developed and implemented by the Public Service Board.*

Policy: Accept in principle. Premier and Treasurer to implement.

64. *That evidence capable of being put to the selection panel, either by inclusion in the application for the position or at interview, and not raised, be not considered by the Appeal Tribunal unless, in the opinion of the Tribunal, special circumstances exist.*

Policy: See Recommendation 61.

65. *That Permanent Heads be given responsibility to lay and determine all charges for breaches of the Public Service Act.*

Policy: Accept. All Ministers to implement.

66. *That a Promotional and Disciplinary Appeals Tribunal be established.*

Policy: See Recommendation 61.

67. *That the Tribunal have three members, two to be appointed permanently and one to be selected, as necessary, by the Chairman of the Tribunal, from a panel of officers nominated for this purpose by appropriate unions of employees.*

Policy: See Recommendation 61.

68. *That the Chairman of the Tribunal have the power to determine whether the Tribunal, when dealing with a particular matter, shall comprise either one, two or three members.*

Policy: See Recommendation 61.

69. *That a redeployment/redundancy scheme be introduced in the Public Service so that where officers become redundant, fair and reasonable flexible arrangements be available which will provide the Government with a range of options including—*

- Retraining;
- Redeployment;
- Salary maintenance;
- Termination and redundancy payments to officers whose services cannot be utilised;
- If it is in the best interest of the Government, early retirement for officers over a certain age, to be determined by the Government, where the Department and the officer would prefer this option.

Policy: Accept. Premier and Treasurer to implement.

70. *That the Government adopt a code of conduct to be used as a guide for Public Servants in Queensland.*

Policy: Accept. Premier and Treasurer to implement.

71. *That a Committee be appointed, to undertake an in-depth review of superannuation arrangements in the Queensland State Public Sector.*

Comment: The Government has only recently completed a review of the Superannuation Schemes and a further review would be unnecessary at this time. However, points have been raised in regard to investment-related matters which may be worthy of further consideration.

- Policy:** (i) **The Premier and Treasurer to give further consideration to the need for a review of the investment policy for the Superannuation Schemes.**
- (ii) **Upon abolition of the Public Service Board, responsibility for administration of the Schemes be transferred to the Treasury Department.**

72. *That the Terms of Reference include provision that the Committee consider and make recommendations with respect to—*

- *Contribution levels*
- *Methods of funding*
- *Vesting*
- *Investment management*
- *Pension and for lump sum benefits*
- *Retirement, retrenchment, and redundancy provisions*
- *Preservation of existing rights and benefits of members*
- *The desirability and/or practicability of merging, modifying or introducing a major new scheme.*

Policy: See Recommendation 71.

73. *That such review be undertaken by a Committee comprising—*

- *An independent Chairman from the Private Sector with wide experience in major superannuation schemes.*
- *The State Actuary (who as a Treasury Officer would also represent that Department).*
- *A person representative of employees (with experience in Superannuation matters).*
- *An Actuary from the Private Sector.*
- *The Manager of the State Service Superannuation Fund (as Secretary to the Committee).*

Policy: See Recommendation 71.

Miscellaneous Matters

74. *That the obligations of Permanent Heads and other officers being appointed under contract be recited in the Contract.*

Policy: Accept. Premier and Treasurer to implement.

75. *That those obligations include the principles referred to above.*

(The principles referred to are—

“... the officer shall be responsible:

- *to faithfully manage the Department for which he is responsible, in an efficient and economical manner;*
- *to diligently implement and adhere to the strategic plan for the said Department, agreed with the Minister from time to time;*
- *to report to the Minister as he may require, but at least annually, as to the performance of the said Department, for the official management whereof, the officer is responsible;*
- *to devote exclusively the whole of his time and attention during business hours to the business of the Department to which he has been appointed;*
- *to not engage in any outside trade, business or profession whether for reward or not, without the authority of the Minister first had and obtained.*

Policy: Accept. Premier and Treasurer to implement.

76. *That Cabinet obtain independent advice when considering remuneration packages for contracted officers.*

Policy: Accept. Premier and Treasurer to implement.

77. *That the Computer Policy Committee:*

- *Address the perceived difficulty as outlined in the text which relates to the need for a link between Departmental computing goals and the project list.*
- *Satisfy itself as to the adequacy of the disaster recovery plan.*

Policy: **Accept. Premier and Treasurer to implement.**

78. *That in view of the Government's investment in computerisation, the Computer Policy Committee seek an independent opinion as to the suitability of the policy for future equipment acquisitions having regard to existing systems.*

Comment: The concerns expressed by the Committee have been noted and options are being reviewed, including the seeking of independent opinion.

Policy: **The Premier and Treasurer further consider this matter at an appropriate time.**

79. *That the concept of efficiency auditing be adopted and be the responsibility of the Auditor-General.*

Comment: Considerable opposition has been expressed to implementation of these Recommendations. The consensus view is that they would defeat the whole concept of Ministerial/Permanent Head accountability and introduce a further form of Central Agency control.

The Auditor-General has also expressed strong views against the concept of 'operational review' or 'efficiency auditing' being an appropriate role for the Auditor-General.

However, there are measures that can be taken to assist Ministers and Permanent Heads in the discharge of their obligations efficiently and effectively and, at the same time, overcome concerns that have been expressed about the capacity of the private sector to adequately meet public sector consulting needs.

- Policy:**
- (i) **The concept of efficiency auditing not be pursued.**
 - (ii) **An independent Government Management Consultancy Bureau be established by combining the present Internal Operational Audit Service attached to Treasury and the Consultancy Services of the existing Public Service Board.**
 - (iii) **For administrative purposes, the Bureau be attached to the Premier's Department.**
 - (iv) **The Bureau operate on a full fee for service basis to recover all costs including overheads.**

80. *That any necessary amendment to the legislation be made to clarify the Auditor-General's charter.*

Policy: **See Recommendation 79.**

81. *That the role of the Internal Operational Audit Service be altered and be directed towards efficiency auditing and that those staff considered necessary by the Auditor-General be transferred to the Auditor-General's Department for that purpose.*

Policy: **See Recommendation 79.**

82. *That surplus staff from the Internal Operational Audit Service be redeployed.*

Policy: **See Recommendation 79.**

83. *That if the assistance of the Private Sector is required, advice be sought from The Institute of Chartered Accountants in Australia and the Australian Society of Accountants.*

Policy: **See Recommendation 79.**

84. *That the Auditor-General should be appointed under an Audit Act separate from the Financial Administration Legislation and its multiplicity of regulations, thus acknowledging the perception of independence.*

Policy: See Recommendation 79.

85. *That upon a vacancy occurring in the office of the Auditor-General, consideration be given to making the appointment from either the Public or Private Sectors.*

Policy: Accept. Premier and Treasurer to implement.

86. *That an Economic Strategy unit be established with responsibility to the Premier and Cabinet but separate from the Treasury Department.*

Comment: The Report has not addressed the issue of possible waste, duplication and overlap likely to arise if a separate Economic Strategy unit is established outside Treasury. To undertake its proper responsibilities in preparation of budget estimates, including forward estimates, currency and debt management and adviser to the Government on economic and financial matters, Treasury must have strong internal economic policy analysis capacity.

There is sufficient evidence of unproductive attempts to establish alternative or competing sources of economic advice outside Treasury, e.g. Economic Planning and Advisory Council (EPAC) in the Commonwealth.

Also, the Report has not given sufficient recognition to the role of Treasury in State development initiatives.

Policy: Treasury Department role as the primary source of economic advice to the Government be preserved.

87. *That the State Development Strategy be the responsibility of the proposed Economic Strategy unit.*

Policy: See Recommendation 86.

88. *That Permanent Heads investigate those functions undertaken by professional staff employed in their Departments which could be carried out more cost effectively and efficiently by the Private Sector, with a view to having the Private Sector perform the majority of such functions.*

Comment: The thrust of the recommendation has been accepted in principle but, in view of the changed economic and financial circumstances that now exist, the proposals do not go far enough.

Also, Cabinet has now appointed an Expenditure Review Committee to look at a much broader range of issues.

- Policy:**
- (i) The Recommendation be accepted in principle.
 - (ii) The Expenditure Review Committee appointed by Cabinet work with Ministers and Departments on the basis of a comprehensive report being prepared with recommendations as to appropriate action to be taken in regard to—
 - elimination of duplication, with emphasis on
 - merging of parallel administrative systems and data banks;
 - eliminating the oversight, checking or verification of technical or other work undertaken by other Departments or public sector agencies;
 - removing areas of technical expertise readily and appropriately available from the private sector.
 - privatisation of activities which can more effectively be handled by the private sector;
 - commercialisation of appropriate Government activities which cannot be handed over to the private sector;
 - charging for services provided to specific users, with adjustments to Departmental Budget allocations over time to rationalise services, thus ensuring to the maximum extent, that users receive the level of service they are prepared to pay for.

89. *That the continued use of the term "Permanent Head" shall in no way imply a variation to the terms and conditions of any Contract of Employment.*

Policy: Accept. All Ministers to implement.

90. *That private management consultants be engaged to direct and monitor the implementation of the recommendations of the Review accepted by the Government.*

Comment: There is a consensus view that implementation by private management consultants would be impractical for a number of reasons, not the least of which is the absence of detailed knowledge and understanding required to undertake and manage this complex and important task.

In most cases, the implementation will need to be undertaken by Ministers and Departments on a co-ordinated basis.

The option which best suits this overall objective is for the Office of Public Service Personnel Management to oversight and co-ordinate the implementation. It is proposed to appoint Mr. Russ Roberts, a member of the Savage Committee, as head of the Office, and second Mr. John Walsh, Secretary to the Savage Committee to the Office for this purpose. This should provide the necessary continuity and contact with the Committee to ensure a smooth implementation.

Policy: The Office of Public Service Personnel Management co-ordinate implementation of the Recommendations of the Public Sector Review Committee.

91. *That the Public Sector Review Committee be available for consultation and advice on its recommendations, as the need arises.*

Policy: Accept. Premier and Treasurer to implement.

92. *That legislation be amended or introduced where necessary to enable the recommendations to be implemented.*

Policy: Accept. Premier and Treasurer to implement.

93. *That the Report be released for publication as soon as possible.*

Policy: Already implemented.

With the changes that are proposed in regard to the relative powers and responsibilities of Permanent Heads and the existing Public Service Board, and the abolition of the Board itself, it is essential that the present Public Service Act be completely reviewed and a new Public Service Act drafted. The broad principles to be incorporated in the new Act are set out in Appendix A to this Statement.

Overview

The policies that have been outlined in this Statement have been accepted by the Government and action is now in train to implement them forthwith.

The Government has taken the work of the Public Sector Review Committee chaired by Sir Ernest Savage and the Recommendations that flowed therefrom and built upon them, having regard for the quite dramatic changes to the economic and financial circumstances of the State that occurred virtually as the Committee was concluding its deliberations.

The Policies outlined in this Statement represent practical statements of intent designed to achieve change in the prevailing environment.

APPENDIX A

GUIDELINES FOR DRAFTING OF A NEW PUBLIC SERVICE ACT

Based on the general philosophy of the Public Sector Review Committee, which has been accepted by the Government, a new Public Service Act is to be drafted, incorporating, *inter alia*, the following broad principles:

- Define Public Service and structure.
- Assign to Permanent Heads responsibility for management of Departments, incorporating:
 - control of financial resources subject to budgetary constraints and the Financial Administration and Audit Act;
 - determination of spending priorities;
 - number and deployment of staff;
 - recruitment, selection and promotion of staff;
 - classification levels;
 - redeployment or retraining of staff;
 - staff performance appraisal;
 - staff discipline;
 - induction and orientation of new staff;
 - provision of on-the-job training;
 - opportunity for technical and professional development;
 - maintenance of personnel records;
 - leave approvals;
 - termination of employment;
 - appropriate working hours for staff within total award provisions.
- Establish Office of Public Service Personnel Management with responsibility for:
 - centralised base grade recruitment policies;
 - formulation of policies for redeployment and staff development on a Service-wide basis;
 - formulation of guidelines for workforce planning;
 - monitoring of Service-wide classification standards;
 - developing standards, e.g. codes of conduct, for the Service as a whole.
- Define broad parameters for appointment to, promotion in and retirement from the Service and disciplinary matters.
- Provide sunset clause for Office of Public Service Personnel Management.
- Provide for contract employment and for officers of Public Service to be engaged under other than Award conditions.
- Provide for an appropriate appeal process.

APPENDIX B

GUIDELINES FOR REDRAFTING OF THE FINANCIAL ADMINISTRATION AND AUDIT ACT

Based on the comments and recommendations in the Report of the Public Sector Review Committee, the Financial Administration and Audit Act is to be re-drafted in accordance with the following guidelines:

- remove impediments to the enhanced financial responsibility and autonomy of Permanent Heads consistent with an appropriate level of public and Parliamentary accountability;
- reduce to the maximum extent possible the prescriptive features of the Act, as embodied, for example, in the proliferation of detailed Treasurer's Instructions;
- allow greater flexibility between financial components of the budget to allow management in line Departments to determine resource mixes to efficiently carry out policy, including removal of any formal restrictions on the transfer of funds between salaries and general contingencies;
- encourage autonomy of line Departments within overall financial guidelines and/or constraints;
- remove any restrictions to full implementation of user pays principle;
- Any controls which are necessary should apply at a broad rather than a detailed level. Within their global financial allocations, Departments should be given the maximum possible freedom to determine spending priorities which are consistent with their responsibilities and with the policies determined by the Government.

Progress reported.

Mr SPEAKER: Honourable members, in order to allow time for the broadcasting equipment to be cleared from the Chamber, I shall suspend the sitting for a few minutes. The chair will be resumed at the conclusion of a two-minute bell.

Sitting suspended from 3.38 to 3.46 p.m.

CREDIT BILL

Second Reading

Debate resumed (see p. 2200).

Mr INNES (Sherwood—Deputy Leader of the Liberal Party) (3.46 p.m.), continuing: When the debate was adjourned I was about to refer to two of the proposed amendments. They mirror some of the difficulties that one has in bringing together various types of credit facility, the history of operating in different ways and the history of different institutions.

I refer to the proposed amendment to the clause that allows for variable interest rates. There are organisations such as credit unions that one would not generally criticise or question in terms of their overall intent or probity. They are not generally loan-sharking operations as individual credit-lenders might be. Therefore, they generally stay within a range of interest rates that are very much controlled by the market. They are not profit-making bodies.

There is a proposal here to allow variable interest rates; certainly they can be found in the present market. I have not had time to discuss with other people the full implications of the proposed amendment that will achieve that. I can certainly see some dangers when it is related to individual credit persons. An attempt is being made to overcome the bait-advertising, loan-shark operator referred to in the proposed amendment. However, I have some instinctive misgivings about the availability of variable credit facilities when individual lenders are concerned. I understand that the proposed amendment properly seeks to address the operations of credit unions, organisations about which one generally has no fears in terms of loan-sharking operations. That is an illustration of the problems that arise when one tries to bring a variety of traditions and practices under one umbrella.

Another amendment relates to loan-hawking. The proposal is designed to prevent the hard sell, if I can use that term, by saying that the only loans that can be entered into are those that are entered into virtually at the place of business of the established credit institutions. That is designed to stop people going out to sell. Again, that does not deal with the operations of credit unions at all. Because they come out of a mutual or co-operative type of organisation, it is quite customary for them to write business in the workplace. Very often the organisation is controlled by people of a particular calling. I know that the member for Mount Coot-tha, because of his obvious interest, will deal with that matter. The proposed amendment will stop hawking at the doorstep. It is just another illustration of the problems that I raised earlier when I referred to criticism that has been expressed in this State and in other States.

Very briefly I wish to commend the work of solicitors in this State to address the problems of the legislation. Mr Lex MacGillivray, solicitor, who is in charge of the appropriate committee of the Law Society has done significant collation work and critical work in pointing to some of the weaknesses of the legislation, as opposed to its strengths. He is the person who said that a poor piece of legislation is not improved by being uniformly poor. Perhaps what he meant to say was that by being uniform with poor legislation, there are real problems. I think we all share his misgivings.

In any case, I suggest that we should foreshadow that this legislation will have to be reviewed within a year and a half to two years with the possibility of its being totally

withdrawn. This could follow the SCOCAM report. At this time the Government might go back to the practices that are well established and settled by law and to simpler legislation. The intent for all of us is to have simple legislation dealing with credit. That simplicity is not necessarily achieved by bringing all provisions together in one piece of legislation which, in itself, is enormously complicated.

Mr SIMPSON (Cooroorra) (3.50 p.m.): I rise to support the Bill before the House. It is interesting to note the remarks of earlier speakers who have mentioned how complicated the legislation is. One of the problems that arise when the States strive for uniformity in legislation is that the end result does not always mirror the initial objective. That is the case with this legislation. In this day and age computers provide for the putting of text on a screen so that it can be played with easily. Hopefully the end result is not verbose but is simple and clear to follow. I thought that that should have been a criterion to be applied in drafting legislation. Those who are compiling legislation should try to simplify it so that it is clear for the end users, those people who come in contact with it, and, as in this case, so that it is clear how disputes between parties will be resolved.

We, as legislators, often find ourselves in this place protecting those people who have not been prudent purchasers. That involves credit consumer legislation. In this case it is in the area of finance as a commodity. We find ourselves dealing with a very complicated piece of legislation that provides for the existing ramifications of that industry and anticipates problems that might arise and ways around them. It is like trying to weave a net to catch everything. Of course, in so doing it has parameters, which in turn can be negotiated or gone around.

One can stand back and look at the history of the industry. The Government does not intend to go back because that is not a solution. Some 30 years ago very little credit was used by the general public. In the main, businesses and larger companies used credit. The use of credit as a means of extending business opportunities has increased so much that today the use of convenient plastic credit cards has proliferated to the extent that most people have more than one of those cards. Many people have a handful of them.

People now have an opportunity of arranging credit by way of the telephone. That is a further extension of technology in the area of instant credit and instant communication, be it with a credit company, a bank or what have you. So, credit is now being used for convenience. However, it is found that legislation is needed to protect the unwary, those who fall foul of the sharks or unscrupulous people who prey on little old ladies, young people and the inexperienced.

In some ways more attention should be paid to educating people about the seriousness of entering into contracts, making that commitment, and what is meant by it. I know that this is touched on in school courses such as citizenship education. However, I believe that not sufficient emphasis is placed on it so that purchasers of a commodity—in this case money—will be more prudent, wise and careful. People need to be educated so that there is no need for a tremendous amount of complicated legislation that endeavours to cover all the various aspects of what might happen in the area of credit and the types of credit that are available.

Reference has been made to the forms that it is necessary to fill out in certain areas so that the Government can give the credit industry an indication of the type of parameters that are needed. For instance, it has to be made clear that there are to be no hidden charges. In that way, when a person is seeking credit he understands clearly the interest rates to be charged, to what they will apply, what they will be on an annual basis and what the bottom line costs will be. Frequently those costs can be quite high and disproportionate to the actual amount that is being borrowed.

Many anomalies exist. Young people who are seeking to purchase vehicles are facing great difficulties. Through other legislation this Government has tried to ensure that vehicles being sold are not encumbered with prior hire-purchase agreements, thereby avoiding the situation where people find themselves purchasing a vehicle that is already

subject to a hire-purchase agreement. In such a situation the vehicle is repossessed and the people lose their money. They lose their deposit and also the vehicle. The register set up by that legislation is working quite well, although there are faults in it. If through human error, the information is not put onto the computer accurately and the numbers of the engine block and chassis are incorrect, a problem arises. In this computer age I would have thought that once an engine number was thrown up on a screen, which raised a query in terms of a prior hire-purchase agreement, there would be an immediate "please answer", the matter would not proceed any further and there would be a clear sheet. That has not happened and it poses a problem. I hope that it does not occur very often. It is important that the software used in those computer programs is accurate. That is one area where this Government is trying to protect people.

Although the legislation provides that credit-providers will not be registered, and so will not display their bona fides in that way, however complicated it is, it sets out what their performance should be and how they should deal with the problem. They may fall foul of this legislation and that worries me. Legislation not only should be clear and simple, but also should be self-regulatory and economical. The Honourable the Premier and Treasurer has just brought down the State Budget, and surely, if Queensland is to have a streamlined public service, a streamlined way of administering and carrying out the requirements of this legislation should also be considered. Self-regulation and clear guide-lines should be established so that creditors know what is expected of them and the least amount of litigation will arise.

This legislation does not set up a special tribunal. The matters will go through the normal courts that are appropriate for the various amounts of money involved. That will avoid the setting-up of another quango, which could become an emotive issue, even though most quangos, especially rural quangos, are funded by the users and industry itself and not by tax-payers.

This legislation will control the various finance companies and credit societies that are all part of the all-embracing area of credit-providers in this community. Everyone should clearly understand what his obligation is under the legislation; otherwise everyone will continue not to know what the guide-lines are and no degree of uniformity will be achieved. That is the other aspect that must be considered.

This Parliament is autonomous and is able to introduce legislation in this area for Queensland; but due cognisance must be taken of the fact that the legislation must be uniform throughout Australia. We still think as Australians and business takes place as Australians. Section 92 of the Constitution requires that business between States be free. Many issues are raised that require this Government to be mindful of the need for uniformity, while not in any way taking away from this Parliament the power to set its own rules in this area.

Of course, the legislation does not apply to the sale of properties. A traditional record exists as to how credit is given in relation to property transactions, clearing sales and transactions dealing with rural houses. The present system will be maintained as it is perceived to be the best way of dealing with those matters.

Salesmen will often pressure consumers at the door to enter into certain agreements and negotiations. Hopefully, the new guide-lines will make those people answerable to the strict rules that will require everyone to be clear so that consumers are not misled. If that is done, consumers will not experience the problem of finding out afterwards that they have been sold a pup or that interest charges will cost them an arm and a leg. That is just not on.

In anticipating the various amendments that will be moved by the Minister later, I have much pleasure in supporting the credit legislation.

Mr CAMPBELL (Bundaberg) (4.02 p.m.): In joining the debate, I shall refer to some of the practical aspects of credit legislation and the way that credit problems have arisen in my electorate and, I suppose, throughout Queensland. The supposed experts

who have spoken to the legislation today have referred to it as complementary or all-encompassing but very complex legislation. The Savage committee reported that it is trying to do away with red tape. Reference has been made to introducing fairly complex legislation. It seems to have been agreed on both sides of the House that the legislation will last for only 12 or 18 months and then need review. Although we are legislating in a very difficult area, the legislation is not quite the final legislation that should be passed. However, the legislation is important because the consumer depends on what is decided in this Chamber.

It is all right to say that Queensland should have educated consumers and that they will know what they are signing, but let us be practical. Consumers depend on the decision that is made in this Chamber as to what goes into credit documents and contracts that they sign. I am sure that every member who signs a contract does not read all the fine print. It is up to us to ensure that the fine print protects consumers. Although we would like to have only educated consumers, they will depend on the fine print that is decided in this Chamber today.

Some issues that are important do not seem to be covered by the legislation. Many members of this Assembly have probably acted as guarantor for a friend or relative. One problem that I have found is that a person will act as a guarantor for a friend or a relative and he will say, "I am prepared to guarantee that debt of \$1,000 or \$2,000 so that it will help the family to set itself up by buying some furniture", without realising that once he has given a guarantee for a loan with one trading company, the guarantee is valid for many years. In effect, although a person believes that he has acted as guarantor for only one purchase of a certain value, the relative or friend can make another purchase five or six years later. The guarantor is told, "You have to fulfil your agreement to be a guarantor because you went guarantor five years earlier." That matter must be cleared up to ensure that when a person acts as a guarantor, especially with retail stores such as Waltons and Chandlers, the guarantee should be for one specific purchase. Many people do not realise when they are doing a favour for their friends that, in fact, they can get caught five, six or seven years later because they thought that their commitment as a guarantor had been finalised many years beforehand.

There is one other aspect with which I have difficulty and which this legislation does not appear to cover. At page 7 of his speech notes the Minister said—

"The definition of 'credit' has therefore been drafted differently to the definition in the legislation of the other States and excludes business related credit."

That is very important in Queensland at this time. Queensland has the highest rate of bankruptcies of any State of Australia. Many credit defaulters are involved in bankruptcies. I believe that many people are being given credit when, in fact, they should not have been allowed it. In many circumstances they should have been declared bankrupt or made bankrupt by the authorities.

Many of the private companies that are registered in Queensland and are experiencing problems are not playing ball. Because many of them are not providing financial accounts, authorities are unable to check on their financial viability.

An investigation into the affairs of certain companies through the Corporate Affairs Commission may reveal that its records are often two to three years out of date.

Under company law, a private company that is registered in Queensland must, within five months of the end of a financial year, hold an annual meeting. Within one month of that meeting's being held, a report should be submitted to the Corporate Affairs Commission. Some companies have not submitted their annual returns for the year ended June 1984, and nothing is being done about it. Those companies that are not submitting returns and are not being checked up on by the authorities in Queensland are the ones that are going bankrupt. They are the ones that are becoming the bad debtors and leaving many people in very difficult circumstances.

Although companies that are registered in Queensland are giving credit to many people, it is not appreciated that often company records can be two to three years out

of date. It is not fair that those people who are being given credit are unable to check and make certain that the companies with which they are dealing are bona fide companies with good records.

There are some good aspects of this legislation. The aspect of providing additional flexibility to consumers in gaining credit is very important. Often, when people buy cars, furniture or other goods, they feel committed to borrowing the money from the same retail company. Often, those retail companies provide credit at inflated interest rates and lower the prices to get people in. They then get their money back through inflated interest charges.

Serious reservations have been expressed about the Bill. The detailed aspects of the Bill do not seem to provide sufficient consumer protection. If that protection is to be provided, it must be contained in legislation of this type. I hope that the Minister will take on board the few points that I have made and that he will consider clearing up the aspects of the legislation about people acting as guarantor for their friends and relatives and also about companies being required to provide their company reports on time. Even today companies that are millions and millions of dollars in debt have not submitted their company returns and are still operating to the detriment of those people who are providing them with funds.

I hope that those few aspects will be cleared up in the future for the benefit of not only the consumer but also the people who are giving credit.

Mr FITZGERALD (Lockyer) (4.10 p.m.): It is with pleasure that I join the debate on the Credit Bill. As previous speakers have said, it is significant legislation and much planning has gone into it throughout Australia. In fact, during the last 10 years or so the credit legislation throughout the world has undergone quite a deal of scrutiny. That scrutiny has become necessary because the provision of credit assists not only people who are borrowing funds but also industries that depend on consumer credit being made freely available to people who have the right to use it and who learn to use credit with the care and responsibility that goes with having credit provided for them. The whole economy is dependent to a large degree upon credit being freely available to the people who earn the right to use that credit. Any legislation that restricted the use of credit would have horrendous repercussions upon the economy as a whole.

The debate so far has centred upon not only the historical background to the introduction of the legislation to the House but also the difference between the philosophy of the Australian Labor Party to some provisions of credit legislation and that of the National Party Government. It is fair to say that the background has been fairly well covered. However, I would say that it is generally agreed that the law has tended to view consumer credit arrangements according to the form that those transactions take rather than in accordance with the substance of the transactions. Moreover, the requirements imposed by the legislation on various consumer credit forms have tended to be onerous, rigidly enforced and, in many cases, commercially unrealistic.

The consumer credit legislation that has been in place until now has had the effect of encouraging financiers to develop consumer credit patterns that fall outside the ambit of regulations. For example, certain credit devices have been viewed as loans, to which onerous registration and disclosure requirements of the Money Lenders Act and the equally troublesome Bills of Sale Act apply. Hire-purchase and credit-sales arrangements were developed in order to avoid those regulations. When regulations were later enacted to regulate those forms of consumer credit, non-regulated consumer-credit patterns such as discounting of third-party credit card arrangements began to develop.

The proliferation of consumer-credit forms encouraged by the artificiality and inconsistency of present credit laws has adversely affected many consumers. For example, a consumer faced with a choice of several credit alternatives may be unable to compare the costs of those alternatives. In the case of money-lending, the law may require that the finance charge be disclosed as a flat percentage rate per annum, while in the case of a hire-purchase alternative a nominal annual percentage rate may be required. In the

case of certain credit forms such as third-party credit card arrangements there may be no statutory rate disclosure requirement.

The Bill brings some uniformity into the provisions of credit legislation. When a person borrows money, he will know exactly what he will have to pay. The whole concept of the legislation is about truth in lending. In other words, if a money-lender wants to charge high interest rates, he will have to declare it up front and it will have to be in print of a certain size so that the borrower who signs the document will know what he is up for.

The motion put forward by honourable members opposite that the Government should be responsible to a large degree for the mess that people get into when they borrow beyond their means is quite unacceptable to the Government. Provided that people are well aware of their commitments, they make that judgment. The Government believes that the individual has a right to make a judgment and learn from his experience. Provided the legislation contains the provision that renegotiation can take place and extended arrangements can be made, and provided that it is fully explained and detailed in legislation—not in the regulations—a person has the right to exercise his rights as a citizen.

The consumer may not realise that his rights and obligations may well depend upon the form that the transaction takes. Thus, if the consumer purchases goods under a hire-purchase arrangement, he may be entitled by law to certain disclosures about the cost and terms of the transaction. He may have the right to terminate the transaction when he chooses and to minimise the penalty for termination. He may have the benefit of non-excludable warranties or conditions and, if the transaction proves to be harsh or unconscionable, he has the right to go to court to try to have the terms of the arrangements renegotiated; yet, if the consumer purchases the same goods under a revolving credit scheme offered by the same supplier or under a third-party credit card arrangement such as Bankcard, many of these protections will be unavailable to him. It is unlikely that the consumer will be aware of the different statutory requirements that affect credit alternatives with which he is faced and the disadvantages that he may well suffer in choosing one form over another.

Major recommendations have been made about the credit system that operates in England. The proliferation of consumer credit laws has been criticised by many because of its effect on consumers and on business. For example, the English Crowther committee issued a report in 1971 which identified seven major defects in credit law. These were referred to by the Opposition spokesman, who led the House to believe that they were his criticisms of the existing law in Queensland. The Opposition spokesman numbered his points exactly the same way as the English Crowther committee report was numbered when it was presented in England in 1971.

Specific points raised in the Crowther report were—

“(1) Regulation of transactions according to their form instead of according to their substance.

(2) Failure to distinguish between consumer and commercial transactions.

(3) Artificial separation of the law relating to lending from the law relating to security.

(4) Absence of any rational policy in relation to third-party rights.

(5) Exclusive technicalities.

(6) Lack of consistent policy in relation to sanctions for breach of statutory provisions.

(7) Overall irrelevance of credit law to present-day requirements.

(8) Resulting failure to provide just solutions to common problems.”

These recommendations were studied by the various Legislative Assemblies in Australia. As mentioned previously, it was because of agreement among the Attorneys-General that it was decided that, where possible, a uniform code of legislation should operate

throughout Australia. It was later agreed that certain States would introduce legislation and allow it to lie on the table of the House. I understand that one of the States did not enact legislation straight away but that the Credit Act was amended so that its provisions came into force some time later. In New South Wales, the Credit Act came into force on 28 February 1985. The Victorian legislation became fully operative on 28 February 1985. In Western Australia, the legislation became operative on 31 March 1985. The legislation passed in the Australian Capital Territory became operative on 28 February 1985.

The objectives of the legislation in respect to States' legislation are as follows—

(1) To establish a qualified and effective administration to regulate the credit industry through a licensing system for persons who provide credit.

(2) To equate all the various forms under which credit may be provided so that the rules applicable to each will be essentially the same and will relate to the substance of the transaction.

(3) To provide for the disclosure of the actual dollar cost of credit and the annual percentage rates so that the consumer can determine whether he can afford the cost of credit and compare costs between credit-providers.

(4) To provide regulation protection similar to that which exists for hire-purchase—for example, regulation for the repossession of goods which secures the amount owed to the credit-provider.

(5) To provide a mechanism by which the debtor suffering genuine hardship can obtain relief from the immediate enforcement of a credit contract.

The legislation before the House is along similar lines. Although Queensland has a difference of opinion from that of other States as to where the legislation should fall, I think it is important to point out some of the differences to the House because credit legislation is not uniform.

The Credit Bill is uniform with credit legislation in other States in respect of certain provisions only. Unlike credit legislation in other States, the Queensland Bill will regulate all consumer finance except business-related credit. However, the format of the Queensland Credit Bill is different in that all matters, including administration, will be covered by one piece of legislation.

Another major difference between the Queensland Bill and credit legislation that operates in other States is that no provisions apply to the licensing of credit-providers. The Queensland District Court, constituted by a judge sitting alone, will have jurisdiction to control the practices of credit-providers. The District Court, on application by the Registrar of Commercial Acts and with consent of the Minister, will have the power to order certain persons not to act as credit-providers if, in its opinion, the person is not a fit and proper person to enter into regulated contracts as a credit-provider.

The court may make an order prohibiting or restricting him from doing all or any of the following things—

(1) providing credit under regulated contracts either alone or in partnership with any person and whether or not through agents;

(2) acting as a director or taking part directly or indirectly in the management or control of any body corporate or business that provides credit under regulated contracts; or

(3) being in the employ, or acting as agent, of a credit-provider in any capacity that allows him to take part in the negotiation of regulated contracts involving the provision of credit by the credit-provider.

A person who fails to comply with the District Court order will be subject to a penalty or imprisonment for three months or both.

In determining whether a person is a fit and proper person to enter into regulated contracts as a credit-provider, the court may consider such matters as the registrar brings to its attention, including the fact that the person—

- (1) has been convicted of an offence under the Credit Act, when it is enacted;
- (2) has been convicted of an offence in the State or elsewhere involving fraud or dishonesty;
- (3) is or has been a credit-provider under a credit contract that has been reopened pursuant to Division 3;
- (4) has failed, more than once, to comply with any of the provisions of Part III or of section 122; or
- (5) was a director, manager, secretary or other officer of a body corporate at the time the body corporate committed such an offence, had its credit contract reopened or did so fail.

Other areas lacking in uniformity in the Credit Bill include—and it is very important for the House to take note of these—the provision that monetary limits in respect of the categories of arrangement to which this Bill applies are now \$40,000 in this jurisdiction, whereas in other jurisdictions it is \$20,000, and all penalties have been doubled. So much for the hypocrisy that has been heard in this House from people who said that this Government is not interested in the consumer. The amount that is covered by this consumer legislation is twice the amount that is available in other legislation enacted in other States in Australia.

Next, there is specific exemption from the application of certain parts of the Bill for the provision of credit under a credit contract where the only charge is an account charge that does not exceed \$5 in relation to any period of one month. In many country areas the local stores, particularly those that run accounts, do not charge a minimum monthly amount. Therefore, they will not be covered by the provisions of this Act.

The next point is that the definition of “linked credited provider” in relation to a supplier will not apply to a credit-provider whose forms of contract or forms of application or offers for credit are, by arrangement with the credit-provider, made available to persons by the supplier. This matter is of particular interest to me. As this House is well aware, some years ago an unfortunate situation developed in this State in which a number of fitness centres went to the wall. For instance, in Toowoomba many people lost money when they were committed to a fitness group which was called the Vigor centre, which closed down. Many people had borrowed finance. Actually, they went along to the Vigor centre and decided that they would take on the fitness course that was offered to them. The course was to be conducted over a period of time. Those people were offered that course at a reasonable cost. When they decided that they would do the fitness course, the proprietors of the company, or its employees, said, “We have an easy credit arrangement here. We can enter into a credit arrangement under which you can borrow money on an ANZ Bankcard.” I believe that was the one that was being offered in that instance. The people were told, “You can borrow the money on the ANZ Bankcard and you can pay off this course as you are doing it.” All honourable members know what happened. Eventually the company operating the Vigor centre got into financial difficulties and the people who entered into the contract to borrow the finance so that they could pay for the course as they were doing it suddenly found that no course was available to them. They then decided that they would not keep up their payments on the ANZ Bankcard loan. Legally, of course, ANZ Bankcard did not guarantee that the course would continue.

Vigor had portrayed to its customers that they could “pay as you go”. When the company collapsed, the consumers were faced with two things: firstly, they could not get what they had paid for and, secondly, they had to keep up the payments. That caused a great deal of unrest in, and unpleasantness to, the customers, who believed that they had been conned. Of course, they were conned.

I wish to quote from a *Daily Sun* article of 24 August 1984, which is headed "700 Could Lose in Fitness Flop". It states—

"Nearly 700 people may have lost a total of \$180,000 following the shock closure of a Toowoomba-fitness-clinic.

Employment and Industry Minister Mr Lester last night described the situation as 'intolerable'.

But he said there was only so much protection legislation could offer people who did not look before they leaped."

That might be a bit of a pun on the fitness industry.

The Bill covers that sort of event. It provides that, if a person who provides credit is a linked credit-provider—that means that he did not simply indicate that a customer could borrow or get credit from a certain facility but acts as an agent on his premises and provides for the signing of a contract on his premises—in other words, if it can be proved that he has been linked with the credit-provider—he does not have that finance guaranteed. In that case he also takes part of the risk.

I sometimes wonder whether some car salesmen really are more interested in making a sale or in getting the commission that I believe they receive from certain credit-providers. I know that at present the car industry is going through a downturn. However, in much more buoyant times, if a person wants to buy a car it always is of benefit to him to say that he requires finance. When he finally selects a car and determines the price, he then shops around to get the best rate of finance. Because the salesman often gets a kick-back from the provider of the finance, almost invariably the customer gets better interest rates elsewhere. The salesmen always talk about easy finance being provided, but quite often the purchaser is better off saying that he intends to buy with the company's credit but then change his mind and say that he intends to pay cash. In that way he gets the car at a much better price. That leaves the salesman very disappointed because he thought he would not only be getting the commission on the sale of the car but also the kick-back from the provider of credit.

In a debate on legislation such as this, it is very important to note the difference between the philosophy of the Government of Queensland and the philosophy of the Governments in the other States. Although legislation in the various States needs a certain amount of uniformity, the Government must not lose sight of the fact that many of the provisions must be contained within the legislation itself and not in the regulations, as is the case in the other States.

Any person who borrows money should be counselled to shop around. The amendments mooted by the Minister will ensure that borrowers are afforded some protection. Another provision will stamp out bait advertising. The legislation also provides for flexible interest rates. One must be realistic and realise that in this day and age interest rates fluctuate daily. In fact, interest rates vary week by week and month by month throughout the nation. To tie any lender to a fixed interest rate for a certain period would severely restrict the amount of money available for lending.

Provided the borrower has the right to receive and does receive adequate notice that the interest rate will be varied—I understand that the legislation provides for 14 days' clear notice—he has the option of seeking finance at a cheaper rate elsewhere. Credit then becomes like any other consumer item. It can be bought. The borrower has to know what it will cost. This legislation outlines clearly the provisions that apply to money-lenders. Any person who lends money has to outline clearly what the interest rate will be. There will be some uniformity that does not exist at present.

The Bill is quite lengthy. Undoubtedly, amendments will be moved. It is a significant piece of legislation. The Bill is quite thick. In fact, including the schedules, the Bill takes up 127 pages. No doubt the legal profession will have great difficulty in interpreting some of the provisions of the Bill when it is passed. However, it cannot be said that, because it is fairly complex, it is beyond the legal profession. The legal profession has become very familiar with the Money Lenders Act and the other Acts that are covered

by this legislation. Because of the difference between one Act and another, members of the legal profession specialise in particular fields. I believe that, once the legal profession becomes familiar with the new Credit Act that will be in force when this Bill is passed, the consumer will benefit.

That is really what this legislation is all about: protecting the consumer. Uniformity is needed so that the consumer will know exactly where he stands. Some of the criticism from the Opposition side has been from members of the legal profession who say that they will have difficulty working with the new legislation. Any new legislation is a challenge to the legal profession. I believe that the Government has to look after the consumer, and the consumer will be the one who will benefit from this legislation.

I support the Bill. I look forward to the enactment of the legislation in Queensland as soon as possible.

Mr SCHUNTNER (Mount Coot-tha) (4.33 p.m.): At the outset, I indicate that I will be making statements from the standpoint of one who has been closely involved with the operations of credit unions. Credit unions are different from other credit-providers in a number of ways. In particular, credit unions are different from hire-purchase companies. Credit unions are financial co-operatives. The consumers are actually the members of the credit union. They are share-holders in the credit union and they actually own the organisation.

Although I understand the reason for introducing the legislation, there is a distinct possibility—and, in some aspects of operations, a likelihood—that practices that have been characterised by flexibility may be characterised by less flexibility and perhaps even rigidity as a result of this legislation.

Other members have spoken about the complex and cumbersome nature of the legislation. I do not intend to repeat those comments. I place on record my appreciation of the Minister's willingness to examine carefully points that have been made by other people, including myself. The Minister has circulated amendments that he will be moving at the Committee stage. Allowance will be made for changing the Bill in relation to credit-hawking. That was one provision that was of great concern to credit unions. They operate, very often, with representatives in the workplaces, and it is admirable that the Minister has seen fit to amend that part of the Bill.

Other sections of the Bill deal with insurance of loans. Before loans can be packaged for trading on the secondary mortgage market, insurance needs to be provided. Some of the proposed amendments would overcome difficulties in that regard. Amendments to the Bill have been suggested regarding the part of the Bill that governs interest rate variations. I welcome the three amendments to which I have just referred.

Nevertheless, I wish to raise concerns about other matters that I hope will be further considered by the Minister and his department. The most significant of these refers to the part of the Bill that prevents credit unions from competing in a neutral way with banks and pastoral companies that provide overdraft facilities. An underlying principle of the Bill is competitive neutrality, yet reference is made in schedule 9 to exemptions from provisions of the Act. If competitive neutrality is to operate, it should operate consistently throughout the legislation. I would argue that those provisions put constraints on one particular type of organisation, namely, credit unions, but not on some of the other types of organisations that provide credit. Banks and pastoral companies are exempt from the provisions of the Bill when operating with customers on overdraft facilities and providing come-and-go overdraft limits, but credit unions are not exempt if they operate under the same circumstances. That puts a constraint on credit unions and discriminates against their members, or consumers, because of that strait-jacket.

Ideally, the Bill should be changed to allow the words "credit unions" to be inserted at the appropriate place. Failing that, I draw attention to Order in Council No. 20F of 1985 published in the *Western Australia Government Gazette* dated 29 November 1985, which states—

"Parts III-VIII of the Credit Act 1984 do not have effect in relation to or with respect to the provision of credit by a Credit Union registered under the Credit

Union Act 1979 where the credit is provided by way of overdraft on current cheque account provided such current cheque account is operated independently of a continuing credit contract."

I ask that the Minister give serious consideration to that point.

Another aspect I wish to draw to the attention of the House is that, according to the definitions, it is impossible to apply deferral charges when the deferrals are temporary or short term. For instance, it is not uncommon for a consumer with a credit union loan who is temporarily sick to miss a payment or two through prior arrangement with the credit union. A minor charge is applied in that particular case. The only way in which that could be done under the Bill is through a clause that would incur significant expenses for the consumer. That is an example of how in the future it would be very difficult to exercise the significant flexibility that has traditionally been exercised. Credit unions do not operate on pre-determined credit charges, but the relevant clauses in the Bill are framed on the basis of credit-providers operating on pre-determined charges.

Another clause of the Bill that I wish to draw to the attention of the House requires that a statement be provided indicating the insurance rebate that should be given to consumers. It will be impossible for credit unions to comply with that clause. Western Australian credit unions have indicated to their Government that they are not able to comply with the corresponding clause in their State's legislation. There is no doubt about it; consumers should have a guarantee that the insurance rebate, when available, should be provided to them. It is only in a situation in which the insurance company works hand in hand with the credit-provider that the credit-provider knows what the amount of the rebate will actually be at the time when the statement is made in relation to clause 70 (1) (b).

In practical terms, it may be four, five or six weeks before the actual amount of that rebate is known to a credit union. As I said, to comply with the Bill fully, it will have to make a statement four or five weeks before that amount is known, which will be impossible.

Under a clause in the Bill, smart operators might be able to obtain ongoing, short-term interest-free loans. A period of 10 days is allowed within which a contract may be rescinded by the consumer. It is possible that a person could borrow a significant sum of money. It might be up to 28 days before the credit-provider forwards the contract. There is then another 10 days during which the consumer can decide to rescind the contract and to repay the money. That means that the money is on loan from 10 days to 38 days on an interest-free basis. I can understand the need to provide a cooling-off period within which the consumer may rescind the contract, and I am in favour of that. However, the notion of interest-free loans will be very attractive to some people, even if they are for only four or five days. I would hate to think that that particular loophole, as I think it is, would be misused by some smart operators who may find this a convenient way to borrow money interest free for a few days.

Many credit unions operate on the basis of closed bonds; that is to say, to be eligible for membership of a particular credit union one has to belong to a particular occupation. A clause of the Bill requires the credit-provider to wait for a month before taking steps to recover debts. In situations in which there is a closed bond, I doubt whether that is a particularly wise clause. The Western Australians have recognised this. Just as I referred to an Order in Council previously, I again refer to another Order in Council of the same date, namely, 20E. Although I shall not read it out on this occasion, I point out that it exempts credit unions from the particular requirement that they wait a month before recovering certain debts.

I feel that clauses in the Bill regarding contracts of guarantee may lead to significant costs being incurred by the credit-providers. If that occurs, the ultimate bearer of those costs will in fact be the consumers. I would think that it is against the whole spirit of the legislation if, in ensuring that consumers are protected, there is so much red tape associated with various aspects of the legislation that there will be increased costs to the credit-provider and, ultimately, in the case of the credit unions, to the consumers. I

sound a note of warning that some clauses in the Bill dealing with contracts of guarantee may result in additional costs being incurred.

The basic point I make in conclusion is that the principle of competitive neutrality should be adhered to consistently. I believe that there is a clause of the Bill in which that is not the case. I strongly urge the Minister to look closely at that particular point.

Mr BEANLAND (Toowong) (4.45 p.m.): As a number of speakers have pointed out, the Bill provides for comprehensive credit legislation. Although Queensland is the last State to pass such legislation, I am sure that it will not be long before many amendments are made to it. I have listened to discussion and read various reports, and it is clear to me that all is not well with this legislation.

I turn now to another piece of legislation that relates directly to the legislation that is before the House, namely, the identity card legislation, which will very much affect credit transactions and this particular Credit Bill. The ID card is an attack on financial transactions and credit. Many people regard the ID card as just another plastic card and say, "What effect will it have? It is just like the other plastic cards that we have at the moment." Of course, the ID card will very much affect the credit that people are able to obtain. It relates very much to this particular Bill.

Many aspects of this Bill will be affected by the ID card. For example, in many instances one will be compelled to supply the ID card as proof of identity for financial transactions. It will become part and parcel of the provision of credit. Although it is not set down at the moment in that way, it certainly will occur in the near future.

Unlike the Diners Club, Amex, Bankcard and other plastic cards that people have at present, which are untraceable, the Australia Card will be traceable because of the one numbering system that will apply right across the board. That is the worrying aspect of the introduction of the ID card.

At the moment, under the provisions of the Credit Bill, the information that is supplied to various organisations will be supplied solely for a specific purpose. Of course, the Bill contains secrecy provisions that will ensure that that information will not be made public. In many instances, even if that information were to be made public, it would not matter a great deal. However, with the one numbering system applying to transactions right across the board, an ID card will be easily traceable and the information contained therein will be invaluable. That is my main concern. Although this Bill is sound, it will be affected by another piece of legislation that will be superimposed upon it, whether this Parliament or the State Government likes it or not.

The same thing will apply to consumers, who will find that they are the ultimate bearers of the costs involved in the Australia Card or an ID card. One of the great problems facing society is the cost of approximately \$200m per year to businesses and credit-providers in maintaining the ID card.

It is clear that the manner in which businesses will be required to use the information and will request that information will involve enormous costs. If businesses do not have the ID card presented to them at the time of credit transactions and various other financial transactions, provision is made for a considerable default penalty for non-compliance of approximately \$20,000.

When speaking about credit provision I am referring to the many transactions that are conducted right across the board, from banking transactions, credit union transactions, credit society and building society transactions and so on. I refer particularly to people who live in the country. No other group of people will be more affected by the ID card legislation than country folk.

At the moment a lot of business in the country is conducted by mail order. That is all very well. However, in the past, conducting business by mail order has been a fairly easy exercise. In the future it will not be as easy. It will not be a matter of whether or not one has a good credit-rating. Persons entering financial transactions such as land transactions, share transactions, transactions involving trusts, purchases of equipment,

farm machinery and so on, and transactions involving the sale of wool and wheat—so many of the transactions that each farmer in the community undertakes every day of his life—will find that an identity card must first be produced, together with the number, before those transactions can occur.

It is interesting to note that the Federal Labor Government's business regulation review unit opposes the identification card strenuously. It indicates that the cost to business will be well in excess of \$2,000m over a period of 10 years, which is \$200m a year. That cost will have to be passed on to the consumer. The end user, as usual, will have to bear the cost.

I turn now to the area of buying land. Many people, including country folk, go and look at a block of land but they do not necessarily complete the whole transaction on the spot. Many transactions are carried out in far-away places. An identification card will have to be produced before those types of transactions can occur.

I now refer to the use of plastic cards, which so many people carry today. An identification card with a number on it will be required to be produced in the first instance to a financial institution or banking group before business can be conducted with a plastic card. An identification card will have to be produced before an automatic teller machine can be utilised. That includes making deposits and withdrawals from bank accounts.

When discussing credit, it is pertinent to be aware that in the not-too-distant future a national identification numbering system and the identity card will be imposed upon the people of Australia. That will create many problems for all consumers and providers of credit. A number of additional transactions will have to occur and a number of additional requirements will have to be fulfilled by the community. Those requirements are totally unnecessary, as is the whole identity card system.

Although I am probably not allowed to mention them in this debate, elsewhere I certainly will be mentioning other aspects in relation to the identity card. It is not just another piece of plastic; it is a gross attack on people's privacy and on various financial institutions. Those institutions will be required to bear a huge cost that in the end will have to be passed on to the consumer. That is an unnecessary cost that the consumer will have to bear in the future.

Hon. P. J. CLAUSON (Redlands—Minister for Justice and Attorney-General) (4.53 p.m.), in reply: I will preface my response with some general observations. During the Committee stage I will be moving various amendments to the Bill.

The Standing Committee of Consumer Affairs Ministers established an interstate credit working group made up of representatives from New South Wales, Victoria, South Australia and Queensland. The purpose of the working group is to develop appropriate amendments to the uniform legislation which will be considered by SCOCAM.

When I introduced this Bill on 19 March 1987, I was of the view that there was a fair chance that some of the amendments formulated by the working group and approved by SCOCAM could have been incorporated in the Bill.

Unfortunately, owing to the early Federal election and the New Zealand election, the relevant SCOCAM meeting which was due to be held in July was cancelled, and I am informed that it will not take place until later this year.

The business community is concerned that further delays in passing the Bill will have a deleterious impact, and I have therefore determined to proceed with the Bill at this stage.

Queensland's participation in the working group has, however, resulted in the formulation of a number of amendments which I will move, and which should meet with acceptance by the other States.

The history of the credit legislation is such that it would be highly optimistic to assume that substantial amendments to the uniform legislation would be finally agreed

to by the various States in the short term. However, I do indicate to honourable members that hopefully in the not-too-distant future I will be moving further amendments to the Bill which will streamline and simplify a number of its more complex provisions.

Let me also reiterate that there are many aspects of this Bill that I am less than pleased with. Nevertheless, because Queensland wants to co-operate in a constructive way with the other States, the Queensland Government is prepared to proceed with this legislation in its current form so that the commercial community will gain the full benefits of uniformity and so that Queensland consumers will gain the benefits of the many protections that it contains.

I might also add that if honourable members have read any of the reports of the various committees of the Australian Constitution Commission, they will realise that one of the main arguments put forward for centralising more power in Canberra is the alleged inability of State Parliaments to agree on legislation of national significance. The Bill is proof that Queensland is prepared to bite the bullet and co-operate, and to act constructively, even though aspects of the legislation would not be agreed to by honourable members from all political parties if Queensland were acting unilaterally. If the States are to counter moves to centralise more and more power in Canberra, everyone must recognise that it is necessary to act in a co-operative and co-ordinated manner for the betterment of Queensland as well as the betterment of this nation as a whole.

I thank all honourable members who participated in the debate on the Credit Bill. I appreciate many of the views that were put forward. The first speaker in this debate was the honourable member for Logan. Although the honourable member supported the Bill so far as it goes, he apparently wanted Queensland to adopt all the provisions in force interstate not only in the various Credit Acts but also in relation to credit-licensing legislation. Let me make it quite clear that the Government is anxious to maintain uniformity with the other States so far as that uniformity is either practical or necessary. No person or organisation has suggested that the scheme of licensing in force elsewhere, or the establishment of a credit tribunal, or an expanded role for the Commissioner for Consumer Affairs, is required to be adopted by Queensland in order to effect uniformity. The very fact that these types of matters are contained in the credit administration Acts of those other States and not in the body of the Credit Acts is indicative of the fact that those States did not regard these matters as being of paramount concern. Quite rightly, it has been recognised that questions relating to licensing and mechanisms for enforcement of the legislation should be left for each Government to determine in a manner suitable to local requirements and the existing policies and structures of each State. That is the very essence of co-operative federalism.

I point out to the honourable member for Logan that although the Commissioner for Consumer Affairs does not play a role in this legislation, his activities are fulfilled by the Registrar of Commercial Acts. The registrar and his officers are experienced public servants, who will no doubt fully protect the interests of consumers. They have a large reservoir of experience in dealing with these types of matters.

The member for Logan also did not agree with the existing court structure's being utilised for the purposes of the legislation, but favoured the establishment of a credit tribunal. I do not have to remind honourable members that tribunals are expensive to establish, costly to run and often do not achieve the objectives of their proponents. If the honourable member for Logan were to carefully examine the operations of the Victorian Credit Tribunal, he would not seriously propose that Queensland should follow a similar path. That tribunal has an enormous backlog of cases. In a very real sense, Victorian consumers and Victorian credit-providers are not receiving the type of attention they deserve.

Unlike the honourable member for Logan, I am fully satisfied that Queensland courts can and will dispense justice—both to consumers and credit-providers—quickly, effectively and relatively inexpensively. The proliferation of quasi-judicial tribunals is of serious concern to all citizens and the Queensland Government does not intend to add to this problem by creating another tribunal.

The honourable member for Logan also seemed to oppose the concept of negative licensing. During his speech, the honourable member quoted Mr Warren Pengilley. Let me also quote Mr Pengilley, who said—

“To impose an overall licensing system in these circumstances is an unforgivable piece of bureaucratisation of the credit industry. It can be understood only in the context of imposing a system to raise the revenue necessary to fund the administration of the system so imposed—something which could probably give rise to its own episode of the Australian equivalent of the TV series *Yes Minister*. The whole system obviously can be implemented without across the board licensing.”

I point out to honourable members that New Zealand has a system of negative licensing.

The United Kingdom required licensing of credit-providers, and four years after the enactment of the relevant legislation there was a backlog of 70 000 licence applications. A backlog of applications also exists in Victoria and, as Mr Pengilley says, the only reason for licensing is to raise revenue for the Government, not to protect consumers.

I am not surprised that the Labor Party favours licensing. That is simply part and parcel of its Neanderthal approach to government. I am pleased to be able to inform the honourable member for Logan that the Queensland legislation has been well received interstate. I am informed that many of the innovations contained in our legislation will be taken up by other States.

The next speaker was the honourable member for Sherwood. He made a number of valid observations, and I thank him for them.

It is true that in reality the Australian commercial community knows no boundaries and that there are very strong arguments for all of the States adopting a substantially uniform approach to credit legislation. The Queensland Government accepts that, and it is for that reason that we are debating this legislation today. As the honourable member also pointed out, by the passage of this Bill the antiquated provisions of the Money Lenders Act, and in particular those relating to procuration fees, will be abolished.

All State Governments face a very serious threat from the present Federal socialist Government. The Federal Office of Consumer Affairs has made submissions to the advisory committee on trade and national economic management of the Australian Constitution Commission that a new head of exclusive, not concurrent, power be inserted in section 51 of the Constitution for the Federal Government to legislate with respect to consumer affairs.

One of the reasons for this recommendation is the old centralist argument that the States cannot agree and that therefore the Federal Government should take over the field. Queensland is prepared to co-operate with the other States and will fight any move by the Federal Government to further entrench power in Canberra and leave Brisbane once again the branch office city.

The Credit Bill is not simple legislation, but as it regulates a very complex area of law this is perhaps not surprising. I am pleased that the honourable member strongly supports negative licensing as well as the predominant business test, which I will be moving during the Committee stage. I am sorry that the honourable member for Logan does not see the benefit of the predominant purpose amendment, for it will be of great benefit to consumers, especially in the rural community.

I thank also the honourable member for Cooroora for his support. As usual, his remarks were pertinent, to the point and good common sense.

With regard to the comments made by the honourable member for Bundaberg—I suggest that he read clause 139 of the Bill in particular and Part VIII in general. The Credit Bill gives far greater protection to guarantors than presently exists. The provisions relating to guarantees were specifically drafted so that a guarantor would be fully aware of his rights and responsibilities before he committed himself. In addition, clause 139

allows a guarantor to discharge his obligations under a guarantee relating to existing regulated loan contracts or regulated continuing credit contracts by giving notice to the credit-provider and debtor.

The guarantor will be relieved of liability for any obligations of the debtor incurred after the notice is given. In the case of a continuing credit contract, he will be relieved of liability at the expiration of the billing cycle current when the notice was given.

The Bill also requires the credit-provider to give to the guarantor of a regulated contract a prescribed statement of his rights and obligations in relation to the contract of guarantee. That requirement is contained in clause 138.

In relation to the comments by the honourable member for Mount Coot-tha, I advise him that the question of bank overdraft lending is subject to discussions taking place at SCOCAM level. Queensland cannot act unilaterally in this area. The question of implementing a special exemption order for credit union overdraft lending control could be looked at, but only after careful consideration. I would be minded to consider any submissions made by his credit union in that regard.

I thank also the member for Toowong, who made pertinent statements basically in relation to the ID card. The sentiments that he expressed are exactly my sentiments. There is absolutely no need for the existence of an ID card in this nation.

Motion agreed to.

Committee

Hon. P. J. Clauson (Redlands—Minister for Justice and Attorney-General) in charge of the Bill.

Clauses 1 to 4, as read, agreed to.

Clause 5—

Mr CLAUSON (5.08 p.m.): I move the following amendments—

“At page 3, lines 37 and 38, omit—

‘and Parts II, VII and VIII’

and substitute—

‘, Parts II, VII and VIII and
Division 3 of Part IX’ ”;

“At page 3, line 45, omit—

‘and Parts II, VII and VIII’

and substitute—

‘, Parts II, VII and VIII and
Division 3 of Part IX.’ ”

Amendments agreed to.

Clause 5, as amended, agreed to.

Clause 6, as read, agreed to.

Clause 7—

Mr CLAUSON (5.09 p.m.): I move the following amendments—

“ At page 7, line 43, omit—

‘exclusively’

and substitute—

‘predominantly’ ”;

“At page 13, omit all words from and including ‘lease’ in line 25 to the end of line 27 and substitute—

‘contract for the hiring of goods that is not by section 15 deemed to be a credit sale contract;.’”

Amendments agreed to.

Clause 7, as amended, agreed to.

Clauses 8 to 38, as read, agreed to.

Clause 39—

Mr CLAUSON (5.10 p.m.): I move the following amendment—

“At page 37, line 1, omit—

‘or a loan contract’.”

This clause deals with add-on contracts. In an add-on contract, a new transaction is combined with an existing one. It is felt that there is some need for preservation of the add-on contract for retail transactions and top-up loans by credit societies.

Subclause (7) provides for the return of goods where a credit sale contract or a loan contract to which the clause relates is rescinded. As no goods are supplied in respect of a loan contract, this amendment omits the words “or a loan contract” from the subclause.

Amendment agreed to.

Clause 39, as amended, agreed to.

Clauses 40 to 71, as read, agreed to.

Clause 72—

Mr CLAUSON (5.12 p.m.): I move the following amendment—

“At page 53, omit lines 36 to 47, and at page 54, omit lines 1 to 12 and substitute—

‘72. Variation of interest rates of credit sale contracts and loan contracts.

(1) A credit provider under a credit sale contract or a loan contract shall not vary the annual percentage rate applicable to the contract unless—

- (a) prior to the contract having been entered into, the prescribed notice in writing had been given to the debtor and the guarantor (if any);
- (b) the contract provides for variation of the annual percentage rate; and
- (c) the prescribed notice in writing is given to the debtor and the guarantor (if any) varying the annual percentage rate applicable to the contract as from the date specified in the notice being not earlier than 14 days after the date of service of the notice upon the debtor and the guarantor (if any).

(2) Notice referred to in subsection (1) shall be given to the debtor and the guarantor (if any) personally or in such other manner as the Registrar approves.’”

This amendment replaces clause 72, which permits and regulates variable interest rates, with another clause. It must be understood that at the moment the legislation of the other States does not allow the variation of interest rates, so Queensland is breaking new ground with this proposal.

The amendment has been formulated after receiving representations from major industry groups, as well as the numerous representations received by the interstate credit working group established by the Standing Committee of Consumer Affairs Ministers.

The effect of the amendment will be: (a) variation of interest rates will only be allowed in those contracts which have a provision to that effect; (b) prior to execution of the contract a prescribed notice will have to be given to both the borrower and the guarantor disclosing the provision for interest rate variation; and (c) prior to variation

of the interest rate a prescribed notice of the variation is to be given to both the borrower and the guarantor personally or in such other manner as the registrar approves.

It is considered that, for example, the pre-contract notice may contain information such as: (d) information drawing to the attention of the borrower the fact that the contract contains a variation clause; (e) the circumstances under which the interest rate may be varied; (f) information as to whether there are any contractual limitations or variations; and (g) an example of how the payment terms would be affected by both an increase and a decrease in the interest rate.

This proposal is based on a specific option proposed by the interstate credit working group and circulated amongst the financial sector and community groups. From the responses received, it would seem that this proposal is favoured by a broad range of groups. I have been conscious of not attempting to put forward an impracticable or unworkable solution or one which does not mirror the aspirations of the community at large. I feel that this proposal will provide practical protection for consumers and, at the same time, not interfere with normal and accepted commercial practices.

Mr GOSS: I express some concern in regard to this provision for variable interest rates. Over the last couple of years everyone has seen the way that ordinary working people have been hit hard by fluctuations in interest rates. All members have experienced families in their electorates being forced to sell their homes or having their mortgages foreclosed because they have been operating at the very margin of their incomes. In many cases they are people who have suffered a drop in income owing to a drop in overtime, one member of the family losing his job or some other diminution of their household income. When that occurs, people who are operating at the margin of their income are pushed over the edge.

It is bad enough that this is happening with home loan interest rates, but if it is to happen across the board, many more people will fall into the kind of trouble that all honourable members have witnessed over the last couple of years in their electorates. It will happen more quickly and a bigger crisis in economic and confidence terms will result. Perhaps it is necessary to have that kind of fluctuating arrangement in regard to a substantial long-term credit contract such as a home loan, but I am concerned to have it operating in relation to loans for cars and a whole range of other commodities.

Another aspect of concern relates to consumer protection offered by this amendment. As I stated in my speech during the second-reading debate, very often the consumer protection that is offered is illusory. The Minister says that it is practical, but the Opposition does not accept that. The reality of the way in which these contracts work occurs in the shop or in the car yard where a young person, or whoever it is, is keen to buy a car, a video-recorder or whatever the item is. This pre-contractual notice—it sounds a grand term and sounds to be something substantial—is in reality a slip of paper amongst a range of other bits of paper which are thrust under the customer's nose in circumstances which quite often involve pressure selling. I can just imagine Freddy at the car yard wanting to buy an orange Torana with black racing stripes. He is keen to sign and the salesman says, "Righto, here is your insurance application, here is your application to Custom Credit, here is your notice under section 72 of the Credit Act 1987." What does Freddy know about section 72 of the Credit Act 1987? That is the reality of the circumstances in which that pre-contractual notice will be given to the consumer. If there was a 24-hour cooling-off period or other mechanism that would truly bring this notice to the consumer's attention, after which period he could return the product, it might be different. In practice this is just another piece of small print that is thrust under the person's nose. The finance companies will probably insert another clause of small print in the application that states, "I certify that I have read the pre-contractual notice under section 72 of the Credit Act." The purchasers do not read any of the back pages anyway, and that is what I mean about the protection sounding nice in theory, but missing out in practice. This is something which should be re-examined.

Amendment agreed to.

Clause 72, as amended, agreed to.

Clauses 73 to 121, as read, agreed to.

Clause 122—

Mr CLAUSON (5.23 p.m.): I move the following amendment—

“At page 81, omit lines 42 to 44 and substitute—

‘(d) where the contract offered includes provision for variation of the annual percentage rate—

(i) the advertisement does not include a statement to that effect; or

(ii) there are reasonable grounds, of which that person is aware or ought reasonably to be aware, for believing that the credit provider will not be able to offer a debtor a contract with the annual percentage rate specified in the advertisement for a period which is reasonable having regard to the nature of the market in which the credit provider carries on business and the nature of the advertisement.’”

This amendment is connected with clause 72, which deals with interest rates. As there will be no statutory limitation on the extent of interest rate variations, this amendment inserts into clause 122 a bait-advertising provision based on section 57 (1) of the Trade Practices Act. The object of the amendment is to provide a measure of protection for consumers against credit-providers who deliberately advertise credit at an artificially low rate and then increase it to a commercially unrealistic rate once the consumer has entered into a contract.

Amendment agreed to.

Clause 122, as amended, agreed to.

Clause 123—

Mr CLAUSON (5.26 p.m.): I move the following amendment—

“At page 83, line 43, omit—

‘or business’.”

Clause 123 contains a general prohibition on credit-hawking at a person's place of residence or business. Many credit societies operate an agency or branch at the place of employment of their members. In fact, a number of credit societies have their one and only office at their members' place of employment. This clause, as presently drafted, would therefore place an impossible restriction on the operation of those credit societies. If the clause is not amended as proposed, some employee-based credit unions and credit societies could suffer irreparable damage, which could possibly lead to their dissolution.

Mr GOSS: I seek some clarification from the Minister. I understand his point about the need to make provision for particular credit unions or credit societies and the positions in which a number of those institutions are placed in particular buildings of employees. But if, at the same time, there is an intended prohibition on or an objection to credit-hawking generally, does not the amendment allow credit-hawking generally by all credit-providers in a range of places of business? It will not have the effect that the Minister claims. On the face of it, as I read it, the amendment enables a credit-provider to canvass at a place of business of another person with a view to inducing another person to apply for or obtain credit under a regulated contract.

It seems to me that the effect of the amendment is much broader and quite different from the basis upon which it was proposed. If that is so, I ask the Minister to introduce a more limited and specific amendment that is designed to reach that objective rather than have the broader effect, which could be the unintended result of this amendment.

Mr CLAUSON: I understand the honourable member's statement about this amendment. However, I am not minded to accede to his suggestion, in that this amendment will prevent credit-hawking in places of residence.

Credit-hawking at a place of business will be a matter for the employer to control on his own premises, with regard to his employees and their creditor societies.

I point out that, in other States, a voluntary code of non-harassment may be relied upon. I believe that such an arrangement would be successful. I believe that this is the most practical resolution to that problem.

Mr GOSS: The Minister has not really answered my question. I seek particularly to have the record show that the Minister justifies this amendment on the basis of saying, "Because of the particular nature of their operations, we should allow credit unions and credit societies to operate." However, in providing that justification, the Minister is moving an amendment that allows credit-hawking, which should be objectionable. As the legislation originally stood, credit-hawking was objectionable. The Minister allows credit-hawking on an open and free basis in places of business. It seems to me that he has gone far beyond that. This Committee should not be passing second-rate legislation simply because the Government is not in a position to provide a specific amendment that reflects what the Government claims it is attempting to do.

Amendment agreed to.

Clause 123, as amended, agreed to.

Clauses 124 to 127, as read, agreed to.

Clause 128—

Mr CLAUSON (5.31 p.m.): I move the following amendments—

"At page 85, line 36, omit—

'or'";

"At page 85, line 37, after 'debtor' insert—

'; or

(e) any other prescribed contract of insurance'";

"At page 85, after line 38, insert—

'(2A) Subsection (2) does not authorize or permit a credit provider to require insurance by a particular insurer.'";

"At page 86, line 10, omit—

'or'";

"At page 86, line 11, after 'debtor' insert—

'; or

(e) any other prescribed contract of insurance'."

Amendments agreed to.

Clause 128, as amended, agreed to.

Clause 129—

Mr CLAUSON (5.34 p.m.): I move the following amendments—

"At page 87, line 11, omit all words from and including ' , not being' to the end of line 19 and substitute—

'(not being a contract of insurance or compulsory insurance authorized by subsection (1) or a contract of insurance referred to in section 128 (2) (b), (c), (d) or (e)); or

- (b) a condition that the mortgagor maintain in force a contract of insurance in respect of the mortgage (not being a contract of insurance or compulsory insurance authorized by subsection (1) or a contract of insurance referred to in section 128 (2) (b), (c), (d) or (e)).’ ”;

“At page 87, line 25, omit all words from and including ‘, not being’ to the end of line 33 and substitute—

‘(not being a contract of insurance or compulsory insurance authorized by subsection (1) or a contract of insurance referred to in section 128 (2) (b), (c), (d) or (e)); or

- (b) a condition that he maintain in force a contract of insurance in respect of the mortgage (not being a contract of insurance or compulsory insurance authorized by subsection (1) or a contract of insurance referred to in section 128 (2) (b), (c), (d) or (e)).’ ”

These amendments are consequential to the amendments to clause 128.

Amendments agreed to.

Clause 129, as amended, agreed to.

Clause 130—

Mr CLAUSON (5.39 p.m.): I move the following amendment—

“At page 87, line 41, omit—

‘or (d)’

and substitute—

‘, (d) or (e).’ ”

This is an amendment consequential upon clause 128.

Amendment agreed to.

Clause 130, as amended, agreed to.

Clauses 131 to 154, as read, agreed to.

Clause 155—

Mr CLAUSON (5.40 p.m.): I move the following amendment—

“At page 98, omit lines 6 to 14 and substitute—

‘(2) A regulated contract entered into that provides for an annual percentage rate that exceeds the rate for the time being specified in respect of that contract or the class of contract in an Order in Council in force under subsection (1) shall, notwithstanding the terms of the contract, be taken to provide for the specified annual percentage rate in lieu of the firstmentioned annual percentage rate.

(3) A debtor is entitled to recover from the credit provider as a debt that proportion of any moneys paid by the debtor to the credit provider that is attributable to the excess of the specified annual percentage rate.’ ”

Mr GOSS: I make the comment that, previously, as I understood the legislation, a breach of the interest provision by the credit-provider would have resulted in the contract’s being made void. It seems to me that although some harsh consequences flow from that, the amendment is too soft on unscrupulous credit-providers and that what should be provided is some form of penalty. Whether that penalty be by way of a reduced interest rate or the removal of interest charges is a matter on which I have an open mind at this stage, given the short notice of this amendment and my inability to speak to people in the industry and elsewhere as to what would be appropriate.

Provision exists in other jurisdictions for there to be an effective penalty where somebody charges an excessive interest rate. That penalty is the loss of a certain extent

of the interest entitlement. If people who are charging excessive rates of interest or who are proposing to do the wrong thing are being dealt with, some penalty and some positive incentive should be provided for them to do the right thing. The only way in which that can be done is to put in some stick and to make sure that such people suffer a penalty in instances in which they do the wrong thing. Under this legislation they will be able to maintain the full legality of the contract and still get the maximum rate of interest. A person who behaves in such a way should not be allowed to do so.

Mr CLAUSON: I take cognisance of the honourable member's comments on this amendment. I note that no penalty clause as such is contained in the amendment. However, I feel that at this juncture of the passage of the legislation it is probably more appropriate to assume that people will be honest and will act honourably in the circumstances, therefore not requiring the implementation in the legislation of any penalty. However, as I indicated earlier, I do foreshadow later amendments to this legislation. If at such later time it becomes apparent that errant credit-providers have been usurious in their attitude towards their clientele, I would be minded to look at the legislation again and to introduce some sort of penalty clause.

Mr GOSS: When the time comes, I will try to resist the temptation to say, "I told you so."

Amendment agreed to.

Clause 155, as amended, agreed to.

Clauses 156 and 157, as read, agreed to.

Clause 158—

Mr CLAUSON (5.45 p.m.): I move the following amendment—

"At page 99, line 7, omit—

'151'

and substitute—

'159'."

Amendment agreed to.

Clause 158, as amended, agreed to.

Clauses 159 to 181 and schedules 1 to 8, as read, agreed to.

Schedule 9—

Mr CLAUSON (5.47 p.m.): I move the following amendment—

"At page 127, after line 13, insert—

'10. Beneficiaries under trusts. Parts III, IV, V, VI, VII and VIII do not apply in respect of credit provided to a person who is a beneficiary under a trust if the credit is provided by way of an advance by a trustee from the estate of a deceased person that is subject to that trust.

11. Petrol and taxi cards. (1) Subject to subclause (2), Parts III, IV, V, VI, VII and VIII do not apply in respect of—

(a) the provision of credit under a continuing credit contract that either wholly or substantially relates to—

(i) the supply of petrol, liquified petroleum gas, diesel fuel or oil; or

(ii) the hire of a commercial passenger vehicle;

and

- (b) related matters preliminary to or consequential upon the provision of that credit.
 - (2) Subclause (1) does not apply to a continuing credit contract referred to in that subclause unless—
 - (a) the contract is in writing;
 - (b) the contract includes a statement of the charges (if any) payable under the contract or the method of calculation of those charges; and
 - (c) the contract provides that the credit provider shall give to the debtor notice in writing of any variation in the charges payable under the contract, or the method of calculation of those charges, not less than 7 days before the taking effect of the variation.
 - (3) For the purposes of this clause—
 - “charges” does not include the cash price of goods or services supplied, or to be supplied, under a contract;
 - “services” does not include the opening or maintenance of a continuing credit contract.
- 12. Farming property transactions.** Parts III, IV, V, VI, VII and VIII do not apply in respect of the provision of credit for the purpose of the acquisition of land and goods where—
- (a) the land is acquired primarily for the purposes of a farming undertaking; and
 - (b) the goods are intended for use in connexion with that farming undertaking.
- (2) In subclause (1) “goods” mean—
- (a) a commercial vehicle; or
 - (b) farm machinery.’ ”

The amendment to schedule 9 adds three further exemptions from the application of the Bill. With respect to beneficiaries under trusts, there is a recent exemption in the other States and I consider that a similar exemption should be made in Queensland. Petrol and taxi cards have also been exempted in other States and, as it is considered that this was not the type of charge that the legislation was intended to catch, I consider that they also should be exempted in Queensland.

The exemption in relation to farming property transactions covers the case of the purchase of a farm on a walk-in, walk-out basis. The exemption ensures that existing lines of credit to farmers will not be endangered by possible inadvertent inclusions of such transactions within the ambit of the Bill. I therefore consider that the exemption granted in the other States is justified and should be included in the Queensland legislation.

At this late juncture, I also wish to acknowledge the contribution to the second-reading debate by the honourable member for Lockyer. As usual, his comments were pertinent, accurate and well researched. I thank him for his support.

Amendment agreed to.

Schedule 9, as amended, agreed to.

Bill reported, with amendments.

Third Reading

Bill, on motion of Mr Clauson, by leave, read a third time.

MORTGAGE BROKERS BILL

Second Reading

Debate resumed from 19 March (see p. 953).

Mr GOSS (Logan) (5.50 p.m.): The Opposition is quite happy to support this legislation, which has lain on the table during the recess. Quite properly, the Minister allowed it to lie on the table with the previous piece of legislation.

As honourable members would be aware, this legislation is necessary wholly and solely because of the repeal of a range of legislation that is involved in the introduction of new and uniform credit laws in Queensland. The primary purpose of the legislation, obviously, is to deal with the regulation of mortgage-brokers—those provisions currently contained in the Money Lenders Act and being repealed by the legislation which has just been debated. It is therefore necessary to continue appropriate regulation of mortgage-brokers. Insofar as the legislation does that, it is supported by the Opposition, because it is necessary and quite appropriate that those provisions continue to apply.

I will make reference to some of the provisions. For example, the legislation will provide that there be a register of mortgage-brokers and that the existing register be continued.

The application for registration will provide a number of usual but necessary matters requiring applications to contain certain particulars and to be in a particular form. The legislation also contains principles which the Opposition considers should be maintained, such as the opportunity to cancel or suspend the registration of a broker where the individual is not a fit and proper person, where the agency concerned is a body corporate and any director or the secretary thereof is not a fit and proper person, or where the affairs of the body corporate have been so conducted as to render it unfit to continue to be so registered.

In those circumstances the registrar can, by written notice to the registered person or body corporate, require that person or that body corporate to show cause why the registration should not be cancelled or, at the registrar's election, suspended. It is important to have those safeguards in relation to this sphere of economic activity.

Of course, provision is made for appeal against the registrar's determination. That appeal will be to a judge of the District Court. The Labor Party supports the principle enshrined in the legislation that the hearing in respect of that appeal would be de novo rather than a review.

The Bill also contains other standard provisions in relation to the keeping of records and not carrying on business with unregistered partners. Power is given to the registrar to enter premises. This provision contains an interesting clause that warms the hearts of civil libertarians on this side of the Chamber. I do not know if there are any civil libertarians on the other side of the Chamber—

Mr Lee: Why would you say that?

Mr GOSS: The member for Yeronga asks why I would say that. Being a civil libertarian as I am, the member for Yeronga would know exactly what I am talking about. I said "members on this side of the Chamber" because I know that the member for Yeronga and other members of the expanded six-pack are civil libertarians at heart. It is just that when it comes to a vote, they never put their hands up; they just talk about it.

Mr Lee: Rubbish!

Mr GOSS: I do not know what the member for Yeronga is doing making any sort of contribution at all on the Mortgage Brokers Bill. He has a reputation for having some sort of financial expertise and ability. However, he has never offered me a loan, so I have some doubt about his abilities in that regard.

Mr Lee interjected.

Mr GOSS: I cannot take any more harassment from that corner of the Chamber, so I will sit down.

The Labor Party supports the legislation.

Mr INNES (Sherwood—Deputy Leader of the Liberal Party) (5.54 p.m.): There is no doubt that the member for Yeronga would have had a bigger mortgage than the member for Logan would ever have dreamt about.

The Liberal Party also supports the passage of the Mortgage Brokers Bill. As the member for Logan said, it is necessary because of the welcomed abolition of the Money Lenders Act. It is proper that these matters should be controlled because mortgages are very important transactions. In the case of most people, mortgages are transactions involving the major investment of their lives, be it their houses, their businesses or their investment properties.

It is interesting to reflect on the relationship that this legislation has with the venture which commenced in 1979 in relation to mortgages, that is, the attempt to develop a secondary mortgage market. It started with a flurry, aided by a well-known name that crops up from time to time in Queensland public life and appears to have been associated with that spectacular form of success with which that person's ventures very often are rewarded.

There is some merit in the concept of a secondary mortgage market, but perhaps it was started with too much hype and the chairman of the committee supervising it may not have been the most outstanding person for the job. Mortgages will continue to play an important part in the financial life of most persons in the State and of the State itself, and they deserve to be protected by a reasonable body of legislation.

This legislation is far more comprehensible, perhaps because it is a product of Queensland. The small code that looks after the mortgage area is infinitely better than the principal legislation which has caused its arrival on the scene as a separate piece of legislation. This legislation is a tribute to Queensland's draftsmen as opposed to those interstate.

Hon. P. J. CLAUSON (Redlands—Minister for Justice and Attorney-General) (5.57 p.m.), in reply: I thank both the honourable member for Logan and the honourable member for Sherwood for their contributions to this debate on this heavy piece of legislation. I thank them for their light-hearted and expeditious approach to it.

Motion agreed to.

Sitting suspended from 5.58 to 7.30 p.m.

Committee

Clauses 1 to 34, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mr Clauson, by leave, read a third time.

OPTOMETRISTS ACT AMENDMENT BILL

Second Reading

Debate resumed from 25 August (see p. 1949).

Mr McELLIGOTT (Thuringowa) (7.33 p.m.): As the Minister mentioned in his second-reading speech, the Bill has been around for some time. The Opposition has no concerns about the machinery provisions of the Bill; it supports them. In his reply the Minister might tell me what consideration he has so far given to the second report of the Savage committee, which recommended that legislation requiring the registration of various occupations be reviewed to ensure an open market-place. The Savage committee was, of course, referring to boards such as the Optometrists Board. In fact, in appendix D to his second report, Savage listed 31 boards which, he said, performed the functions of—

- (1) review of qualifications;
- (2) registration of practitioners; and

(3) control of practice to varying degrees for various occupations.

He commented that the oldest of the boards was constituted in 1915, when it was necessary for Government to assume such a role in the absence of suitable occupational bodies. Savage said that those functions might be performed more appropriately and more effectively by professional associations for those occupations. He said that, accordingly, examination of occupational licensing boards might assist the eventual transfer of this role from Government to the relevant professions. As I said, the committee recommended that the legislation requiring the registration of various occupations be reviewed to ensure an open market-place.

The Opposition does not oppose the changes in by-laws and the provision for disciplinary action. As the board currently exists, those amendments proposed in the Bill seem reasonable and the Opposition will support them.

All honourable members have been heavily lobbied by optometrists seeking support for the use of facilitative drugs in the course of their examination of the eye. The relevant provision is dealt with in the principal clause in the Bill that honourable members are debating this evening. This is not a simple matter, and I believe that it has caused some divisions even within the Government.

Opposition members support the optometrists, but we do not endorse the amendments proposed by the Government. I will therefore be moving an amendment to clause 6 of the Bill. I have given the Minister prior notice of the amendment so that agreement might be reached on it.

Optometrists now examine 1.4 million people in Australia, and part of their responsibility is to identify eye disease and to refer any patient with disease to a medical practitioner for treatment. Federal health authorities reorganised that. In fact, the Health Insurance Act 1973-76 defines the scope of optometrical services, in part, as follows—

“ . . . the examination of the eyes and related structures to determine the presence of vision problems, eye manifestations of disease and other abnormalities . . . ”

It should be made very clear that the drugs proposed to be used by optometrists will allow them to diagnose eye disease—not treat it—and there is no suggestion that optometrists should treat eye disease. Treatment is the role of the medical specialist—the ophthalmologist.

There are 233 practising optometrists throughout Queensland, compared with only 81 active ophthalmologists. In the Brisbane metropolitan area, the ratio of active ophthalmologists to population is 1 to 23 780 people. Outside Brisbane the ratio drops significantly to 1 to 44 610. Optometrists are therefore the first line of defence in the detection of eye disease.

As an aside, it is obvious that, like most of our medical specialists, our ophthalmologists prefer the climate and comfort of the south-east corner of the State to serving in the country and provincial areas.

The active optometrist to population ratio in the Brisbane metropolitan area is 1 to 11 270, while in the non-metropolitan area of Queensland it is a much more uniform 1 to 12 720. These figures indicate that optometrists are distributed throughout city, suburban and rural areas of Queensland in a manner that provides ready access to eye and vision-care services regardless of distance from major provincial centres.

Optometrists will be able to detect abnormalities that will otherwise go undetected. This will have particular relevance in country areas, where diseases such as glaucoma are so widespread.

Residents in small towns will readily see an optometrist but will not travel to a major centre to see a specialist. A patient diagnosed as having a disease of the eye will still have to be referred to the medical profession for treatment, but, in many cases, the optometrist will be able to rule out diseases, and an expensive referral will therefore be avoided.

There is no suggestion that the use of detection drugs will allow the optometrists to take the place of eye-specialists.

The Opposition opposes unrestricted use of drugs by optometrists, as indeed do the optometrists. The proposal to simply remove section 28 from the Act will create the situation in which there will be neither a ban on the use of drugs nor a specific enabling power. In other words, the legal situation for optometrists in relation to drugs will come down to their own individual discretion and judgment. I believe that it is preferable that there be a specific enabling power in relation to the use of drugs, because the Government can then set standards and guide-lines for their use. I consider that the argument that, because the Act does not forbid the use of drugs—as will be the case if the Bill is passed—the use of drugs must be allowable, is of doubtful quality. I believe that our optometrists deserve better than that.

The optometrists support my view. In a letter dated 30 June 1986, addressed to me, four Townsville optometrists said—

“We too disagree with the unrestricted use of drugs as it is certainly dangerous. However, judicious use of certain mydriatics, miotics, cycloplegics and anaesthetics can only be of benefit to our patients.”

Further, in his letter to me dated 2 September 1986, the acting head of the Department of Optometry at QIT said—

“I do believe that only Optometrists having suitable qualifications should use drugs and if this, and statements concerning classes of drugs and the purposes for which they are to be used are placed in our Act or its Schedule, I would have no objection whatsoever.”

The Opposition's proposed amendment will require an optometrist who is seeking to use drugs to be the holder of a certificate issued by the Optometrists Board. Such a certificate would not be issued unless and until the optometrist had undertaken a course designed to make him or her competent in the use of drugs and recognition of any side-effects.

Ocular pharmacology is studied as part of the third year of the optometry course at QIT. Ocular pharmacology consists of a six-month course, which provides instruction on the recognition of side-effects of general and ocular drugs and the indications for the use of diagnostic drugs to facilitate eye examinations.

I believe that the community is becoming increasingly concerned about the indiscriminate use of drugs right across the spectrum of health care. If we are to have enabling legislation to permit the use of drugs, we ought to specify which drugs and for what purpose they should be used. For this advice I rely on Dr Webster, President, Queensland Division, Australian Optometrical Association, who advises—

“Mydriatic drugs facilitate examination of the internal eye by dilating the pupil, and therefore assist in detecting the presence of eye diseases as diverse as retinal degeneration, diabetes and glaucoma.

Tonometry is one of the most important screening tests for glaucoma. It can be performed using portable contact instruments which require the use of a topical anaesthetic or using non-contact tonometers which, while avoiding the need for an anaesthetic are large, non-portable, delicate table instruments. Thus the many rural patients of itinerant optometrists may miss out on this important test, as the current legislation bans optometrists from applying one drop of local anaesthetic to the eye.

Cycloplegic drugs facilitate refraction in some patients. Refraction is generally regarded as a primary function of optometrists. Again it is absurd to expect optometrists to carry out this undisputed duty whilst denying them access to tools which assist in their performance. Miotic drugs would only be used to reverse the effect of a mydriatic on indication.”

Thus the Opposition's amendment will limit the drugs to be permitted to be used by optometrists to cycloplegics, local anaesthetics, mydriatics, miotics and such other

drugs as may be prescribed for use by registered optometrists. I strongly believe that the community expects tight control on the use of drugs, and I trust that the Minister and his Government colleagues will accept the value of the Opposition's amendment.

Mr WHITE (Redcliffe) (7.42 p.m.): On behalf of the Liberal Party, I am happy to support the Bill. At the same time, I indicate that tonight I am taking the place of the Liberal Party Health spokesman, Mr Sherlock, who quite ironically has an eye problem and is not able to be here. He has consulted both an optometrist and an ophthalmologist.

The Bill proposes to permit optometrists to use facilitative drugs in their practice. The intention of the Bill, as I understand it, is not to allow optometrists to move into what is traditionally regarded as the province of eye specialists or ophthalmologists.

At the outset, I state that the members of the Liberal Party are fully cognisant of the professional expertise and the reputation of ophthalmologists. Like most members of the House, we have had representations made to us by members of the profession. However, I believe that the optometrists have a legitimate case in asking to be allowed to use a range of medication to assist them in their professional practice. When I say "their professional practice", I mean in the refraction and the testing of the eyesight of individual people.

There is some overreaction in the medical profession to the legitimate role of what I might refer to as paramedical people. As a pharmacist, I well remember some of the concern that was expressed by members of the medical profession about the role of pharmacists. I well remember the concern and opposition that some members of the medical profession expressed to pharmacists having the right to discuss with and advise patients how to use medication. Indeed, it is fair to say that pharmacists play a significant role in encouraging Governments to allow the identification of medication on containers of prescription medication.

When I started in pharmacy, pharmacists were only allowed to put "The mixture", "The tablets" or "The ointment" on the medication. The end result of that was that as many patients moved from area to area and from doctor to doctor there was very often a case of overmedication. Over a period, the medical profession saw the pharmacists' point of view and a harmonious agreement was reached that a legitimate medical reason existed for clearly identifying on medication what that medication was and what the strength of it was. Indeed, today, with computerisation, patients can go into most pharmacies and have all that information recorded, which has come to be of great benefit particularly to medical practitioners in general practice.

The use of medication that is envisaged in the Bill is simply to assist optometrists in the testing of a patient's sight, the measurement of pressure and the internal examination of the eye. I do not see any problem whatsoever with that.

In his introductory speech, the Minister clearly outlined that that range of medication would be limited. The Opposition spokesman mentioned earlier that limitation refers primarily to local anaesthetics, mydriatics, miotics and other drugs such as cycloplegics. It seems to me that for very good reasons it would be necessary to dilate the pupil, and I do not see any reason why an optometrist should not be allowed to do that.

In discussions that I have had with optometrists over the years, I have always found them to be very professional and responsible people who wanted to provide a better professional service for their clients. Consequently, this range of facilitative drugs that has been proposed by the Government should not create any form of malpractice; nor for that matter would they be of any great concern to the public at large.

The ophthalmologists are concerned that the proposal will encourage optometrists into the area of diagnosis, but that is certainly not the view held by the optometrists. As I understand it, the optometrists have adopted a professional approach by indicating that any optometrist who is permitted to use this limited range of facilitative drugs must be properly trained, has to do a course, has to be registered and has to be approved by the relevant authorities.

The Opposition has mentioned an amendment to the Bill. Frankly, I do not see any great need for that, because, as I understand the intent of the Bill, the amendment will be covered by the regulations that will flow from this legislation. This matter will not be the responsibility of the Optometrical Board but, indeed, will be the responsibility of the Director-General of Health. I regard the amendment as irrelevant and unnecessary. For that reason, I foreshadow that the Liberal Party will not support it. It is not a matter of refusing to support it on political or ideological grounds; it is simply a matter of common sense.

Another aspect of this matter that ought to be brought to the attention of the House is that in many country areas optometrists are the only people in their field. Very often, optometrists are the first port of call in terms of early diagnosis of diseases such as glaucoma. I reiterate that I do not advocate that optometrists should move into the area of diagnosis.

Nevertheless, in many areas optometrists are the people who often pick up the suspected case of glaucoma or some other form of eye disease. I have to admit that I have what I understand is known as macular degeneration, a condition which was initially picked up by an optometrist. Yet, I had been attending an eye specialist as a patient from time to time over the years. About 10 years ago, I went to my local optometrist with a new prescription for glasses, and he said to me, "I think you've got macular degeneration." I did not know what macular degeneration was. He said to me, "You ought to go and see an ophthalmologist." He referred me to an ophthalmologist, who confirmed what he suspected. The result was that I needed a slightly different prescription for my glasses. I might add that macular degeneration is not a matter of political short-sightedness.

To sum up—the Liberal Party supports the Bill. It does have some reservations about the legislation. I note that optometrists are endeavouring to have something done about their advertising proposals, which I think are a little restrictive. I can understand the rationale for it, which I suppose is on a professional basis. The Government ought to be aware that all professional bodies, no matter who they are, and all business interests, including chemists, will always try to have legislation introduced that protects their particular interests.

The proposal in respect to advertising raises the question: is it really in the public interest? I must admit that I have mixed feelings about it. I guess it is a matter of public interests vis-a-vis the argument or the interests of one particular group of people in the community. If the optometrists see this particular section of the Act as a measure to protect their particular province, then advertising has to be on strictly professional grounds and not on the grounds of economics; in other words, not on the grounds of protecting their own particular interests.

I have referred to the former Minister for Health the very restrictive advertising proposals that have been recently inflicted upon the chemists of this State. I have a vested interest, and I openly admit that here. Those advertising regulations are most restrictive, anti free enterprise and, furthermore, tend to protect the vested interests of the chemists of this State at the expense of the public. That is only a personal point of view, and I make that point as somebody who has been involved in that profession for many years. I hope that the proposals in the Bill in relation to advertising are not put there purely and simply on the basis of protecting the vested interests of optometrists at the expense of the public.

In conclusion, I reiterate that we in the Liberal Party are happy to support the Bill. We have made our point clearly that we respect the integral role of the ophthalmologist but that we believe there is a legitimate role for optometrists to use facilitative drugs. Although the Liberal Party will not oppose the legislation or move amendments to it, it raises the general issue of advertising restrictions in a time when professional bodies are moving in the other direction. Members of the legal and accounting professions are now advertising. People can be a little introverted in their thinking about professional

bodies so that they tend to become something like clubs. As I have mentioned previously, pharmacists are no exception to that rule.

Hon. M. J. AHERN (Landsborough—Minister for Health and Environment) (7.55 p.m.), in reply: I thank honourable members for their contributions. I think it is fair to say that the legislation has the support of most members of the House.

Three points have been raised in the debate. The first related to the recommendations of the Savage committee report, in which Sir Ernest Savage raises the issue of whether statutory controls of this nature should be considered or whether they should be handed back to the professions themselves. That is a fair question to ask. I think it is reasonable that that question continue to be asked. The Government is undertaking a review of these types of professional framework statutes that are on the statute-book at the moment with a view to discussing further with the professions their views on the matter.

However, at the moment the major stumbling block to making that sort of thing work is that the professional organisations themselves do not have the full support of the membership of their profession. Some of them have membership rates of less than 60 per cent. It is a little difficult to hand over the total professional issue to an organisation that really represents only 60 per cent of a profession. That is the problem. Where an organisation almost entirely represents its profession, the recommendation of Sir Ernest Savage can be accepted. The Government would like to do that. Discussions will continue. There have been discussions and there will be more, but at this time that is the reservation that the Government has.

The second point raised by the Opposition relates to whether controls in the use of drugs that will be administered will be imposed upon optometrists and whether the Optometrical Board or the Director-General of Health and Medical Services in Queensland should oversee those controls. I do not think any members disagree that adequate standards will be prescribed. As I see it, the disagreement is as to who should oversee that restriction. To date in Queensland the major procedure that has been used is for the Director-General of Health and Medical Services to control the issue of the prescription of drugs by medical practitioners, dentists, podiatrists and veterinarians. In Queensland it is thought that it is much better to deal with the question of standards, conditions and qualifications in that way than to devolve that duty upon the Optometrical Board which, I understand, is what happens in other States of Australia.

The argument is not whether restrictions will lie but who will administer them. In Queensland under this Bill it is proposed—it actually operates under other statutes—that it be the responsibility of the Director-General of Health and Medical Services under the poisons regulations. So it seems that that die has been cast elsewhere. The procedure is well laid down. The machinery for overseeing the controls—the inspectorate—exists under the Director-General of Health and Medical Services. The Government concludes that it is better done that way than for that duty to be imposed on the Optometrical Board. For those reasons I will reject the amendment foreshadowed by the honourable member for Thuringowa. My rejection is not to be misunderstood or misinterpreted. The Government is not saying that there should be any dilution of standards or that the Opposition is in any way trying to recognise any practice that is not completely up to standard. On the contrary, because of the experience elsewhere in this State, the Government believes that it will be better done by the Director-General of Health and Medical Services with all of his back-up and other facilities rather than by the Optometrical Board.

The honourable member for Redcliffe raised the perplexing issue of advertising. I have to say that I have listened to the arguments in relation to advertising by doctors, dentists, optometrists, pharmacists and so on. There is a division of opinion out there amongst the members of the professions as to how the Government should proceed on this matter. Sometimes I have listened all night to a forceful argument on one side and come away convinced that that is the way to go and that the Government should open things up and let people advertise for all they are worth. Then the next night I have heard another group of people argue very coherently that that should not be the case

because it would lead to bad practice by the professions, abuses and extra costs and that in the long term the public would suffer. As a result of that I have come to the conclusion that the professions themselves will have to make a decision on that and say to the Government, "We have looked at it very comprehensively and this is our position on the issue." I understand what the honourable member is saying. However, I would ask him to recognise that all that the Government is doing with the amendment before the House is to bring OPSM under the umbrella of the procedures that already lie in respect of all optometrists. That seems to me to be a not unreasonable thing to do at this time.

I thank honourable members for their support. The Bill enjoys the support of all parties. I am happy about that.

Motion agreed to.

Committee

Hon. M. J. Ahern (Landsborough—Minister for Health and Environment) in charge of the Bill.

Clauses 1 to 5, as read, agreed to.

Clause 6—

Mr McELLIGOTT (8.02 p.m.): I take the Minister's point in regard to clause 6. However, the Opposition considers that, since the Acts that control the other occupations that have been mentioned were drafted, times have changed. Very real concern exists now in the community about the unrestricted use of drugs, chemicals and those sorts of things. The Opposition still takes the view that the controls on the use of drugs by optometrists should actually be included in the legislation.

As part of my research for this debate I examined the legislation in other States and some overseas countries. Without exception, regulations covering the use of drugs were contained in the legislation itself. The Opposition continues to hold the opinion that that ought to be the case in regard to the Optometrists Act. Perhaps it would be appropriate to recommend that when amendments are made to Acts concerning those other occupations, they ought to be brought into line with the sort of wording that the Opposition is suggesting tonight.

I do not wish to embarrass the member for Redcliffe. However, some time ago I received a letter dated 26 March 1986 addressed to an optometrist in Maryborough from Terry Gygar, who was then the Liberal Health spokesman. I presume that it is a letter that he sent to optometrists right around the State. I would not have raised it except that obviously the opinions he expressed in this letter contradict those expressed by the member for Redcliffe tonight. The letter contains the following comment—

"Unfortunately the Minister has given no reason for not continuing with his proposal and we have no idea whether it is to be dropped completely or redrafted. The Liberal attitude will remain as stated in the enclosed if the Bill is re-introduced or if we find ourselves in the position of having authority over this legislation."

I think that at that time the honourable member for Stafford was under the delusion that he was going to become the Minister for Health at some future time. I presume that he circulated the speech annexed to that letter to optometrists around the State. Certainly, the speech that he sent to this optometrist in Maryborough supported the style of the amendment that I have moved tonight on behalf of the Opposition.

The honourable member for Stafford made the point—and I ought to make it as well—that as well as being heavily lobbied by optometrists, all honourable members have received submissions from ophthalmologists and in fact the AMA, who have raised some concerns about the use of drugs by optometrists. The Opposition takes the view that some of their claims are exaggerated. Nevertheless, I think that the Government needs to be concerned about them. Again, that is the reason why the Opposition believes that the use of drugs by optometrists ought to be restricted by legislation.

In his draft speech the member for Stafford said—

“Let there be no doubt in anyone’s mind that some of the drugs used in diagnosis and treatment of certain eye conditions are dangerous—there are well documented cases of death or permanent injury resulting from adverse side affects of these drugs.

It is not in the interest of the health and safety of the people of Queensland that such drugs be placed in the hands of untrained and unqualified people—yet this Bill proposes to remove all statutory restrictions on the use of any of these drugs by Optometrists.”

I repeat that this particular aspect of the Bill has not been changed since it was submitted in 1986. The honourable member for Stafford referred to that in his draft speech. He goes on to say—

“There are also severe doubts about the accuracy of some of the other matters in the Minister’s Speech and the Parliament obviously should be extremely cautious about the factual accuracy of the Minister’s statement.”

This was the previous Minister for Health. He continued—

“The entire effect of this proposal is dependent not on the Legislation, but on an interpretation of statements and assurances in the Minister’s Second Reading Speech. This is not good enough and the Parliament is entitled to far more from the Government than is presently in this Bill.

This Bill now before the Parliament is not the appropriate way to amend the Optometrists Act. It is far too imprecise and fails to recognise the appropriate role of the Legislature in the determining of this important area which has such a significant impact on the Health and Welfare of the people of this State.

The Minister should withdraw the Bill and establish a working party consisting of representatives of the Medical and Optometrical professions to arrive at a firm and specific policy on what amendments, if any, are desirable and the form which any amendments should take.”

This is the crunch—

“If amendments are to be introduced, the Minister should include a new and comprehensive definition of Optometry, specific guidelines within which Optometrists should practice, any requirements for special qualifications and the certification of same and, perhaps most important of all, a schedule showing any drugs which Optometrists are to be authorised to use.”

I adopt the attitude expressed by the then Liberal spokesman. That letter is now some 18 months old, but he does make the point in that letter that, if the Bill is reintroduced, the attitude of the Liberal Party will remain the same. The Bill has been reintroduced in the form in which it was originally submitted to the House.

I move the following amendment to clause 6—

“On page 3, line 4, add—

‘and substituting the following revised section 28:

28. Restriction in Relation to Drugs

- (1) A registered optometrist shall not in the practice of optometry, use drugs unless said optometrist is the holder of a certificate issued by the Board and for the time being in force, authorising the optometrist to use drugs specified in sub-section (2);
- (2) A registered optometrist who is the holder of any such certificate shall not in the practice of optometry—
 - (a) use any drugs other than cycloplegics, local anaesthetics, mydriatics, miotics, and such other drugs as may be prescribed for use by such registered optometrists;

- (b) use any cycloplegics, local anaesthetics, mydriatics, miotics and other prescribed drugs for any purpose other than the purpose prescribed for such use;
 - (c) use any drugs referred to in paragraph (b) otherwise than in accordance with such restrictions and conditions as may be prescribed. Such restrictions and conditions may include restrictions and conditions as to the strength which such drugs shall not exceed when so used.
- (3) Any registered optometrist who fails to comply with the provisions of this section shall be guilty of an offence against this Act and shall be liable on summary conviction to a penalty not exceeding 40 penalty units.'"

In this day and age that is the type of legislation that the people of Queensland expect. They expect that there will be control over the use of drugs, particularly when the suggestion has been made that the use of drugs by optometrists contains an element of danger. The proposed amendment is based on the New South Wales legislation, which has stood the test of time and has been in operation for some 20 years. It is the oldest piece of legislation in force in any Australian Parliament that refers to the use of drugs by optometrists, and when this legislation was first introduced to the House it was supported by the Liberal Party.

I strongly recommend to all honourable members that they support the Opposition's amendment.

Mr WHITE: As I foreshadowed earlier, the Liberal Party will not support the amendment moved by my colleague the honourable member for Thuringowa. I state at the outset that the Liberal Party's opposition to the ALP's amendment is not based on political or ideological grounds. It is simply the case that since that time widespread discussions have taken place within the medical, optometrical and other paramedical professions. At that time the Liberal Party found it very difficult to obtain some form of clarification from the then Minister for Health as to what precisely the facilitative drugs were to be.

In his second-reading speech the Minister spelt out quite clearly that the range of drugs will be limited to those facilitative drugs and that the administration of the use of those drugs will be strictly controlled by the Poisons Regulations of this State. As somebody who has been involved in this area for many years, let me say that the Queensland Health Department has an unenviable record in terms of its rigorous adoption of the recommendations on the administration of drugs that have flowed from the National Health and Medical Research Council. I think that at times there is some reason why one could be critical of the Health Department and say that it has been overvigorous in adopting recommendations that have flowed from the National Health and Medical Research Council.

The Opposition has tended to play up the position taken by the Liberal Party. Widespread discussions have taken place. Members of the Liberal Party are comforted by the discussions that we have had with the department, with the Minister and with both members of the optometrical profession and the ophthalmologists themselves. We have no concern about the use of these drugs. Their use will be under the control of the Director-General of Health. That is a far more preferable *modus operandi* than control of the medication through the Optometrists Board.

I can understand the reason for the Opposition's moving an amendment. However, it is not really necessary. Naturally, regulations will flow from this legislation. They will be under the direct control and supervision of the Director-General of Health. If that is the case, I see no problem with the Bill whatsoever. For that reason the Liberal Party opposes the amendment.

Mr AHERN: I want to make one matter absolutely clear. The Opposition has sought to imply that the strategy which the Queensland Government is proposing will in some way give lesser supervision than it is proposing. I deny that strongly. The Optometrists Board in this State does not have the resource or the inspectorate to go

out and to supervise the optometrists of this State in their use of drugs. It is a very lean operation.

Mr McElligott: Are you saying they are unsupervised?

Mr AHERN: I am not saying that at all. I am saying that in respect of the use of drugs there is a global type of policy in Queensland that is supervised by the Director-General of Health and Medical Services.

Mr McElligott: How will he do that?

Mr AHERN: He is doing it through health inspectors—through his resources. There will be a very careful prescription of what drugs are to be used, at what strength they are to be used and what qualifications will be required by those people who will be able to use them.

This is the procedure that has been used in this State by veterinarians, podiatrists, medical practitioners and dentists, and this is where the resources lie to carry out the brief. It will be most effectively carried out through this mechanism. If one divides it into the various boards that have the registration authority, one is going to compartmentalise it, divide it and very probably end up running in different directions and result in a hotchpotch approach. The Government agrees that at present the community is concerned about the use of drugs. Strategies are in place to make absolutely certain that the public is protected. The way that the Government is proceeding here is the way that it proceeded elsewhere with no problem at all. That approach will be used in this instance under very strict guide-lines and with very strict supervision. Therefore, I am arguing very strongly that the strategy that the Government has recommended will leave the public of Queensland better protected than it would be if the Australian Labor Party's amendment was introduced.

Mr McELLIGOTT: I do not wish to argue at length. The Minister has indicated that he is not going to support the Opposition's amendment. So be it.

I am not suggesting that the Optometrists Board will have its own inspectors to survey optometrists who are using drugs throughout the State. The Act should stipulate the conditions under which optometrists will be allowed to use drugs and what those drugs shall be. It would then be the responsibility of officers of the Health Department to keep optometrists under surveillance in regard to the use of drugs, as they do with other aspects of the Bill. The only action that the Optometrists Board would take would be when breaches of the Act occur, whether they be in relation to the use of drugs or some other aspect of the Act that is reported to that board.

I repeat that the Opposition's amendment is practical. Without seeking to denigrate the Director-General in any way, I point out that the use of pesticides and chemicals in the agricultural sphere has always been subject to his control. Over the years that has not proved to be successful. I believe that the people of Queensland expect this Parliament to tighten control over the use of drugs. I repeat also that doubts have been expressed by people who should know—ophthalmologists and, indeed, the AMA—that the use of drugs by optometrists does contain an element of danger.

It is up to members of this Assembly to decide for themselves whether or not that is a valid argument. The Opposition has taken the view that, although there may be some validity in the claims that there is some danger involved, as long as the legislation is strongly worded and the controls are there, the use of drugs can be allowed. The Opposition does not accept a situation in which the Act is silent on the use of drugs. If it is to be permitted, there must be specific enabling power within the legislation for the protection of optometrists and, indeed, all Queenslanders.

Mr WHITE: Honourable members should be well aware of the expertise that the Health Department and particularly the health inspectorate have developed over a large number of years. Nobody in any of the professions welcomes a visit from the State Health Department. Professional people are on their toes. They have to account for the

medication for which they are responsible. They must keep their poisons books up to date. If a professional person does not keep his or her poisons book up to date and balanced, that person is in trouble.

I strongly support the Minister's comments that it is impractical to suggest that the Optometrists Board or some other body should have the inspectorate responsibility for the administration of medication in this State. That is unrealistic. The Health Department inspectorate has the expertise. Inspectors are out there on the road. Queensland is a rather large State. The inspectors have a wide range of knowledge, apart from the rules and regulations. They are respected. When I was a practising pharmacist, I and people like me did not really enjoy the prospect of a health inspector arriving on the doorstep. Nevertheless, it is a necessary evil. I strongly support the Government's point of view on this particular issue.

Mr AHERN: I venture to suggest that the ophthalmologists and the AMA would certainly prefer that the power rest with the Director-General of Health and Medical Services rather than with the Optometrists Board. There would be no doubt about that at all.

The honourable member for Thuringowa has argued that health inspectors would still be carrying out the policing of the statute, whether it be under the Optometrists Board legislation or under the Poisons Regulations. The argument comes down to a quibble as to whether the procedures should be laid down in the Optometrists Act or in the Poisons Regulations.

It is a quibble, and just a matter of opinion. It is my strong view, which is supported by advice from my department, that it should best be in the Poisons Regulations. The public can be completely reassured that strong supervision will be exercised in this area and the passing of this Bill will ensure that absolutely no risk is possible.

Amendment negated.

Clause 6, as read, agreed to.

Clauses 7 to 11, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mr Ahern, by leave, read a third time.

STATISTICAL RETURNS ACT AMENDMENT BILL

Second Reading

Debate resumed from 26 August (see p. 2079).

Mr McLEAN (Bulimba) (8.25 p.m.): The Opposition has no major objection to the Bill. Any statistics that can be provided can only harm the Government.

The Act was introduced in 1935. In March 1986, it was before the House to be amended to update some penalties. The Act encompasses the compiling and releasing of statistics. There is no provision for an annual report.

In March 1986, on behalf of the Opposition I debated the amendments to the Act. At that time, I was not aware of what the Statistical Returns Act in Queensland meant, so I visited the library to examine its history. I discovered that the Act was introduced in 1935 and the first amendments to the Act were the ones that were debated in March 1986. No annual reports have been presented. I found out also that the costs were paid by the Federal Government.

The history of statistics reveals that originally the State Governments carried out the collection of statistics and that throughout the Commonwealth of Australia, statistics were a State Government responsibility. That historical background makes me wonder exactly what the Queensland Government's involvement in this is all about. As I said previously, the Opposition does not object to the Bill, because the Opposition believes

that any form of statistic-gathering is for the betterment of us all, provided that it is not a duplication of the Federal Government's present responsibilities. I have been unable to find out one way or the other about duplication, because very little information comes from the State Government.

While the House is debating the matter of statistics, one thing that should be remembered is that today the State Budget was presented in Queensland. For a long time, Queenslanders have been made to suffer because by far they are the lowest-paid workers in Australia. Now they will be even worse off because the Government has instigated the abolition of holiday loadings for public servants.

Mr Lester: What about superannuation?

Mr McLEAN: Yes, the Minister is going to get it. The Government is giving with one hand but taking back twice as much with the other. The situation in Queensland today is a great example of why statistics should not only be kept but also be made public. Most Queenslanders do not realise that Queensland is the principal over-taxed State of Australia.

Mr Sherrin: Oh, come on!

Mr McLEAN: The Government hides it. The Budget papers are the greatest example of how a Government can pull the wool over the eyes of the people.

Mr Lester: Our prices are the cheapest.

Mr McLEAN: Did honourable members not hear in the Budget Speech today that unemployment levels in Queensland are by far the highest in Australia? Did honourable members not hear that bankruptcy figures show that by far Queensland has the highest rate of bankruptcy of any Australian State?

The figures in relation to industrial disputation and the potential for industrial disputation would be very interesting statistics to examine in years to come. Today, honourable members most certainly did not hear that Queensland had recorded the lowest level of wages of any State in Australia, and we probably will not hear about it. Honourable members also did not hear that Queensland is the home of the New Right and the white shoe brigade; nor did honourable members hear that the police force in this State can afford to send eight officers to knock off a condom vending machine from a university. Honourable members would not hear anything about such things. If the Government Statistician's Office looked into the real problems that exist in Queensland, honourable members might hear more about them.

I looked with interest at the Estimates for the Government Statistician's Office and noted an appropriation for 1986-87 of \$121,000. That is a different figure from the amount actually expended in that year, which, incidentally, was the year that the Premier of this State began a campaign for election as Prime Minister. A great deal of additional advertising went on. Perhaps the Minister will address that matter in his reply.

Mr De Lacy: How did the Premier go when he sought election as Prime Minister?

Mr McLEAN: I think ALF beat him. Judging by the stickers on cars, ALF beat him 20 to 1.

Mr Lester: Last week the Premier annihilated the Labor Party.

Mr McLEAN: No, he did not. He never did.

For 1986-87, the anticipated expenditure for the Government Statistician's Office was \$121,000. In actual fact, \$242,000 was the amount spent. In his reply, the Minister should explain how the amount was doubled and how the actual amount was spent. However, the more amazing fact is that the figure mentioned in the Budget papers today had been cut from \$242,000 to \$66,000.

To me that seems quite amazing because there is a variation——

Mr SHERRIN: I rise to a point of order. I am just seeking clarification, but I understood that the convention was that members were not to comment on the Budget documents until the Leader of the Opposition replied next week.

Mr SPEAKER: Order! That is no point of order.

Mr McLEAN: In 12 months the amount has varied from \$121,000 to \$242,000, which is actually double the amount that the Minister said he was going to spend. Now the estimate has dropped back to \$66,000. Is the Government honest? Does it want people to know about statistics in this State? Has there been some sort of a mix-up? There was a jump of more than 100 per cent on the estimated expenditure for last year, whereas the figure that is required for next year is a reduction of 200 per cent on what was expended last year.

As I said, the Opposition has no major beef with anything that will provide statistics, particularly in Queensland, because if any State needs statistics that will expose it, it is the State of Queensland. As I said, Queensland has the highest rate of unemployment, the most bankruptcies, probably the worst industrial scene of any State of Australia and, in fact, the lowest paid workers in Australia.

Mr SPEAKER: Order! I have been fairly fair to the member for Bulimba.

Mr McLEAN: I appreciate your tolerance, Mr Speaker.

In his second-reading speech the Minister said——

“The amendments as proposed will——

- (i) provide for statistics to be obtained in computer format in addition to printed forms as at present;
- (ii) provide for confidentiality provisions to apply to such computer-based material; and
- (iii) update the terminology used to describe the information covered by the Act.”

Without saying a great deal, the Minister also outlined some of the other things that this legislation could do. The Labor Party has no opposition to that. All it asks of the Minister is that when he does get statistics he should be honest and publish them. He should do that so that the problems that exist in Queensland can be debated.

Hon. Sir WILLIAM KNOX (Nundah—Leader of the Liberal Party) (8.34 p.m.): The Liberal Party supports the Bill.

Mr SPEAKER: Order! The member for Salisbury has walked in front of the member on his feet.

Sir WILLIAM KNOX: As I said, the Liberal Party supports the Bill. A number of the proposed amendments are rather interesting. In his second-reading speech the Minister mentioned that they were necessary because computers were being introduced. Although computers have been used by the statistics-gatherers for some years now, it is surprising how long it takes to amend the legislation. There is nothing wrong with that. It is just an observation that it takes some time for the legislation to catch up, in spite of the fact that it has been amended on a number of occasions, even as recently as 1986.

One thing that does concern me, and to which the Minister alluded in his remarks, is the creation of new forms. The Act provides regulation-making power, and that has been changed to meet the requirements of this House in the amending Bill and, of course, forms have been established as part of the regulations. As the Minister explained, because of the computerisation of returns and other information, the forms are more or less made up on the spot, and that is quite true.

When talking about the gathering of information, some of which is very confidential, I should sound a note of warning that people expect that the forms on which they are asked to provide information have the approval of somebody in authority and are not necessarily dreamt up in a back room. I realise that with computer operations, from time to time it is convenient to design new forms to meet the circumstances of the moment. That is a common occurrence. Because of the problem that the Minister has mentioned, the Liberal Party supports the Bill, but it is a source of worry that in the future somebody might design a form that is not part of the regulations attached to the Act, that gets out into common usage in the community and that can in fact ask for information that is not authorised in the Act.

That is the worry, and I know that the Minister himself would be worried about it. Once the definition of the forms to be used becomes a bit loose, some minor official—somebody who is not in authority—can very often create a new way of doing things that can get everybody into trouble. This is an area that has caused problems in the past. For the benefit of the honourable member for Bulimba, I should point out that he is perhaps unaware that this Act relates to the collection of information and is a reflection of the Commonwealth's powers in collecting information. The Commonwealth and the State use exactly the same offices, they use exactly the same computer, and they use exactly the same methods for collecting information, because in fact the Australian Bureau of Statistics is the Queensland Government's bureau as well. That is why both the Australian flag and the Queensland flag fly outside that office, to indicate that it is a service available to both Governments. Of course, that grew out of the agreement that came out of the circumstances alluded to by the honourable member for Bulimba, when the States were in complete control of the gathering of this information. The agreement that was reached meant that that office was available to both Governments.

The legislation before the House relates to the collection of information that is available to both the Commonwealth and the State Governments, so again I stress that a blanket provision for the creation of forms that are not part of the regulations leaves an opening for abuse. I am sure that people will be watching to see that it does not happen, but when it does happen I am sure moves will be made to tighten up on the types of forms that are used.

The update of terminology is long overdue. There are not very many changes. However, I have not heard the Minister make any remark about a new item that has been introduced into the list of material to be collected. That relates to the collection of information for tourism, recreational and household services. That is an entirely new area that the Bill places into the Act to provide the authority to collect the information. I am quite sure that all members of this place would agree that the collection of information on tourism and recreation is important to this State. It is probably important to all States, but I think it is more important here than perhaps elsewhere. In spite of the fact that such an item does not appear in the Act, information on tourism and recreational purposes is collected. In fact, it is published every six months by the bureau. Apparently that has been collected under other titles such as employment and unemployment, factories and manufacturing industries, and social statistics, which of course would cover tourism and recreation.

However, an item has been added which causes me to suggest that some caution should be observed. I refer to "household services", which covers a multitude of activities in the community. It is again getting close to items on household information which have been of concern to people in the past. Honourable members might recall that a member of the Federal Parliament, Don Cameron, has waged a special campaign in trying to reduce the types of categories for which information is collected in this nation.

Under the census provisions, of course, many of those items are already covered. However, now there is entrenched in the legislation this new category of tourism, recreational and household services. Honourable members will be watching that with interest. Of course, it will not make any difference to the information that is already

collected and published except that it will be rearranged in the list of categories which are contained in the Bill.

Of course, a committee exists to decide what information should be collected. The Minister's department has a representative on that committee, and there are also consumer representatives on that committee. It is a national body that takes submissions from various interest groups in the community which either want information to be collected or do not want information to be collected.

It is surprising that private enterprise wants an enormous amount of information, yet it is very often private enterprise that complains bitterly when it has to fill out the forms required to provide that information. Non-compliance with a request by the bureau to provide that information is an offence.

Quite often the people who complain about the collection of information are the very members of organisations who have asked for the information to be collected. I am sure that the Minister has already struck that problem. However, there is in existence in this nation a body which decides whether or not the collection of the information is necessary. One hopes that that body is still active and that the watch-dog situation is maintained in relation to just how far it is necessary to go in collecting information.

Hon. V. P. LESTER (Peak Downs—Minister for Employment, Small Business and Industrial Affairs) (8.44 p.m.), in reply: I thank the member for Bulimba and the member for Nundah for the contributions that they made to this important debate.

Obviously, anything to do with statistics is important, no matter how minor the changes might be. Of course, one thing that has occurred in recent times is the census. Honourable members are aware that I went around Queensland and waged a little campaign in which I suggested that people should not disregard the census, that they fill in the forms and make their contribution count. As a result there will be a greater contribution from the Commonwealth. All of a sudden people realised that the census is important.

I know that sometimes filling in statistical forms can be very irksome and people do not want anything to do with it. However, I suggest that people should think about it and fill in the forms. It makes things a little bit easier.

An Opposition member interjected.

Mr LESTER: I point out to the member opposite who is interjecting that once the identity card is introduced, no-one will have to fill in anything because everybody will know everything about everyone. That makes this Government very concerned.

The reason that this Bill has been introduced is to update the legislation; nothing more, nothing less.

I have noted the comments made by the member for Nundah, Sir William Knox. Of course, as usual the honourable member put a good deal of research into this subject, which I know is of personal interest to him. I take on board some of the comments made by him. The important point made by Sir William is that one must always be aware that these methods of updating do not allow a leeway for the collection of statistics to get out of hand, and one has to ensure that privacy is maintained. I assure this House that this Government will be watching this matter very closely. If honourable members on both sides of the House observe instances where they believe that too much latitude has been taken, it would be a good idea to advise me because this Government can change it.

One matter that concerns me is that the Commonwealth is abdicating some of its responsibilities to the States. The State of Queensland has to keep statistics in order to plan for future projects.

Mr Vaughan: That's what the Premier advocates.

Mr LESTER: Why doesn't the Commonwealth Government give the Queensland Government some money? That is what the Commonwealth is all about. For the benefit of the honourable member for Nudgee, I point out that the Commonwealth Government is starting to abdicate its responsibilities. It expects the States to take over. It is cutting funding to the States. The Opposition is wondering why this Government has had to bring in a tough Budget today. If the Commonwealth Government was more responsible there is no way in the world that this Government would put impositions on the people of Queensland. This Government has been able to bring down a Budget without raising taxes, which is more than can be said for the Commonwealth Government. In the mini-Budget it raised taxes, implemented new taxes and made life absolute hell for Australians. The honourable member should not be making comments about the Queensland Government. The blame lies squarely on the Commonwealth Government and I reiterate that it should maintain its responsibilities. The Commonwealth Government is the collector of statistics. It should uphold that responsibility, not hand it back to the State and go scot-free. It is very important that statistics are kept.

Motion agreed to.

Committee

Clauses 1 to 3, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mr Lester, by leave, read a third time.

BIOLOGICAL CONTROL BILL

Second Reading

Debate resumed from 25 August (see p. 2027).

Mr De LACY (Cairns) (8.50 p.m.): I say at the outset that it is a pleasure for me, in my capacity as Opposition spokesman on Primary Industries, to debate a Bill when Standing Orders have not been suspended in order to debate it. The last four or five pieces of primary industry legislation that were placed before this House involved the suspension of Standing Orders. In most instances the legislation was rushed through with the debate being guillotined as well.

I commend the principle of this legislation on the basis that it is a co-operative effort between the States and the Commonwealth. Let us hope that that is a trend for the future. The Australian Agricultural Council has agreed to this legislation. I understand that the Commonwealth and all other States have passed similar legislation. The Queensland Government is doing so tonight. On that basis, the Opposition finds no fault with the Bill and intends to support it.

I suggest that the Minister adopt a similar approach with that most vexing question of food irradiation, something over which I understand he and the industry have been agonising for some time. Members of the Opposition and observers of the political scene in Queensland are amazed as to the reasons why approval has not been granted for the construction of a food irradiation plant in Queensland. I venture to suggest that all of a sudden both industry and certainly government are starting to discover that the economics do not quite add up. There have been some simplistic economics on the basis that governmental approval granted in certain countries equates to consumer acceptance. As far as I can read from quite extensive research on the subject, consumer acceptance is not following government or scientific acceptance. It seems that the Queensland Government is starting to find out something that I discovered, namely, that consumer acceptance of food irradiation is not something that can be imposed or legislated for. Food irradiation in Queensland will not work until there is more acceptance both from other States and from overseas. In other words, the market does not exist in

Queensland to justify the establishment of a food irradiation plant. Exports to other States are determined by their legislation, not by Queensland's legislation. Overseas exports are subject to Commonwealth permit. And, of course, it all depends upon consumer acceptance. I suggest that the Minister put this before the Agricultural Council, where it ought to be thrashed out. A case can also be presented for the non-adoption of food irradiation at a national level on the basis of good for agriculture. I say this because there is a developing concern in other countries, particularly in Europe since the Chernobyl accident and, I think, in Japan, which has had a long period of distrust of anything nuclear—

Mr FitzGerald: They generate more electricity from nuclear stations than any other country in the world.

Mr De LACY: I accept that, but the Japanese still have great reservations about things nuclear. I think that there is justification for that. They have had an experience with it that no other country has had. I appreciate the fact that food irradiation is used to inhibit the sprouting of potatoes. Consumer acceptance of food irradiation in Japan seems to be as far away as ever. I am suggesting that, on the basis of what Ian McLachlan said——

Mr Stephan: What is the alternative?

Mr De LACY: I will come to that in a minute.

When Ian McLachlan returned from Europe, he suggested that perhaps even Lucas Heights ought to be closed down for that particular reason. In other words, there could be a case for promoting Australian agriculture as being nuclear free.

Mr FitzGerald: How about the accelerated election beam? What has that got to do with anything nuclear?

Mr De LACY: Food irradiation and consumer acceptance are all about perceptions; they are not necessarily about facts. While they are linked, although it is an erroneous perception, it is nevertheless a perception. While people have that perception, consumer acceptance will not be widespread. As soon as a Government gives permission for a food irradiation plant, the lobbies start up and say, "Don't nuke our food. Keep our food nuclear free." With a highly emotional argument it is very easy to convince the public not to consume irradiated food.

All honourable members would agree that consumers have the right to choose not to consume irradiated food. That would mean that a comprehensive system of labelling irradiated food would have to be introduced as recommended by the National Health and Medical Research Council. If food had to be labelled "irradiated food", there would not be sufficient consumer acceptance to make the irradiation of food a viable economic exercise.

I believe that food irradiation is relevant to this debate. We are discussing various forms of control of pests and diseases and should be considering alternatives. Food irradiation is certainly one of those alternatives.

Mr Ahern: I can't see the relevance, personally.

Mr De LACY: If the Minister cannot see the relevance, I will move on. That is the first victory that he has had this week.

I support the legislation before the House. At times, biological control evokes great emotional responses from people. Australia has a long and distinguished involvement in biological control. Not all of the decisions relating to biological control and the introduction of various species for the purposes of biological control should be left exclusively to the scientific community. The public and certainly the Government and this Parliament have a role to play. My interpretation of this legislation is that that will be the case.

As I said, Australia has a long and distinguished involvement with biological control. In his second-reading speech, the Minister alluded to some of the experiments and successes with biological control. Probably the one of which most honourable members would be aware is the use of the virus myxomatosis to control rabbits.

Natural balances are fundamental to the principle of biological control. Of course, rabbits are not native to Australia. I understand that they were imported with the First Fleet. The first rabbits that came to Australia did not assume plague proportions. The explosive spread of rabbits in Australia can be traced back to a dozen or more wild rabbits that were introduced in 1859. They were released into the countryside surrounding Sydney. They quickly spread into the savannah woodlands and western New South Wales. Within a very short time, tens of thousands of hectares of Australia was threatened by the rabbit plague.

The first response by the farmers and settlers in those days was to erect barrier fences, which were built around properties. Those fences were supposedly rabbit proof and were erected between States, but they were either built too late or they were faulty. They did not really stop the spread of that terrible plague.

Mr McPhie: That fence around the Darling Downs kept the rabbits out. That rabbit fence was tremendously successful.

Mr De LACY: There has been one successful fence around the Darling Downs. It is a pity that it did not keep some of the rabbits in the Darling Downs. Be that as it may, barrier fences never really solved the rabbit problem.

When I read about myxomatosis, I was amazed at how long ago people were talking about the biological control of pests. Myxomatosis is a virus of the pox family. The host of that virus is a South American rabbit. Strange as it may be, it has very little effect on the South American rabbit, but has a devastating effect on the more domesticated English rabbit, or the one that was released into Australia.

As early as 1919, it was mentioned that the myxomatosis virus may in fact control the Australian rabbit. In the 1930s, the CSIRO began to do experimental work with it. It was released in 1936, but for a long time—this is usually the way in which these sorts of biological control mechanisms work—it did not seem to have any effect at all, or at least until 1950-51, when as has been suggested, myxomatosis spread like a plague throughout the rabbit population of Australia. When I was discussing this matter earlier, somebody said that a pox had been unleashed on the Australian community in 1950-51. I am sure that that person was not referring to the election of Sir Robert Menzies as the Prime Minister.

Mr SPEAKER: Order!

Mr De LACY: Myxomatosis was extremely successful. In fact, in all the annals of biological control nothing has been quite as successful as myxomatosis. In rabbit communities, a 99.9 per cent kill rate was being recorded.

Some surges occurred after that. Again, it is usually the norm for rabbits to develop some sort of immunity or for the virus itself to mutate. At different times the rabbit population increases. Even today, in Australia there is an increasing problem with rabbits. I believe that what is happening is that we are getting back closer to the natural balances that used to exist, firstly, before the rabbits were introduced and, secondly, before the predator, which in this case is a virus, was introduced.

The other most successful story in Australia's history is the control of prickly pear. Prickly pear was also introduced into Australia in the early 1800s. I understand that it was brought here as a pot plant. It spread into the country areas of New South Wales. Perhaps one may ask how all these plagues come from New South Wales. However, once it started to spread, it did so at an alarming rate. Something like 500 000 hectares of land were inundated by the prickly pear during the period from 1900 to 1920. It reached its peak in 1925, when 26 million hectares were covered with prickly pear. Obviously, because of economic reasons, chemical or mechanical controls would not

work and people were suggesting that we ought to be looking at some sort of natural enemy to control the prickly pear.

In 1912, the Queensland Government appointed a prickly pear travelling committee. Its job was to look around the world for natural predators of the prickly pear. The insect that they came up with was a wasp named *cactoblastis* or *cactoblastis cactorum*. It was a native of northern Argentina. It was a remarkable insect. It was introduced into Australia in the 1920s. By 1927, 9 million eggs were ready for release. The *cactoblastis* was liberated and in a very short time the prickly pear was virtually under control. As with other biological controls, it has continued in cycles ever since. However, it is a fact that prickly pear is no longer the threat to Australian agriculture that it represented in the early years of this century.

Probably one of the most notorious efforts in biological control was control of the sugar-cane beetle, which is the grey-backed beetle that causes problems in the growing of sugar-cane. That is a case in which the warning-bells must ring because sometimes measures of control become a bigger menace than the pest that the measure has been brought in to control.

Most people who live in north Queensland would agree that the cane toad, *bufo marinus*, which was introduced to control the sugar-cane beetle, has presented a bigger problem than the cane beetle ever did. The cane toad has become part of the folklore and culture of north Queensland. It was introduced from Hawaii in 1935, although I understand that it is indigenous to Central and South America. Although it had limited effect on the cane beetle, it had a great effect on social life in north Queensland.

As a young lad, I can remember how in the wet season communities were virtually taken over by cane toads. There were literally millions of them. The way in which they multiplied and the dimensions to which they grew were frightening. To walk outside on a rainy summer's night was a daunting exercise, particularly for a young person, because cane toads are the most hideous amphibians in the world. Moreover, they can often be dangerous, because their poison glands can cause great problems. I understand—although only from anecdotal evidence—that the cane toad population did a great deal towards controlling the number of snakes, but I sometimes wondered which evil was worse—the snakes or the cane toads.

Mr Ahern: Your brother and I cut up a hundred of them out at the university.

Mr De LACY: Is that so? I am pleased to hear that.

It is interesting to examine the cane toad populations of north Queensland and northern Australia because now there is nothing like the number of cane toads around that there use to be when I was a lad. What has happened is that the natural balance has been reached.

When the cane toad was introduced, there were plenty of hosts on which they could feed. They increased at an alarming rate, but eventually the food resource ran out and a population balance developed. Now, when people are trying to establish an industry based on the cane toad, they cannot get decent specimens or even enough cane toads to make the industry viable.

Mr Mackenroth: Are you suggesting there is an industry in stuffing cane toads?

Mr De LACY: That is right; there is an industry based on stuffing cane toads. There is also another industry based on tanning the hide of the cane toad. I have seen leather made from cane-toad skins and can inform the House that it really is a very fine leather. It is similar to kid leather.

A person in Cairns wanted to go into the tanning of cane-toad leather. He brought some of it into my electoral office and I could not help but be impressed by the quality of the leather and the products that he made from it. However, that venture came to nothing because there are insufficient numbers of cane toads around, which is a pity. If

that person could have gone back to the 1950s, he would have been a very wealthy man.

Because I grew up on a farm, I have long been interested in biological control. Biological control was not spoken about in those days because control was effected by the use of chemicals. The farm I grew up on produced tobacco, which, of course, is very vulnerable to all sorts of diseases and pests. In those days, we worked on the basis that if one tablespoon of a chemical would do the job, two tablespoons would do twice as good a job. The tobacco grown on that farm used to be made white twice a week by the use of all sorts of insecticides—most of which are now banned because of carcinogenic effects and what have you. Day in, day out, I used to be saturated with organochlorines, fungicides and miticides and all other kinds of chemicals that are causing so many problems today. As a young lad, I can remember holding up the flags as the planes sprayed DDT. I used to wait until the spray settled on me because I used to like that nice cool feeling of the DDT spray as it came down. That may prove why, at an advanced age, I have major psychological problems. And one would have to have severe psychological problems to be in this Chamber.

I might say that my old man is now 86 years old. He spent 50 years doing exactly the same thing, and he is still around.

Mr Beard: Did he smoke tobacco?

Mr De LACY: Yes, he smoked that, too. He used to douse himself liberally with all sorts of carcinogenic and toxic chemicals day in, day out for 50 years.

Mr Stephan: Are you trying to say we don't need biological control?

Mr De LACY: Biological control is needed because chemical control did not work.

I spent some years in New Guinea as an agriculturalist of sorts. I can relate a couple of interesting tales centring on biological control which, with the indulgence of the House, I think I ought to tell people about. The first relates to the oil palm industry which was developed in west New Britain. I was not really involved in that operation, but I did go down there on a number of occasions. The development of that industry caused a massive change to the long-established balance of nature which existed. In fact, tens of thousands of hectares of prime rainforest was cleared. In the light of what is happening in the world today, I shudder to think what was being done in Papua New Guinea in those days in respect of a very doubtful economic venture, namely, the establishment of an oil palm industry. It would be reasonable to expect that major consequences, which would not have been envisaged, could occur because of the disruption to the balance of the ecosystem.

Nurseries of oil palm were planted. In the initial stages they were planted in thousands of hectares. Because the climate was most suitable the oil palms grew very well. But then in came an insect which was called bag worm. I do not know the scientific name for it; it was simply called bag worm. Once it came in, it was like a smorgasbord. It obviously liked the oil palm. It had never had a feast like that before. It multiplied by tremendous proportions. It threatened the whole of the oil palm industry. The natural reaction, of course, was to control it. That was aided and abetted by the chemical companies. I can remember ICI, Shell and others recommending all sorts of insecticides which would control the bag worm.

In those days Papua New Guinea was fortunate to have a visit by an oil palm expert of international repute. His name was Dr Turner, an Englishman by birth but a colonial gentleman who had been working in the oil palm industry throughout the world. At that time he visited and his advice was, "Don't use insecticides. What you have done is upset the natural balance. That particular insect was obviously living here, but the reason it didn't exist in such plague proportions is that it probably has a predator somewhere in the forest. Maybe it has got a lead or a jump on its natural predator. If you can suffer it out for some time, in time the natural predator will come in and it will in turn multiply quickly and the natural balance will develop." That in fact came

to pass. Within a number of years the bag worm population decreased to the stage at which it was hardly a problem any more. As Dr Turner said—and I have no reason not to believe it—had chemicals been used in the first place, they might have been more effective on the predator than on the pest and the industry involved would have been stuck with using the chemicals for ever.

That is the point I was going to make about the tobacco industry. There is no doubt that when those chemicals were being put on the crop, birds and all sorts of insect predators of the actual pests that were trying to be controlled were being killed. That meant that chemicals had to be used more and more. I am pleased to say that these days a much more advanced technique operates. Pest prediction services have been instituted, and chemicals are used only at certain times when they will do the most good, but most of the time chemicals are not applied at all.

I have another very interesting story that comes from Papua New Guinea. I spent some time at Popondetta. When I got there the entomologists and agriculturalists there were looking at a problem caused by the pantorhytes weevil in the cocoa plantations. That weevil bores into the trunks of trees, causes dieback, and the branches drop off and that sort of thing. They could not work out why the crops of all the good farmers were suffering badly from the problem and why all those of the bad farmers were not affected at all. In Popondetta there was a returned servicemen's settlement that contained many Australians, many of whom used to run their plantations from the Popondetta Club. They spent very little time at all on their plantations. Even though they spent all of their time at the Popondetta Club, they had perfectly healthy cocoa plantations, whereas those who were vigilantly looking after their crops were seeing those crops wrecked by the panthorhytes weevil. Nobody could work out why that was so.

While I was there the whole picture began to be pieced together—not because of me; I am not an entomologist. What happened was that the so-called good farmers were spraying their crops to control a pod-sucking insect. Although that control was successful, it was also killing the natural predator of the pantorhytes weevil, a small ant called the crazy ant. Therefore, the crops of those who sprayed suffered attacks from the pantorhytes weevil and those whose crops had the natural balances intact—they were not doing so for that reason—ended up with the best crops of cocoa.

I just mentioned that as a very good example of what happens with the whole principle of biological control. I wish to say again to the Minister, who is not present in the House, that members of the Opposition are pleased that this legislation is before the House. We have no complaints with it and we intend to support it.

Mr LITTLEPROUD (Condamine) (9.19 p.m.): I am pleased to note that the Opposition is supportive of this legislation. I inform the House that I will not speak for as long as the previous speaker did. I enjoyed his travelogue and historical talk, but it appears that, after such a detailed contribution, he has not left me many pests to control. He obviously has a pretty good understanding of what it is all about. Perhaps my contribution will be a little more clincial.

I wish to commence by saying that biological control is the control of one organism by another. The technologists speak about target organisms and agent organisms. In this legislation the use of that technique provides for a continuation of the sorts of controls that already exist, an assessment of new controls that are suggested—obviously there is a need for much testing—and the introduction of new controls that have been properly proven. The legislation also caters for emergency powers that may have to be implemented very quickly should the need arise. Under the Queensland legislation the control in this State will come under the Queensland Biological Control Authority. As the Minister pointed out in his second-reading speech, he is that body. As a member of the Australian Agricultural Council, he is party to a group of people who are to the fore in having this legislation brought forward right throughout Australia in such a way that many other States already have complementary legislation.

In late 1986 the Federal Government passed the necessary legislation and in this House tonight we are putting through legislation that will complete the picture throughout Australia. It is important to note that the role of the Federal Government is paramount, because it is the Federal Government that controls the import and export of goods and in this case it has to control the import of any biological organism that is to be used.

It is also important to note that insects have very little respect for State boundaries. That being the case, if there was no complementary legislation between the States and no overriding legislation from the Commonwealth, any legislation that might be passed in Queensland could in fact be quite useless in New South Wales. A co-ordinated approach is needed. I am pleased to see that that is the case.

The previous speaker outlined some of the disasters that have been experienced in Australia and in south-east Asia with the introduction of biological controls. I will not say any more on that subject. The honourable member covered it very well.

However, I do take this opportunity to make a few comments about the chemical residue problem that is being experienced at present in Queensland and in fact throughout Australia. I remind honourable members that when it comes to getting rid of pests, there are two choices: biological control or chemical control. It is now known that great caution needs to be exercised in the use of both types of control.

Chemical residue, of course, poses a great threat, initially to the beef industry and very quickly broadening to the meat industry.

Of course, now the debate is being hyped along in regard to the fruit industry, processed foods and dairy products. It has even reached the stage where alarm is being created about mothers' milk.

That brings me to the point that I want to make tonight. I think that it is a bit unfortunate that some of the press coverage in recent times has tended to be sensational rather than responsible.

Mr Prest: Do you want to cover it up?

Mr LITTLEPROUD: No, I do not want to cover it up. However, it should be realised that there are grave consequences for the State and national economies and the people involved in these industries.

Recently in this Chamber the Minister for Primary Industries made a statement, as did the Minister for Health, regarding the levels of residue in some of the meats that are under discussion. The Minister for Primary Industries made the comment that the level that is being mentioned is in fact about one-hundredth of the level needed in meat before it poses a health problem. It is a measure of good farming practice, not a measure of health problems. Someone put it in more colloquial terms by saying that a person would have to eat a bullock for breakfast to put himself in danger of being knocked about.

It is in that knowledge that I make the point that I hope that the press will realise that sensationalism can have tremendous adverse effects on the national economy. The beef industry is very important to Australia and particularly to Queensland because this State has approximately 60 per cent of the national herd.

Lastly I want to speak about the role of the Rural Lands Protection Board. Although this new authority will be under the control of the Minister for Primary Industries in Queensland, this State has the Rural Lands Protection Board, which comes within the responsibility of the Minister for Lands. That body, under the chairmanship of Mr David Cory, a former member of this Parliament, is not a high-profile body. It is not a large body. However, I want to acknowledge the great work that that board does.

The Rural Lands Protection Board moves around large areas of the State with a minimum of manpower and a minimum of fuss, yet it seems to be able to have its finger on the pulse and know where outbreaks of various noxious weeds and other problems have arisen.

I do not know if this occurs throughout the State, but the local herdsman of the Chinchilla Shire Council is in fact supplied with a vehicle that is funded by the Rural Lands Protection Board. As well as impounding straying stock, part of his duties include locating and destroying noxious weeds and reporting outbreaks of other sorts of pests. When a problem arises that is outside his capacity to control, he calls in the Rural Lands Protection Board. That board has a fine record in controlling the sorts of pests that otherwise would be a big problem for primary industries. I just wanted to mention the role that that board plays.

I support the Bill, and I am pleased that the Opposition supports it also.

Mr BEARD (Mount Isa) (9.24 p.m.): It is certainly a pleasure to be debating a Bill that everyone is so pleased about and relaxed enough about to tell a few anecdotes in the background which, as well as being amusing, I am sure convince all honourable members, if they need convincing, about the necessity for this type of Bill.

I support what has been said already about how good it is to see the Federal/State co-operation that is implicit in this whole legislation, that the Commonwealth Government and all the other States, including the Northern Territory, have already enacted legislation and that Queensland is now completing the picture.

I would hope that those honourable members who are debating this Bill understand a little more about biological control than was demonstrated by a certain former State and Federal member who once acted for a short time as Prime Minister of Australia. Some 30 years ago in an election campaign at Mount Perry he made a series of points in a wild and woolly public gathering and said, "I will not stand for this. I am against that and that and that." At the time there was great concern about the lantana bush and someone had talked about the introduction of a lantana bug. In the midst of him saying, "I am against that", a noisy interjecter called out, "What about the lantana bug?" He said, "I am against that too." The lantana bug may have been introduced and could have done some good.

Mr McPhie: Is there much lantana out there at Mount Isa?

Mr BEARD: We have all sorts of things at Mount Isa.

I wish to refer to an outstanding example of biological control at Mount Isa and I am glad that the honourable member asked me because I might have forgotten it. In the 1970s the main water source for Mount Isa, Lake Moondarra, was completely covered by a weed called salvinia. This is a very common little weed that grows in fish bowls. A bit of the weed was tipped into the river and the lake was completely covered by it to the extent that it was causing a great deal of damage to the water supply. Everything was tried. Harvesting was tried, as was cutting it from underneath. The authorities did not dare try chemical controls because the lake is a main water supply. In desperation experts from universities were called in. A researcher from the University of Queensland found a little beetle from South America. The beetle went through the appropriate checks and balances and it was found conclusively that if this beetle was introduced into Australia it would cause no damage to the continent. This beetle cleaned up the salvinia weed very quickly and delighted in eating it. A state of equilibrium has been reached where corners of salvinia still exist in little outposts of the lake and, as soon as it begins to grow the insects multiply and eat it back; then, as soon as the weed begins to die, sufficient insects also die and the natural equilibrium remains. The success of that experiment in Mount Isa has been extended to Papua New Guinea, the old stamping ground of the honourable member for Cairns, Mr De Lacy, and the beetle has been successfully introduced to control salvinia up there.

Another classic example of biological control—although I am not sure if it was ever introduced—was of an insect that was dangerous to fruit crops. The male insect can be sterilised by ultraviolet radiation without loss of sexual desire. Because the female mated only once, the sterilised males were released into the environment and mated with females. Of course, being sterile, no offspring resulted and everyone was happy, including

the insects. That is a delightful example of biological control and I could not think of a better way.

Those of us who live in Australia and have travelled overseas realise only too well the benefits that we enjoy by living in an island continent. Once I had the good fortune to travel from Johannesburg to the Kruger National Park. It is a terrifying thing. I was made to take malaria tablets before I went and for four weeks after I returned and I was warned that under no circumstances was I to even put my finger in any of the rivers, streams or creeks in the Kruger National Park because of the dreaded disease bilharzia. It is endemic in the African continent and is carried by a fluke which lives on a certain type of snail found in the streams and creeks of Africa. It is a debilitating disease which wipes people out at the age of 30 or 40 years after a most unhappy 10 or 12 years suffering from the disease.

After I returned I mentioned this matter to a friend of mine who is a doctor in Mount Isa. He has lived in Africa and he said that the streams and rivers of northern and western Queensland provide optimum conditions for that snail and that fluke. If it ever comes into Australia, where the conditions are optimum, a disease like bilharzia would take over the continent. It is critically important and absolutely essential beyond anything else that any of us can say in this House tonight that such pests are kept out of Australia. On reading through both the Bill and the Minister's second-reading speech I am pleased to see that the controls, which require not a majority decision but a unanimous decision by a council comprising a panel of eminent scientists, are well in place. This provides the opportunity for the public to have input into it. Everyone must beware of the ratbags, because there is a certain element who will oppose anything on any grounds at all. Although they will be given a hearing, I hope that, if they are conclusively proved to be wrong, they will not be allowed to obstruct the introduction of required biological controls.

In reference to the matter of the public having an input, clause 15 (3) on page 8 of the Bill refers to advertising in the newspapers after the authority has unanimously approved the introduction of a target organism to enable the public to discuss it.

It describes very well how the notification should be set out and how people who want to present a submission may do so. I hope that the notification would include sufficient lay language for members of the public seeing it to understand fairly easily what it was all about and have a chance to give it their due consideration.

Obviously we could all go on. Those who are as old as I am and who read Rachael Carson's *Silent Spring* some 30 years ago were all aware of the horrors of chemical controls and the potential effects that could result here. I can only say that everything in this Bill, particularly, as I said earlier, as it complements already introduced Federal and State legislation elsewhere in Australia, has our full support.

Mr STEPHAN (Gympie) (9.32 p.m.): I have pleasure in supporting the Bill. I was interested in the comments that have been made, particularly those made by the Opposition's spokesman, Mr De Lacy, who explained that he showered quite regularly under DDT. In the circumstances, I am not too sure whether he was trying to say that it did not affect him and that biological controls are not needed, or that it did affect him and that that is one reason why some controls are needed. I am not sure which way he was arguing.

He reminded me of the situation that existed in the 1950s when practically every farm worker working with crops of all descriptions used the chemicals DDT and dieldrin, which at that time were the wonder chemicals. With knapsacks on their backs and, later, with blower mists, the operators were covered with a great deal of spray. I have not seen one of those operators who, having worked in that type of environment, was affected. Perhaps in some circumstances we get carried away with emotions. However, they were wonder chemicals that were used for a particular purpose. If those chemicals were not available at that stage, perhaps consumers would be eating different types of food. It was a question of eating that food or starving.

Mr Prest: I would rather have no food than have poisoned food.

Mr STEPHAN: The honourable member can say now that he would rather have no food than have poisoned food. If the honourable member went without food for a couple of days, I am not sure whether he would make the same response.

Without the use of chemicals, a drastic situation is reached. Pests and diseases must be controlled. Whether it is done by chemicals or biological control, honourable members do not have a great deal to say about it when it is a problem. It is ideal to be able to control pests and diseases with predators. This is what we are all aiming for and what we would all like to see.

The groundsel problem is not as bad as it once was. During autumn each year, great white showers of groundsel flowers would drift across the countryside along the coastal stretch. Land-owners have been required to control groundsel bush on their properties. The cost of controlling it has been their responsibility. At one stage groundsel was known as a seven-acre weed because one plant was sufficient to cover seven acres in a year. It must be borne in mind that one does not need very many plants to cover a property completely in a short time. The control of the problem caused by this particular tree has been a matter of concern for a long time. Over a long period a number of biological control measures have been nursed along, not with a great deal of success but with reasonable success. Although the growth of groundsel has not been stopped, it has been controlled with the chemical measures that have been utilised. Put together, the two measures have enabled the groundsel bush to be kept in order and under control. It has enabled people along the coastal stretch to live with their neighbours in a reasonable atmosphere.

Lantana has also been mentioned. Although lantana does not spread quite as rapidly as the groundsel bush, it is certainly a tremendous problem to try to crawl through the thickness of a lantana bush. If lantana is allowed to spread unchecked, within a very short time it will take over vast areas of countryside, particularly hilly slopes and steeper areas. The lantana beetle has assisted in keeping lantana under control. It has played an important part.

Mr Prest: It has all been said.

Mr STEPHAN: It has possibly all been said. The honourable member has been asleep and he has not heard any of this, anyway. I am pleased that he has woken up. He has been a member of this House long enough to realise that perhaps he repeats himself and does not know what he is saying.

Many people in the country are interested in biological control measures. They encourage and support them.

I turn now to the cattle tick. People take it for granted that certain areas of Queensland will be menaced by the cattle tick. The predators—the various birds that inhabit the coastal areas—have the ability to thin out cattle tick numbers. They cannot control the problem completely but they assist in thinning out the numbers of cattle ticks. They do a reasonable job, but not a complete job. A farmer who does not use chemicals will find himself in all sorts of trouble in trying to control cattle ticks on beef cattle, dairy cattle or whatever it may be. Farmers must seek control and assistance in that regard.

I note with a great deal of interest that the Bill regularly places heavy emphasis on the fact that biological organisms are going to be kept under control. The Bill states that, where the authority, after complying with procedures and provisions, considering reports and consulting the council, is satisfied that—

“ . . . the release of the relevant organisms would not cause any significant harm to any person or to the environment, other than the harm (if any) resulting from the control throughout Australia of target organisms of that kind or those kinds;”

it shall declare the relevant organisms to be agent organisms. For that very reason it is necessary to bear in mind that we are seeking the control of diseases and pests.

I support the Bill.

Mr CAMPBELL (Bundaberg) (9.39 p.m.): Madam Deputy Speaker——

Mr Lee: What do you think about the bloke who uses DDT all the time?

Mr CAMPBELL: Very few, if any, farmers still use DDT.

I have been reading through legislation that has been introduced into the House of Representatives and into three other State Parliaments. Every member of those Parliaments has welcomed this legislation.

Honourable members should question and consider this legislation and warn people of what may happen if it is passed. Effectively it states that, regardless of mistakes that may be made by the introduction of biological control, no person has the right to litigation concerning any of the outcomes of this legislation. The warning that that is one of the possible consequences of this legislation should be recorded. It is important to consider why this legislation was introduced in the House of Representatives and why it is being introduced into all Parliaments of Australia.

The purpose of the Bill is to establish procedures for assessing and, where appropriate, authorising biological control programs in Australia. It will ensure that biological control programs that have been identified as being in the public interest can proceed in accordance with law and without interruption by litigation. That is the key aspect of it. The right of an individual to litigation is being taken away.

The Bill came about when in June 1983 an injunction was obtained which prevented the release of insects to control echium, a plant commonly known as Paterson's Curse or Salvation Jane. Echium has long been perceived as a noxious weed in south-eastern Australia and is commonly declared as such. Its control by biological means was considered both desirable and possible by the agencies which have responsibility for these matters, and whose integrity and expertise have never before been questioned. Two beekeepers and two graziers who believed the plant had beneficial qualities obtained the injunction on the grounds of the common law of private nuisance, which is concerned more with the rights of the individual than the question of public interest. It became clear that there were two related problems. First, there was no provision in existing legislation which authorised the release of control agents, such as insects or rusts, into the environment. Secondly, it was clear that there was no equitable means of resolving a conflict of interest concerning biological control programs with a view to establishing public benefit.

Australia has a good history of beneficial biological controls. However, there are also some problems. There are three aspects of this Bill. Firstly, it allows for public opinion concerning a proposed biological activity to be widely canvassed. Secondly, depending on the nature of any public comment, an inquiry may be held. Thirdly, based on the information available, including the report of a public inquiry in the event of one being held, the program may be declared in terms of the Act and biological control agents may then be released. A declared program will protect those authorised to conduct the program from any legal action for damages and will preclude the opportunity to halt the program by means of a common law injunction.

It is my opinion that in this situation there are grounds for concern. Not only have mistakes been made in certain areas, but when those mistakes are made, it is being said that because the experts—the scientists—have made the same mistakes in allowing different chemicals to be used in agriculture, resulting in chemical residues being detected in cattle—the same mistakes that are being made by the illegal use of those chemicals or the introduction of different diseases and pathogens in insects that have an effect that was not foreseen—throughout Australia there is no regard for the protection of the individual's rights. In other words, as a result of this Bill, in Australia if the Australian Agricultural Council accepts that something is desirable and a dairy-farmer in Gympie

or a cane-farmer in Mackay is wiped out, that is bad luck. He has no right to approach the Government and ask for compensation. He has no redress from any court in Australia.

Perhaps the legislation goes too far. Perhaps in terms of technology that is occurring throughout Australia and the world that the Government does not know about, it is allowing the legislation to proceed without any checks.

The honourable member for Mount Isa spoke about technology and biotechnology introducing special sterilised males that will mate and have no offspring. There could be mistakes. If it is accepted that biotechnology can manipulate the genes of bacteria and pathogens in areas in which the effect is unknown, is it claimed that no aspect of legislation shall be allowed to cover it? The issue comes down to an important part of this Bill, which is the definition of "organism". Exactly what is to be regarded as an organism? The definition clause specifies anything that is alive, "other than a human". That is one aspect. The Bill refers to organisms that have not been genetically manipulated yet. What the impact of genetic manipulation will be is unknown. Through this legislation the Government is saying that whatever happens as a result of those organisms will be accepted as though no bad effects had resulted from indiscretions.

Another aspect of this matter is contained in Part VI of the Bill which prohibits the institution of legal proceedings. I raise this issue tonight because I think it is important to put on record that that prohibition has been accepted in every part of Australia without question. I believe it is important to make the point that honourable members are on very dangerous ground when they consider passing legislation that prohibits legal proceedings arising from matters of biotechnology. I do not think that the Bill defines the issues that honourable members may have to deal with in years to come.

What the Minister in charge of the Bill and I understood about agriculture 10 years ago is different from what is known today. Pathogen is being introduced to control cane grub. I welcome that measure because chemicals such as BHC will no longer be necessary. I also give a warning, however, that very detrimental aspects may be associated with the introduction of these pathogens to control pests. There must be some way out.

I do not know whether this legislation provides for recovery of damages in respect of any loss. My understanding is that clause 35 in Part VI states that no right to institute legal proceedings is allowed, but I will be led by the Minister if he says that rights are provided for. However, if my understanding is correct, this Parliament should recognise the possible problems and take my comments as a warning. The Parliament should recognise that some allowance may have to be made for compensation. If the legal use of chemicals has led to residual contamination of meat that was not foreseen in one instance, I cannot accept the statement made publicly by the Minister for Primary Industries that no compensation will be allowed in relation to this legislation. I believe that if farmers have used a certain technique that is legal, compensation could be payable. The legislation before the House should be examined in the light of that aspect.

Although I join in supporting the Bill, I issue a warning not only to this Parliament but also to the whole of Australia.

Hon. M. J. AHERN (Landsborough—Minister for Health and Environment) (9.49 p.m.), in reply: I point out to the House that the Minister for Primary Industries is in conference with the chairman of the Australian Meat and Livestock Corporation and regrets that he is not present for the discussion of this legislation. However, he will take on board the comments that have been made and I will bring to his attention the *Hansard* report of the proceedings.

Honourable members who have contributed to the debate have taken the opportunity—and properly so—to range wide and to have a general discussion on matters affecting biological control in this State. The comments that have been made will be of use to the departmental officers and to the Minister. I note that the legislation has the general support of the House.

I would join issue with the honourable member for Bundaberg in the contribution he has just finished. I inform the honourable member that this matter was first raised at a meeting of the Australian Agricultural Council in 1982 when I was a member of that council, if my memory serves me correctly. The Paterson's Curse case was on the books at that time. That gives honourable members some indication of the thoroughness with which the Australian Agricultural Council and all its constituent members have approached this issue. It has been very, very thoroughly discussed. The whole issue of biological control has been very carefully evaluated.

The honourable member raised two issues, the first being: does this legislation do away with the rights at law in respect of a particular farmer at Gympie? That was the example that he gave. The answer to that question is: yes, it does. The other question that has to be asked at the same time is: did in fact the farmer at Gympie have any practical rights at law anyway in relation to a civil litigation against a biological control program? The facts sensibly are really that those rights were more notional than real. How was he able to mount a legal challenge against a Government agency or some particular scientist who introduced a biological organism into Australia? To argue that case would be almost impossible and unaffordable for the particular farmer.

The other issue that was raised was whether there were on the horizon various interest groups who were taking injunctions out on the whole issue of biological control in Australia and bringing it to a halt through the vehicle of the civil courts by way of injunction. It was decided not to be in the national interest to do that. So it was decided, having all the facts at hand and after five years of thorough discussion, that a mechanism should be put in place in all of the States of Australia for thorough inquiry to be entered into before a particular program was mounted at all, and that the inquiry would be assessed by a group of competent people who would have an opportunity to look at it in a preventive sense to see whether, on the odds, given the current research, it was a good thing to do or not. It was also decided that the public should be as widely informed as possible. If all of those safeguards were entered into, it was important that the project proceed; then a litigant later on would have no practical rights anyway after all those checks and balances were implemented.

I think the honourable member has probably raised a legitimate point in discussion tonight. It is a point that has been raised by the Australian Agricultural Council and all of the parties have decided that the proper course is that Australia does need a mechanism for biological control; that everything should be carefully assessed by competent people and that everybody should be made aware of what is being proposed so that an opportunity for dispute can be raised before any possible damage might occur. In those circumstances, the programs can continue in the interests of the nation's industries; they cannot be held up in the civil courts and all that could be done is being done to protect our industries at the same time.

That is a reasonable and rational approach and one which I know has been kicked around for a long time. All of the farming organisations in Australia are aware of it, accept it and see it as a reasonable way to go.

I commend the Bill to the House.

Motion agreed to.

Committee

Clauses 1 to 56, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mr Ahern, by leave, read a third time.

ADJOURNMENT

Hon. L. W. POWELL (Isis—Leader of the House) (9.56 p.m.): I move—

“That the House do now adjourn.”

Police

Mr ARDILL (Salisbury) (9.57 p.m.): Since I entered this Parliament, I have been drawing attention to the fact that criminal activity is out of control in the southern suburbs of Brisbane. The Police Department is powerless to cope with the situation owing to two factors: lack of staff numbers and inadequate policing methods.

The National Party Government has consistently run on a law and order policy and has spent massive sums to prevent street marchers from delaying traffic in the city, even to the extent of transporting large numbers of police from country stations to Brisbane. It has placed large contingents of police in the vicinity of workplaces to prevent citizens from exercising their democratic rights to object to work practices. Those rights have since been found in the courts to be entirely lawful.

The Government can have a comedian followed around the State by squads of police to stop him from offending people who are paying him to offend them; it can afford the overtime to have police inspect what is, in my opinion, a tasteless performance by strippers, but which, again, adults are paying to see; but it cannot protect ordinary citizens on the streets of Brisbane, in their homes or in banks and shops.

Criminals are raiding up to five houses in one street, often while residents are at home, and the police are powerless to prevent it. What would happen if a resident were to walk in on these hoodlums raiding his bedroom? Must the community suffer a repeat of last January's near fatal attack on a respected lady of Sunnybank before this Government will act?

Shops have been burnt out on the second or third attempt and the criminal still gets away. Banks and chemists and their customers are subjected to armed hold-ups and pedestrians are put at risk as the bandits escape. Cars are stolen or vandalised, causing transport problems to residents who become isolated from their workplaces, shops and doctors. Attempts have been made to derail trains and, in at least one case, to misdirect a train on to a track for traffic travelling in the opposite direction. Stations, facilities and public telephone boxes are regularly vandalised, one station-mistress has been subjected to an armed hold-up. Another had to leave the district because of continual harassment and threats against her.

Bank staff are continually, and nervously, waiting for the next hold-up, and shop-keepers are subjected to numerous break-ins. In the streets at night, pedestrians are subjected to ridicule and threats and sometimes physical attack without provocation.

However, the worst problem is the lack of security for people in their own homes. Bars and grilles have been fitted to the windows and doors of a great number of residences throughout Salisbury that could constitute a problem if a house fire occurred. The unspeakable actions of some of the break-and-enter merchants inside homes from which the owners are absent leave scars on them and, in many cases, mean the irreplaceable loss of personal items gathered over a life-time.

There is no doubt that the citizens of the Salisbury electorate are demanding that action be taken to protect themselves, their personal treasures, their property, their cars and their life-styles. They are demanding a police presence in the streets, in the shopping centres and at railway stations and they want a police station in the area.

This Government can and does find funds for all manner of purposes, which are of no benefit to residents. Why can't it find funds for the most important duty of government: protection of the individual citizens?

The Minister for Police stands condemned for failure or inability to carry out his first duty. The Cabinet stands condemned for failure to give sufficient priority to this most important matter and the National Party Government stands condemned for its failure to elect a Ministry which can do the job.

Privatisation of Rifle Ranges

Mr McPHIE (Toowoomba North) (10.01 p.m.): I wish to speak very briefly on one aspect of the privatisation debate that is taking place across Australia, which has not received any exposure in the media. I refer to the selling off of all the Commonwealth-owned rifle ranges throughout the country. It is a very short-sighted and incorrect act.

I am not altogether against privatisation in itself. In fact, I think in some areas it is a very good idea. A very good case can be made out for selling off Qantas or half of Qantas. In fact, my grandfather was one of the original share-holders in Qantas. I would like to see it return to private enterprise. Part of Australian Airlines could also be sold off. However, I doubt whether a case could be made out for some of the other organisations that are the subject of debate at the moment.

I do not see why the Commonwealth Bank should be sold off, either in part or in whole. I do not see why some of the other big utilities such as Telecom and Australia Post should be flogged off. They are national assets. They do a job Australiawide.

I think that privatisation has been caught up in the headlong rush to get money so that the Hawke Federal Government can pay off some of its debts because, goodness knows, that Government is in a lot of trouble.

Mr Stephan: Where do you think Mr Hawke stands on this?

Mr McPHIE: I think that Mr Hawke is in the position of having to flog things off as quickly as he can, not so much to pay off debts but to keep on financing his massive excesses down in Canberra. All he wants to do is get rid of national assets to raise money. He is even talking about allowing the ACTU superannuation fund to buy into some of the nation's assets. One could probably put up a good case for allowing that fund to invest some of its money in those national assets but, by crikey, one would not want to see the ACTU having a controlling interest in anything because it would screw the public utility to the ground and ensure it never operated again.

However, that is not what I am talking about. I am talking about privatisation as it should be done and as it is being done by the Queensland Government. Recently the Fish Board was sold off, and so it should have been. It was costing this State millions of dollars. Private enterprise can take it over and run it effectively.

The Government is considering privatising Q-Net, selling it off. I think that that would be a pretty good move. The Government has established an excellent service for the people out in the backblocks. Now private operators can be found who will buy Q-Net, operate the service and relieve the Government of the responsibility of operating it. That is in line with what the Savage committee has recommended in so many areas.

The Honourable the Minister for Northern Development and Community Services is really privatising many of the Aboriginal settlements where people can buy their own homes and set up their own businesses. That is what this Government is about.

In contrast, I think that the Federal Government has gone the wrong way in flogging off these rifle ranges. The rifle range at Toowoomba is a very good case in point. Toowoomba has two very big rifle clubs that provide training. Competitions are held there almost every week-end. Tuition in the correct use of rifles and firearms is being provided for many people right across the country.

With the run-down defence forces under the present Labor Government in Canberra, Queensland has a reserve of people that will be further diminished if the rifle ranges are closed down. In closing down and selling off these rifle ranges, the Federal Government is not providing alternative sites. It is not selling off the rifle range in Toowoomba, which is a magnificent site right along the escarpment, and saying, "The Government will buy you another site for a rifle range further out on less expensive land." The Federal Government will sell off that rifle range for millions of dollars. It has offered it to the rifle clubs, but, of course, those clubs have not got that sort of money. There is no way in the world that they could buy that site. It will be flogged off for millions of

dollars and the money will be used in Canberra for more of the Federal Government's excesses or to pay off its debts.

There is 377 hectares of Commonwealth Government land up there, 62.9 hectares of which is right along the escarpment. If that land does not bring millions of dollars, I will eat my hat. What does it mean for Australia? It will be a net loss. The rifle ranges will not be available for use by the rifle clubs, there will be no training for people in the use of weapons, and even the Army Reserve unit, the 25th Battalion, which is a large and efficient unit supporting the front line services under the present program, will have nowhere to train. The rotten Australian Government will not give it an alternative area. If that land is sold it will be a total loss to the country.

Time expired.

Proposed World Heritage Listing of North Queensland Rainforest Areas

Ms WARNER (South Brisbane) (10.07 p.m.): I am astounded by the previous contribution. It is amazing, and continually provides me with great enjoyment, that there can be such diverse debate in this House. For the first four minutes the honourable member on the other side of the House spoke in favour of privatisation and for the last one minute he spoke against it. This is a classic example of political somersaulting.

Political somersaulting is exactly what is happening in respect of the debate that is currently raging on the question of World Heritage listing in north Queensland. It is quite clear that Sir Joh Bjelke-Petersen, after attempting to become the Prime Minister of Australia a few months ago and being thwarted in that attempt and finding the results of the Federal election not to his or his party's liking, now finds himself in an extremely difficult political situation. As every good politician does, he has looked around for some kind of relief from the pressure that is on him. The only thing that comes to hand is an attempt to mount a distorted campaign on the question of World Heritage listing in north Queensland.

Over the last few weeks the Queensland public have been subjected to a major campaign consisting of lies and distortion. This attempt to frighten people is unnecessary, because in the long run World Heritage listing in north Queensland will provide a very good public service, not only to Australians, Queenslanders and the people who live up there, but also to the people of the whole world. If that is not a socially responsible action, I do not know what is. One cannot expect the Queensland Government to understand the concept of social responsibility. In the campaign of lies and distortion a specific attempt has been made to scare Aboriginal people about what World Heritage listing will mean to them.

Mr Randell: Mr Comben does not agree with you.

Ms WARNER: I am sure that Mr Comben would agree with me.

This cynical Government is trying to stir up trouble between those people who support conservation, the greenies, and the blacks who, in an attempt to preserve the traditional condition of this nation, have traditionally found a common cause. It is quite erroneous for this Government to state that World Heritage listing will take land away from Aborigines. That is lies and nonsense. That is not going to happen. World Heritage listing does not take any land away from anybody. It restores the land to the condition that the Aborigines were living with for centuries before white habitation. It is only in the last 200 years that there has been a significant deterioration in the quality and condition of that land.

Far from being a disadvantage to Aboriginal communities, with their deed of grant in trust in the north, World Heritage listing will be welcomed by the Aborigines because it will mean that their cultural life, traditions, heritage and identities will be preserved for ever through the policies of the Federal Government. Those Aborigines are quite frightened and the Queensland Government, through its campaign of fear, distortion and lies, is worrying people unnecessarily. From talking to Aborigines about those worries, it is quite clear that they are quite happy that World Heritage listing will simply

preserve the forests for their traditional cultural activities which have taken place on the land for centuries.

Mr De Lacy: I was at Yarrabah the other day and they welcomed World Heritage listing.

Ms WARNER: I understand that that is so. I have been contacted by a number of Aborigines who have asked members of the Opposition to make that point and to clear up the problem so that there will be no misinformation. It is difficult to do that because of the weight of the Government's propaganda machine and the amount of money that goes into it. During the last Federal election campaign the Queensland Government spent more money in the electorate of Leichhardt trying to win that seat from the Labor Party than it spent in any other seat in Australia. However, the Labor Party retained that seat handsomely. That is the electoral response the Labor Party will get for adopting socially responsible attitudes with the rainforests that still exist in this country. One cannot expect that type of protection to come from the Queensland Government, although I hope that, in the interests of Queenslanders, in the interests of all Australians——

Mr Muntz: Have you ever been up there?

Ms WARNER: Yes, I have.

I hope that in the interests of all Australians the Queensland Government will, at last, start negotiating.

Time expired.

Gold Coast Police Staffing Levels

Mr BORBIDGE (Surfers Paradise) (10.12 p.m.): I join this debate tonight to respond to criticism from the Opposition political parties that the Queensland Government has been inactive in allocating sufficient numbers of police to the Gold Coast. In doing so, I express concern that comments that have been made for nothing more than politically motivated reasons are damaging the Gold Coast's reputation as a safe and secure holiday destination.

I for one am fed up with the do-nothing experts who wander into the Gold Coast from time to time and make all sorts of claims, comments and accusations which are patently untrue and which simply do not stand up to even the most basic scrutiny or analysis. I submit to the Parliament tonight that since the National Party achieved majority government in 1983, more police have been allocated to the Gold Coast region than in any other period.

This Government has a very fine record in very difficult economic times in allocating and improving police numbers and police equipment on the Gold Coast. In fact, if its record is examined, one finds that increases in police strength on the Gold Coast since 1983 have greatly exceeded the region's population growth. Since December of that year, the Gold Coast police district strength has risen from 217 officers to 279, an increase of 62 police—hardly an indication of inactivity by the Queensland Government! The increase included 16 since July last year, including 11 detectives and 2 juvenile aid officers. The increase in police strength on the Gold Coast since the National Party gained government in its own right was 28.5 per cent. The figures provided by the Australian Bureau of Statistics show that between June 1983 and June 1986 the population increase for the Gold Coast region was about 16.8 per cent. So the number of police allocated has been substantially over and above the population increase. In addition, major police stations have been upgraded to 24-hour operation.

Following a request from retailers, police are back on the beat, on foot patrols, in Surfers Paradise, certainly as much as is possible on the busier nights of the week and, I would add, late into the night.

The Gold Coast has had a reallocation of 10 Criminal Investigation Branch detectives who have been based at Surfers Paradise since 20 April this year. Part of their duty is

to provide a suitable police presence in the Surfers Paradise area during their tour of duty during the day and at night when they are on foot.

The Government has made a great effort in improving police facilities on the Gold Coast. I say with a degree of pride that Neighbourhood Watch in Queensland was piloted—and piloted successfully—on the Gold Coast. I know that that 12-month program is currently being evaluated by the Police Department. I most strongly urge that Neighbourhood Watch be extended. It is a fine program that is achieving very good results where it has been introduced and operated properly in other parts of Australia and in other parts of the world. The Neighbourhood Watch program involves community policing at the basic level. It involves police officers with the community and is a most worthwhile exercise. I pay tribute to Commercial Union Assurance and those other sponsors who, together with the Police Department, have made the program possible.

Some criticism has emanated from the Labor Party that the streets of Queensland are no longer safe. That can perhaps best be refuted by comments that are attributed to the Honourable John Brown, the Federal Minister for Tourism, who is obviously not in agreement with his Labor Party colleagues in this House. Mr Brown is on record as saying that “Australia was the safest destination in the world.” Referring to claims that Japanese tourists in Queensland are unsafe, Mr Brown said—

“The Australian Tourist Commission office in Tokyo had received no complaints about ill-treatment from tourists returning from holidays in Australia.”

Mr Brown also said that Australia’s streets are clean and well policed.

Time expired.

Ministerial Rezoning, St Lucia

Mr BEANLAND (Toowong) (10.17 p.m.): In early August the National Party State Government approved another ministerial rezoning to allow for the construction of a 12-storey student accommodation block between Sir Fred Schonell Drive and Macquarie Street, St Lucia, east of Munro Street. The rezoning application involves a 510-student accommodation block of 85 self-contained units, each containing six single bedrooms. The development includes nine shops, including four take-away fast-food shops.

Shop-keepers at the nearby St Lucia Village shopping centre and the Ironside shopping centre are battling to survive, particularly since the opening of the Toowong Railway Station redevelopment, which occurred as a result of a special Act of Parliament of this State Government.

Ministers continually claim that they are doing something about saving small businesses. Recently, one take-away food shop closed in the St Lucia Village shopping centre. No amount of bleating and crying by Ministers will get away from what this National Party State Government is doing to small business and will continue to do to small business if this type of development is allowed to go ahead. Ministers know that and the community knows it. No amount of bleating will get away from it.

The Government’s record in relation to ministerial rezonings is appalling. In this particular case, many people in the neighbourhood have their life-savings invested in their own homes and units. They will find that their life-savings have been destroyed. No-one in his right mind would want to buy a property next to a 12-storey building. Anyone owning a property in that situation could only lose money on it.

The area to which I am referring is one of the most valuable residential areas in Brisbane. Yet, if the proposed development goes ahead, who would want to buy there? The outlandish decision of the Government is such that it will rip the heart out of the suburb of St Lucia.

I assure the Minister and this Government that the public of St Lucia are clearly outraged by the Government’s decision. It highlights the fact that no-one’s home—a person’s single most important investment—is safe from this Government’s ministerial rezonings and special Acts. A man’s home is not safe. His family is not safe from the

cowboy attitude to ministerial rezonings that has been expressed by that bunch of cowboys.

Once again the State Government has shown that it is only too happy to centralise town-planning power and take it away from local authorities. Ministers would not like such a development to take place beside their homes. Not one of them would like a 12-storey block built next to his home. However, they are prepared to put it next to somebody else's. They do not have the courage to put it next to their own homes.

As soon as Mr Hinze's niece became the subject of a police raid, he bellowed and screamed until there was an immediate inquiry—it could not happen soon enough; there had to be an immediate inquiry. However, the Government has no problem in constructing a 12-storey block next to some poor innocent folks' properties.

Accommodation in the 12-storey block will cost \$70 a week for a room only. That is not cheap by any standards. Food costs must be added to that figure. It is impossible to ensure that students only will be accommodated there. The development will certainly be open to the general public. It is simply impossible to stop members of the general public being accommodated in that type of development. It will be on private property, not on university property. If it is to be used solely for students, it needs to be built on the university campus, as occurs at other colleges, with proper tutorial and pastoral care and general supervision. In the proposed project the students will have none of those.

I hear a great deal about shortage of student accommodation. A shortage of accommodation exists only for a very brief period at the beginning of each year. That has happened for years. Quite often, after a few weeks, the colleges find that they have spare rooms in which students can be accommodated.

I return to the development. Only three months ago the Brisbane town plan was approved. However, soon after that the Government has seen fit to approve, through ministerial rezoning, this 12-storey building. Residents are in uproar, appalled at the destruction of the character and aesthetics of their neighbourhood. They want to know what arrangements have been made. How is it that a private developer can approach the Government and receive approval for such a project? The development will end up being some sort of quasi extension of the university.

The community believes that something strange is going on with this development. It wants to know what the secrecy is about, what the background to it is and what Ministers are involved. The public and the people of St Lucia will not stand for Ministers acting like cowboys, thrusting such a development upon them.

I assure the House that I have the support of the people of St Lucia and the alderman in appealing to the Government to withdraw approval for the development.

Time expired.

Introduction of \$2 Coin

Mr FRASER (Springwood) (10.23 p.m.): I rise to lament the phasing-out of the \$2 note early next year. The new \$2 coin is one of only a few Australian coins produced without a tail. It will depict the Queen on one side and an Aborigine on the other.

It was a sad day for Australia when Mr Keating started the machines at the Royal Australian Mint in Canberra yesterday to produce the new \$2 coin, because it was part of the continuing decline of the currency values in this country. The decline of the currency started in February 1966, with the introduction of decimal currency, and was given a further boost with the introduction of metric measurements into this country.

I well remember purchasing a Holden utility in 1958 and trading the vehicle in one year later. On paying for the vehicle, I found that the price had only changed by \$40. I ask any member of this House to ascertain what the difference in price would be one year later on today's prices. It is \$1,000 or more.

The introduction of the \$1 coin was, in effect, a devaluation of the currency. Since its introduction, with inflation, the \$1 coin has an equivalent value today of approximately

20c. The 10c, 5c, 2c and 1c coins have deteriorated in value to the stage at which today they are really just a heap of shrapnel in one's pocket.

For the good of Australia, the Federal Treasurer has to make a determined attack on inflation in next week's Federal Budget and balance the ledgers, just as the Queensland National Party Government did in the State Budget introduced into this Chamber today. If Mr Keating does not attempt to redress the cause of inflation next week, it will be only a few more years before Australia produces a \$5 coin and a \$10 coin and people will be carrying a heap of money around in their pockets that will be worth nothing.

A Government member: We will need a wheelbarrow.

Mr FRASER: That is right. We could need a wheelbarrow.

I am sorry to see the demise of the \$2 note. There has been a continual decline in Australia's currency values. Unless the Federal Government makes a determined effort to reduce inflation, this country will be in a bad state.

Motion agreed to.

The House adjourned at 10.25 p.m.