

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 16 SEPTEMBER 1987

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Mr SPEAKER (Hon. K. R. Lingard, Fassifern) read prayers and took the chair at 2.30 p.m.

PETITIONS

The Clerk announced the receipt of the following petitions—

Central Place Development

From Mr Ardill (53 signatories) praying that the Parliament of Queensland will not approve the proposal for the 107-storey Central Place development.

Harbours Act

From Mr Prest (86 signatories) praying that the Parliament of Queensland will withdraw proposed amendments to the Harbours Act which will adversely affect port authorities such as Gladstone.

The Outlook, Boonah

From Mr Hamill (291 signatories) praying that the Parliament of Queensland will continue the Department of Family and Youth Services control of The Outlook at Boonah.

Petitions received.

MINISTERIAL STATEMENT**1987-88 Federal Budget**

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer) (2.32 p.m.), by leave: The Commonwealth Treasurer's claim that the 1987-88 Budget will be balanced is a sham.

He has engaged in a cynical exercise of deception to hide an underlying deficit of \$3.9 billion. To assess the real situation, the following "one-off" or "windfall" amounts must be subtracted from the alleged balanced position, as follows—

• Asset sales	\$1 billion
• Reserve Bank profits (from foreign exchange manipulation)	\$2.7 billion
• Proceeds from the introduction of the \$2 coin	\$0.2 billion

This gives an underlying deficit of \$3.9 billion. In other words, this will be the starting point when Mr Keating comes to look at the 1988-89 Budget.

Moreover, the reduction in the Commonwealth deficit has been funded primarily by—

• Taxation revenue growth in excess of inflation	\$1 billion
• Payments to the States below inflation	\$1 billion

On the revenue side, the Budget papers reveal that the Commonwealth is awash with funds. Indeed, in 1986-87 actual revenue was \$1 billion higher than expected.

In the coming year, Mr Keating will take a further \$1 billion over and above the bloated 1986-87 figure, and over and above the expected inflation rate.

This means that the Commonwealth is taking more money away from tax-payers than ever before to fund unacceptably high levels of expenditure.

On the expenditure side, the facts are as follows—

- Payments to the States will increase by only 2.4 per cent.
- In contrast, Commonwealth expenditure on its own functions (excluding defence) will increase by a massive 13.1 per cent.

Opposition members interjected.

Mr SPEAKER: Order! The House will come to complete order and the Premier's ministerial statement will be heard in silence.

Mr Burns: That's the only way to hear it.

Mr SPEAKER: Order! I now warn the member for Lytton under Standing Order No. 123A.

Sir JOH BJELKE-PETERSEN: This continues the anti-State theme of previous Budgets.

Mr Goss interjected.

Mr SPEAKER: Order! I now warn the honourable member for Logan under Standing Order 123A.

Sir JOH BJELKE-PETERSEN: Nowhere are the double standards and hypocrisy of the Commonwealth more evident. Each year the Commonwealth marches into the Premiers' Conference telling us all to tighten our belts, and slashes funding to the States. However, when it comes to the Commonwealth spending on its own functions, the same resolve to cut expenditure is not apparent and is non-existent. Indeed, we heard nothing in Mr Keating's speech last night about expenditure cuts in the 13 areas which the Finance Minister only last month targeted for further scrutiny.

In summary, we have more of the big-taxing, big-spending philosophy of the Labor Government, with some fancy figure work to give the appearance that the books are balanced. Meanwhile, the Treasurer has continued to squeeze the States, which as a result are experiencing real difficulties in providing essential bread and butter services to the community.

MINISTERIAL STATEMENT

Main Line Electrification Program

Hon. D. F. LANE (Merthyr—Minister for Transport) (2.36 p.m.), by leave: At a time when the coal-miners of Queensland are sabotaging both the export earning capacity of the nation and their own family welfare, I am pleased to report some good news about a project which will have a major impact on the coal industry. That is, of course, if coal-miners do not completely ruin our overseas markets by their actions in the meantime. The project I am referring to is the \$1,050m main line electrification program.

This vast project, which is attracting attention from the operators of railway systems throughout the world, is proceeding on schedule and next year will see benefits to passengers and freight customers, in addition to coal operators. Stages 1 and 2 of the project are basically complete, and I have provided details of these stages in previous reports to Parliament. Members will recall that Stage 1 saw the electrification of the line between Gladstone and Rockhampton and west to the Blackwater coal-mining region. Stage 2, which was officially commissioned in May this year, links the Hay Point/Dalrymple Bay export ports to the Goonyella system, then south-west to Blair Athol and Oaky Creek and then south to link up with Stage 1 near Gregory mine.

Stage 3, which will be of great benefit to the grain-growers of central Queensland, will be completed by mid-October this year. This section is between Emerald and Tolmies and last week the signalling operation for this stage was officially commissioned. Stage 4, the electrification of the line between Rockhampton and Caboolture, is scheduled for

completion in late 1989, but I have hopes that it may even be completed ahead of schedule.

During Expo next year, Nambour residents will have access to fast, air-conditioned electric trains for travel to and from Brisbane. This will result from the electrification of the line between Caboolture and Nambour. Then, by early 1989, we expect that an electric service will be available through to Gympie, with the Rockhampton link being completed later that year. This service will be operated with the 120 km/h interurban trains, currently under construction at Maryborough by Walkers-ASEA. This final Stage 4 of the main line electrification project itself is costing about \$359m and involves four major deviations around Eumundi, Gympie, Oakhurst/Aldershot and Benaraby/Parana. These deviations are necessary to eliminate steep gradients and sharp curves.

By the time the Spirit of Capricorn is operating between Rockhampton and Brisbane, passengers will be enjoying the benefits of a service which will have added comfort and take about 9 hours, compared with 13½ to 14 hours under the present service. In addition, freight trains will also be operating on a faster schedule. If I am pressed, I will recite the schedule.

At the same time as all this work is continuing on the MLE project, the Brisbane Citytrain system, which ranks as one of the world's most successful electrified passenger operations, is enjoying increased patronage. The Brisbane system has attracted a great deal of interest from overseas and only last week a parliamentary delegation from Zimbabwe inspected the network.

This network now embraces more than 300 kilometres of track and stretches 50 kilometres north to Caboolture, 38 kilometres west to Ipswich and 40 kilometres south to Beenleigh. Moving ahead; moving Queensland.

The \$400m electrification of the Citytrain network will be completed when extensions are officially opened between Wellington Point and Cleveland in October and between Eagle Junction and Doomben—a very important section of the line—in January next year.

A boom in patronage of 65 per cent since the introduction of modern, air-conditioned electric trains in Brisbane justifies the Government's decision to switch from diesel-electric locomotives.

From recent figures released by the Brisbane City Council, there also seems to be a clear link between falling bus patronage rates on city council buses and an increasing Queensland Railways Citytrain patronage in recent years.

I will report to the House further in due course.

PAPER

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

Report of the Small Business Development Corporation for the year ended 30 June 1987.

DAYS ALLOTTED TO SUPPLY

Sessional Order

Hon. L. W. POWELL (Isis—Leader of the House) (2.41 p.m.): I move—

“That for this Session, unless otherwise ordered and, notwithstanding anything contained in the Standing Orders or the Sessional Orders—

- (1) Not more than fifteen days shall be allotted for consideration of the Estimates, the Statement of Unforeseen Expenditure to be Appropriated, the Vote on Account and the Resolutions of Supply.

- (2) On the days so allotted, a 'single day' shall comprise that period from one hour after the commencement of the sitting day or, if on a Tuesday, after a discussion on Matters of Public Interest and until 4 hours of debate have elapsed; at the discretion of the Leader of the House 'double days' may apply to the debate, in which case each 'double day' shall comprise 8 hours debate. A 'double day' shall begin one hour after the commencement of the sitting day or if on a Tuesday, after a discussion on Matters of Public Interest. Each period of 4 hours shall be accounted an allotted day and each period of 8 hours shall be accounted as two allotted days under the provisions of Standing Order No. 307.
- (3) At the termination of the period so allowed for each Estimate the Chairman shall put every Question necessary to decide the Vote under consideration and shall then proceed to put the Question for the balance of the Estimates for that department, and all other Estimates for that allotted day or days, all such Questions to be decided without amendment or debate: Provided that, if the discussion of the Estimates of a Minister's department or departments, as the case may be, be concluded before the expiry of the allotted day or days so allowed, the period remaining shall be allocated to the discussion of the Estimates to be next brought before the Committee.
- (4) That all other provisions of Standing Order No. 307, shall *mutatis mutandis*, continue to apply."

Motion agreed to.

MINISTERIAL STATEMENT

Education Act Amendments

Hon. L. W. POWELL (Isis—Minister for Education) (2.42 p.m.), by leave: The proposed amendments to the Education Act were tabled in Parliament in early April with the expressed intent of allowing public comment and discussion before the Bill was debated much later in the year.

The tabling followed Cabinet approval and consultation, including a meeting with representatives of independent school principals at Parliament House in February.

After meeting with representatives of the Queensland Catholic Education Commission, the Association of Independent Schools of Queensland and the Department of Education on 1 June, I decided to establish a working party to look at aspects covering constitutional responsibility; co-operation with industry; rationalisation of education structures in the light of changing developments; a co-operative approach to curriculum development and establishment of a non-Government schools advisory council.

Members of the working party are—

Dr Ken Robertson, Assistant Director-General (Schools), Chairman;

Mr Norm Alford, Assistant Director-General (Post School);

Dr Ray Barrett, Principal, Rochedale State High School;

Mr Alan Druery, Director, Queensland Catholic Education Commission;

Mr Cec Munns, President, Association of Independent Schools of Queensland;

Rev. Les Percy, a former TAFE teacher;

Mrs Bev Galtos, Vice-president, Queensland Council of P and C Associations; and

Ms Mary Kelly, Queensland Teachers Union President.

The working party expects to finalise recommendations at its scheduled final meeting on 5 October 1987.

I was advised following a meeting of the working party on Saturday, 5 September, that members had agreed on this date. This meeting will represent the culmination of over 40 hours of face-to-face meetings, not to mention the many additional hours spent by individual members liaising with other groups and preparing for meetings.

There have been several developments in the meantime, including—

1. On 8 September, I had to express regret that the executive of the Association of Independent Schools in Queensland had withdrawn its representative from the working party.

Although the association represents less than 9 per cent of the total school population (Government and non-Government) in Queensland, it had been playing an important role in the consultative process.

The reasons given for the withdrawal were difficult to understand—

“... that the October final meeting date is unrealistic and that a proposal for a Preschool-Year 10 committee was non-negotiable.”

The October final meeting day was suggested to me by the working party. I am open-minded on the suggestion for an independent pre-school-Year 10 curriculum development body, should the working party recommend it.

2. Misleading, and indeed inaccurate, statements have appeared in the *Courier-Mail*. I responded by informing the Parliament, in a previous ministerial statement, that the State Government has no intention of taking any action that might lessen the independence of independent schools; that it was my hope, not my intention, that a Queensland course accreditation council would be established by 1 January 1988, depending on recommendations received from the working party, and on the decision of Cabinet and the Parliament; and that I had not appointed Brisbane College of Advanced Education director Dr Peter Botsman to a non-existent council, but it was my intention to nominate him if and when the legislation is passed.

3. On 10 September, again in response to a *Courier-Mail* article, I reaffirmed my support for National Party policy on the independence of independent schools, stressing that I will not support any proposal that will erode the independence of those independent schools.

Following is a statement on the proposed legislation, which should not be taken as wanting to pre-empt recommendations of the working party—

Education is no different to the society it serves in that it must be prepared to change to meet changing demands.

Education is about meeting the needs of mainly young people. That is the prime consideration behind proposed changes to the Education Act, the main aspects of which are—

(1) CONSTITUTIONAL RESPONSIBILITY

In reaction to concern about increasing indirect control of non-Government schools by the Commonwealth Government, the initial Bill asserted that the State Government was responsible for education in Queensland, not the Commonwealth.

This statement did not give the State Government additional powers, nor did it diminish the rights of parents of children in non-Government schools. The proposed changes represented an acknowledgement and confirmation by the State Government of the responsibility and authority of its Minister for Education for all State and non-State schools and other institutions established under the Education Act and other associated Acts.

There has been concern over the use of the term “plenary powers”, and this could be amended to “constitutional powers” or even deleted if the working party examining the amendments recommends accordingly.

The Bill also allowed for the Minister or his nominee to serve on school or college boards, councils and committees. It will be specified that this will be at their invitation as intended, not by compulsion on the Minister's part.

(2) CO-OPERATION WITH INDUSTRY

Also proposed was an Advisory Council on Education for Economic Development (ACEED), which would make reports and recommendations to a committee comprising the Ministers of Education; Employment, Small Business and Industrial Affairs; and Industry and Technology.

The establishment of such a council was an election promise by the Premier during the last State election. This council would develop a liaison brief on what is surely an important function in a society such as ours, especially with its current economic problems.

It has been suggested that this council somehow will dictate school syllabus development. That is nonsense. But it has to be realised that sectors such as TAFE need to ensure that programs are relevant to industry's needs. Industry also needs to be aware of developments in education.

Only recently, Federal Ministers and Opposition spokesmen—including Liberals—have made calls for education to relate to, and cater more for, the needs of industry.

(3) RATIONALISATION OF EDUCATION STRUCTURES

A Queensland Course Accreditation Council was proposed, such a council being an amalgamation of the boards of Advanced Education (BAE), Secondary School Studies (BSSS) and Teacher Education (BTE). This council would oversee standing committees on accreditation of courses for awarding senior certificates; awarding of tertiary entrance scores; accreditation of TAFE courses; accreditation of advanced education courses and the registration of teachers.

No-one will deny there have been dramatic changes in recent years in the area of post-compulsory education—that is, education after Year 10. Queensland has the highest rate of any State of students staying on to Years 11 and 12 because it has been willing and ready to make necessary changes as the needs of students have changed. Despite this, it is clear that students need to be offered even greater flexibility if we are to continue to adequately meet their needs; they need to be able to choose between a number of options.

It should be made easier for students to be able to transfer from one institution to another, not only to complete a course, but also for advancement. In many cases now qualifications gained at one institution are not recognised at another.

With just one body accrediting Years 11 and 12, TAFE and college of advanced education (CAE) courses, we will achieve greater co-ordination of curriculum, accreditation and assessment procedures and gain the flexibility needed for our young people. Students will be able to receive a single certificate which gives full recognition to courses studied in both TAFE colleges and secondary schools, for example. The resistance of vested interest groups to such a body may be understandable, but hardly is justified or in the interests of those whom they pretend to serve.

The Board of Advanced Education played a very important role in the early days of colleges of advanced education 15 years ago, but its co-ordinating and supervising function is no longer necessary. With two of Queensland's colleges of advanced education being larger than two of its universities, it is appropriate for college councils to have greater autonomy—as is already the case with university senators. Such a move is consistent with a recommendation of the Australian Education Council and trends in other States.

Changing factors in education have reduced the need for the BSSS to be involved with Years 8 to 10 and issuing of Junior certificates and, in regard to Years 11 and 12, there is not the need, as explained earlier, for its separate existence as was seen when it was established 15 years ago. It also is debatable whether the BSSS has been as responsive as it might have been to issues such as increased retention rates, technology and community demands generally.

Take, for example, the rules on the TE score—which has been described as an “educational strait-jacket”—and the board's cumbersome response to the need for an

information processing and technology course, which is not expected to be introduced generally until 1992, though planning started in 1983. Meanwhile, an information technology course sponsored by the Department of Education was devised during 1985, piloted in 1986 and today is available in 100 secondary schools. The BSSS has not adequately countered community concern over the standard of literacy and numeracy, concern which I expressed myself a year ago in a letter to that board.

Finally, the proposal to amalgamate the three boards is consistent with the recommendations of the Savage committee. It is difficult to justify maintaining three separate boards, in separate buildings and with separate staff, when all three perform very similar, and indeed overlapping, roles.

(4) A CO-OPERATIVE APPROACH TO CURRICULUM DEVELOPMENT

At present the Department of Education produces syllabuses in all subject areas for the P-7 years. Non-Government schools have not been involved in this process to date, although many non-Government schools elect to use departmental P-7 syllabuses. Non-Government schools at present have the right to—

- (a) use departmental P-7 syllabuses;
- (b) modify departmental P-7 syllabuses; and
- (c) write their own syllabuses.

It is proposed that this arrangement be extended to Year 10, with non-Government school officers becoming members of all P-10 syllabus committees. This will effectively involve the non-Government school sector in a curriculum development partnership with the Government school sector, from pre-school to Year 10.

Presently the Board of Secondary School Studies develops and accredits "board" syllabuses for Years 8 to 12, with schools developing "board registered" subjects. Under the proposed amendments, the Queensland Course Accreditation Council will oversee the accreditation of courses produced by colleges of advanced education, colleges of technical and further education, and courses for use in Years 11 and 12 in secondary schools. The involvement of the non-Government school sector will not be diminished in any way.

At present the working party examining the amendments is considering the issue of a co-operative approach to curriculum development. As mentioned earlier, I am open-minded about the suggestion of an independent P-10 curriculum development body, and will be guided by the recommendations of the working party.

(5) A NON-GOVERNMENT SCHOOLS ADVISORY COMMITTEE

Establishment of an advisory council on non-State education was proposed, to acknowledge the importance of this sector in Queensland and the State Government's high regard for it, as well as formalising the consultation that already exists. The membership of this council was to be drawn from all areas of the non-Government school sector.

SALE OF EDUCATIONAL MATERIALS

The Bill also allows that the Minister, that is, his department, be allowed to sell educational materials. The department has developed fine materials in various mediums which are sought after interstate and overseas. Why should we not sell them for what they are worth and return some money to the tax-payer? Under no circumstances will non-Government schools be forced to purchase such materials.

Overall, it must be emphasised that if it can be demonstrated reasonably that the independence of any non-Government school would be compromised by any aspect of the proposed legislation then that aspect will be changed. This applies to all sections of the proposed legislation, but no final decisions will be made until I have had an opportunity to study in detail the recommendations of the working party.

Finally, I would like to acknowledge the dedication and sincerity of members of the working party examining the above aspects of the original Bill. Their willingness to work together in the interests of Queensland education is a credit to them.

Furthermore, I would like to thank the individuals and organisations which submitted to me their comments on the proposed amendments to the Education Act. The recommendations of the working party, together with the suggestions received in the submissions, will ensure that the redrafted Bill will reflect the wishes of the education community. That, of course, was the very reason for my tabling the original Bill in April and asking for community debate.

MINISTERIAL STATEMENT

Proposed World Heritage Listing of North Queensland Rainforest Areas

Hon. G. H. MUNTZ (Whitsunday—Minister for Tourism, National Parks and Sport) (2.55 p.m.), by leave: This morning's *Courier-Mail* report on the Commonwealth Budget contains the headline, "More staff to take on Queensland Government". This, of course, refers to the proposed World Heritage listing of Queensland's wet tropical rainforests. This is an absolute disgrace. The Commonwealth Government is allocating \$15m, primarily to employ more staff, in an endeavour to create a State within a State, and to satisfy its desperate thirst for more and more power.

The johnny-come-latelies in the conservation area intend to undertake surveys to identify rainforest areas of high conservation interest. This is totally unnecessary and a waste of public funds.

Queensland has been doing this conservation work for decades. The very survival of the timber industry in north Queensland depends on the selective harvesting of the rainforest trees. Queensland has not—and never will—adopt the practice of clear-felling of vast areas of rainforest. It has been pointed out before—but it bears repeating, repeating and repeating—that no more than 10 trees per hectare are harvested from a selected, very small percentage of rainforest.

Most of the families in a string of prosperous little towns such as Ravenshoe have been in the area for generations. The forests have been logged for more than 100 years with no appreciable ill-effects. Because their jobs depend on it, loggers tend to be far more environmentally minded than professional urban greenies. Loggers regard trees as renewable resources and treat them accordingly, with emphasis on replanting and renovation. Now a political decision, which is clearly designed for the benefit of a vociferous group of extreme conservationists, will put them on the scrap-heap.

No doubt the Australian Conservation Foundation Chairman, Mr Philip Toyne, will be happy. Mr Toyne should be remembered as the lawyer employed by the Central Land Council when it was doing its best, in the name of land rights, to frustrate development of any kind in central Australia. The greenies of Australia have a strange collection of bedfellows; but for Mum, Dad and the kids in towns such as Ravenshoe, it is as if the end of the world has come. What are they to do?

Senator Richardson has made some vague noises about jobs in tourist-related enterprises. He is talking through his hat, and he knows it. Ravenshoe is about to become a beautiful ghost town—much like the chain of ghost towns that remain after mining operations close.

Hundreds of people will lose their jobs. With them will go all the people who now make a living by providing services—the local butcher, the grocer, the parish priest and the mechanic. They will all go because the greenies, who have never barked a knuckle in a real job, consider those people to be expendable.

What about the forests? Will they be better looked after? Will they be preserved for future generations, as pompous greenies claim? The chances are that the environment will deteriorate. Like responsible people everywhere, the people who live in these towns

understand that unless they look after the environment, they will end up with no environment.

The Federal Labor Government knows all this. It did nothing about the forests for four years. The reason it is doing something now is because a few marginal seats in the last election were said to have been influenced by the greenie vote. For the sake of that handful of votes—like Judas' silver—Senator Richardson has decided to shatter the lives of hundreds—perhaps thousands—of Australian working families. The battle being fought between the Commonwealth and Queensland Governments is one that goes right to the heart of our Federation. Is the Commonwealth of Australia to continue to exist as a Federation of States, or are Queenslanders to be governed by the centralists of Canberra?

I note in the Budget that the funding for the Bicentenary has been increased by 69 per cent. Labor's bicentennial gift to the timber-workers of north Queensland will be the loss of their jobs. Of course, Senator Richardson and the honourable member for Windsor and the professional, trendy, urban greenies of Clayfield, Toorak and Cairns consider them expendable. If it has its way, Labor's other bicentennial gift to north Queensland will be the string of ghost towns which Senator Richardson wants to create.

Senator Richardson talks about the timber-workers finding jobs in the tourist industry. That is utter nonsense. The timber-workers are not prepared to forsake the only jobs they have known for years to be trained as drink-waiters and the like. Even if that were possible, surely Senator Richardson realises the extent of the unemployment problem that already exists in Australia.

While on the subject of the tourist industry—I was appalled to see Treasurer Keating's attack on Australian and overseas tourists. I will cite just some of the increased charges—

- All airline passengers arriving in Australia will now have to pay a \$5 service fee. This includes Australians returning home from a holiday or business trip.
- Passport fees are to be increased by \$6 for adults and \$2 for children this year and in future are to be increased automatically from 1 July annually, to take account of inflation.

These increased fees are expected to raise an additional \$11m this financial year and more than \$20m in a full year.

What will happen to this additional revenue? It is about equivalent to the amount that will be wasted by the Commonwealth in duplicating the work being undertaken by Queensland in rainforest management. If the Commonwealth would abandon its stupid attempt to centralise control in Canberra, the assault on the pockets of Australian and international tourists would be totally unnecessary.

I wonder what will be the reaction of our Expo visitors from overseas next year when they will be asked to hand over \$5 before being allowed to enter Australia.

Whilst the Queensland Tourist and Travel Corporation is working extremely hard to attract tourists to Queensland, it is thwarted in its endeavours by the stupid money-grabbing stunts of the Commonwealth Government. It would not be bad if the taxes raised were put to good use, but they are wasted in duplication of Queensland Government responsibilities.

LEAVE TO MAKE MINISTERIAL STATEMENT

Hon. R. C. KATTER (Flinders—Minister for Northern Development and Community Services) (3.01 p.m.): I seek leave of the House to make a ministerial statement.

Opposition members interjected.

Mr SPEAKER: Order! The House will come to order. Is leave granted?

Opposition members: No!

Question—That leave be granted—put; and the House divided—

AYES, 55		NOES, 27	
Ahern	Lane	Ardill	
Alison	Lee	Braddy	
Austin	Lester	Burns	
Beanland	Lickiss	Campbell	
Beard	McCauley	Comben	
Berghofer	McPhie	De Lacy	
Bjelke-Petersen	Menzel	Eaton	
Booth	Muntz	Gibbs, R. J.	
Borbidge	Neal	Goss	
Burreket	Nelson	Hamill	
Chapman	Newton	Hayward	
Cooper	Powell	Mackenroth	
Elliott	Randell	McLean	
Fraser	Row	Milliner	
Gately	Schuntner	Palaszcuk	
Gibbs, I. J.	Sherlock	Scott	
Gilmore	Sherrin	Shaw	
Glasson	Simpson	Smith	
Gunn	Slack	Smyth	
Gygar	Stephan	Underwood	
Harper	Stoneman	Vaughan	
Harvey	Tenni	Warburton	
Henderson	Veivers	Warner	
Hinton	White	Wells	
Hobbs		Yewdale	
Hynd			
Innes	<i>Tellers:</i>		<i>Tellers:</i>
Katter	Littleproud		McElligott
Knox	FitzGerald		Prest

Resolved in the affirmative.

MINISTERIAL STATEMENT

Northern Surveillance

Hon. R. C. KATTER (Flinders—Minister for Northern Development and Community Services) (3.08 p.m.), by leave: I wish to raise a number of grave matters that have concerned me deeply about the northern surveillance coast-watch contract, which now appears to be in a lamentable situation. So far, the debate on this issue has concerned the role of Amann Aviation. In that regard, I refer to my own answer to a question asked in the House yesterday.

In the light of certain documentation that has been received in the last 24 hours, I should inform the House of other aspects of this matter, which give it a more sinister perspective. This appalling fiasco appears to be not so much a matter of surveillance bungling as one of dollars. It is possible that the nation's entire northern coastline could have been placed at risk in regard to defence, fishing rights, drugs, disease and, I might add, the defence of the Great Barrier Reef—which has almost been entirely stripped of its giant clams—by a sordid plan that has been designed to benefit financially a few people, or possibly a single individual.

The first question is: why did the contract previously held by Skywest Aviation go to Amann Aviation, whose lack of preparedness and total lack of experience in the industry should surely have been a more important consideration than the fact that it tendered \$2m less than Skywest.

It is now quite obvious that there were outstanding deficiencies in the tender assessment process—to put it at its kindest—such as analysis of type and availability of aircraft, Robert Amann's managerial expertise and the general back-up. It was a \$2 company. As far as can be ascertained, not a single person associated with that company had ever flown an aeroplane. The company did not own a single aircraft of any description, not did it own any equipment or facilities of any description.

Mr Amann's purported managerial skills were said to be a significant factor in the decision, yet it has now been discovered that he played no managerial role whatsoever in the construction firm that he simply worked for in Canberra. Again, one newspaper reported this month that his tender was submitted in the form of a handwritten reply on a piece of otherwise blank paper.

Not all members of the tender evaluation committee actually saw the documents, the nod for Amann coming only from representatives of the Transport and Primary Industries Departments. The evaluation committee—including officers of those departments—simply assented to this, even though some of them had not seen the tenders at all.

Then, incredibly, Amann tried to change the tender from piston aircraft to turbo prop aircraft. We know the identity of the group offering financial support for Amann—Continental Venture Capital—and herein lies part of the answer.

Continental Venture Capital declared that it would have some \$650,000 that it could inject into the Amann contract. But who is CVC? It is a company which was entirely controlled by Nigel Stokes, who has been a financial consultant to the Labor Government continuously since 1976, and who has been on the pay-roll of the New South Wales Government continuously from 1976 to the present time.

Vanda Russell Gould, the second person involved, was named in Treasury documents as having played a significant, if not prominent, role in the Whitlam Government's loans affair of 1975—the notorious Khemlani affair, as it later became known.

I turn now to the murky affair in the United States. This is even more curious. Skywest Aviation sent one of its chief executives, Mr Bill Meeke, to the United States because Skywest Aviation did not at any stage believe that there was any deal or contract going with aeroplanes in the United States. An address was given where these aircraft were going to be purchased. Skywest sent a person all the way across the United States because it was so confident that there were no facilities there, nor aeroplanes, and that the company that Amann was supposed to be buying them from did not exist at all.

That man was sent over there. When he attempted to enter the area that was supposedly the facility where all of these aeroplanes were housed, he was accosted by a private detective and arrested. Charges against him have now been dropped. However, the private detective has since declared that she was employed by Amann to observe Mr Meeke's activities and she is now willing to testify on his behalf. She says that Amann doctored her report so as to frame Mr Meeke.

Mr De Lacy interjected.

Mr KATTER: Let the honourable member for Cairns indict himself and hoist himself with his own petard, because a Senate inquiry is under way and all of these things can and will be proved and will come out in the inquiry.

I ask: what do we have on our hands here? While all this was going on, the then Minister for Transport, Peter Morris, was overseas and the then Special Minister for State, Senator Michael Tate, was running around the country. Yesterday his actual statements from 4CA in Cairns were quoted in this Chamber, in which he said—

“They have purchased”—

past tense—

“14 aircraft.”

Either that is a flagrant lie or the aircraft were in fact purchased, and within the next three weeks all 14 aircraft were resold. What was the role of the then Minister for the Territories, Gordon Scholes? Who made the final decision? I should add that, while this dangerously pathetic saga was unfolding, the letting of the contract to Amann was being vigorously challenged by myself, the executive director of the Australian Federation of Airline Pilots, the head of Sunbird Airlines—the biggest aircraft-operator in northern Australia—and the chairman of the Northern Australia Development Council, Mr Tony

Zelenka. In addition, it was a major issue in the Leichhardt election campaign. We would now be very interested in a re-run of that election campaign in the light of the facts that are now on the record. One cannot complain about a 3 per cent swing.

I believe that there are more questions yet to surface relating in particular to Skywest Aviation. There is no doubt that there has been an enormous financial windfall in this case. When Skywest Aviation lost this contract the company was worth virtually nothing. It was an airline operation with a stack of worthless aeroplanes that were of little use for anything other than coastal surveillance. It was a company without any contracts or work and it was in desperate financial straits. This company was purchased for a minimal amount of money by a third party, whose name I will leave to the hawks in the press gallery—who I hope are not doves—to find. This third party purchased Skywest Aviation for a negligible figure.

The Federal Government has refused to provide any answers, nor did the ALP candidate for Leichhardt during the last election campaign. There are more questions which are yet to surface relating to Skywest Aviation. Honourable members should remember that East-West Airlines, like Skywest Aviation which is a subsidiary of Skywest Holdings Pty Ltd, was bought out in early August. This purchase was completed in highly questionable circumstances only days after a Western Australian businessman, a Mr Perron, had himself bought it. We know that at least he made a huge profit—some \$20m.

Mr SPEAKER: Order! The honourable member for Lytton will remove the newspaper.

Mr Burns: If you are going to allow him to read this, I will read the paper. There is no Standing Order that says I cannot read the paper.

Mr SPEAKER: Order! I now warn the honourable member for Lytton under Standing Order 123A for the second time.

Mr Scott: This is totally irrelevant to this Parliament.

Mr KATTER: If the honourable interjector seriously believes that the coastal surveillance of northern Australia is of no relevance to this Parliament, I suggest that he secure a job elsewhere. I believe that his electors will suggest that to him at the next State election.

Skywest Aviation, the charter operation of Skywest Holdings Pty Ltd, then became the principal income-earner for the Skywest group, but if the coast-watch contract was taken away, there would be another company of very little value which is ripe for purchase.

If one knows that Amann cannot possibly fulfil its contractual obligations and that Skywest Aviation would almost certainly be asked to continue its operations in the interim, one could buy Skywest Aviation for a song and see the company's former value restored almost immediately after the purchase. It could not be much easier to make a soaring profit whilst the northern coastline remains open and its surveillance a farce. Sure enough, the ownership of Skywest has quietly changed hands whilst all the drama is centred on Amann Aviation, as happened yesterday in this House. I myself was quite misled. Where is the company now? It is under the same old umbrella—and I will leave it to the press to discover who owns it. It is peculiar how particular pets of Mr Hawke's favoured big business sector continually emerge from the dark shadows of some of the Federal Government's otherwise inexplicable decisions.

This is a matter of great national importance. The Federal Government has already sacrificed the average working person in this nation at the altar of big business, and even Australia's vital security interests are now subject to the grubby manipulations of the Hawke Government and its friends. I guarantee that this matter will be pursued until the full history and truth are uncovered, so that the people of this great country can be told how their security is being threatened by these manoeuvrings. I predict that

two Federal Ministers, one of Cabinet rank, will be sacrificed as scapegoats when the full story is learned. This is hardly enough.

Interest rates that are double those of our trading partners have to be applied to repay the borrowings used by the super rich to play Monopoly with each other.

The Barrier Reef, our beef industry, the nation's security and health, its defence against drug-smuggling—these have all been made pawns of the super rich and their Federal lackeys.

The one prime question that remains unanswered is: who is Mr Big's contact in the Federal Government?

QUESTIONS UPON NOTICE

1. Radioactive Sand on Gold Coast

Mr McLEAN asked the Minister for Health and Environment—

“With reference to radio-active sand, in particular, to the instance some 12 months ago when samples of sand were taken by industrial inspectors from a number of Gold Coast sandblasting works, which samples were tested by the Health Department and proved to have alarming levels of radio activity, to the statement at the time of the Director of the Health Department's Division of Occupational Health, Dr Ron Ramm: ‘Tests had shown 20 people had received exposure . . . Further tests would determine the levels of contamination, tests and observation would continue for many years because of the danger from radiation exposure was a long term problem’, to the statement of the then Health Minister, Mr Austin that 28 batches of contaminated sand had been sent out to companies from Currumbin Minerals Pty Ltd on the Gold Coast and as such a large volume of sand was involved that it would appear that many more than 20 people could have been affected—

(1) How many workers were traced and tested at the time and how many have been found and tested since that time?

(2) What follow-up tests have been carried out since then on those workers?

(3) What long-term protection have these workers if the effects of radiation harms them in the future?

(4) What was done to dispose of this sand and where was it deposited?

(5) Have any recent tests been carried out by inspectors of the operation of these sand blasting firms and, if so, what are the results?”

Mr AHERN: (1) A total of 68 persons have now been assessed as having some exposure to sand-blasting material that may have been contaminated by some radioactive sand. All these persons have filled out questionnaires. This has identified 20 persons to be assessed as a higher risk group. Negotiations are proceeding for special testing to be carried out by the Queensland Institute of Technology.

(2) The follow-up assessment will include surveillance of these persons over a long period.

(3) The basic protection of these persons lies in the adoption of a life-style that will not further expose them to factors that will cause an additional risk.

(4) Sand from the Brisbane and Ipswich areas and sites associated with the Moonie gas pipeline was deposited in the sand-pits at Stradbroke Island. Sand from other areas was deposited in refuse disposal areas within the shires involved. Special arrangements were made for disposal of the sand.

(5) There is continuing surveillance of this industry, within the limits of the resources available. The last inspection was on Friday, 11 September 1987.

2. Officers Leaving Police Force

Mr BURNS asked the Deputy Premier, Minister Assisting the Treasurer and Minister for Police—

“As 20 Police Officers have left the force since July, who are these Police Officers, how old are they and on what basis have they left the force?”

Mr GUNN: As requested by the honourable member for Lytton, I point out that 43 officers left the police force for varying reasons between 1 July 1987 and 13 September 1987.

Termination of service was for the following reasons—

- (1) Resignations—11—ages ranging from 20 to 45 years;
- (2) Medical grounds—7—ages ranging from 36 to 50 years;
- (3) Optional retirement—23—ages ranging from 55 to 57 years;
- (4) Age-limit retirement—1—Deputy Commissioner J. K. McDonnell;
- (5) Death—1—Senior Constable P. G. J. Kidd.

The basis on which a member leaves the police force is regarded as a personal matter. Therefore it is not intended to disclose the names of any of the officers in (1), (2) and (3) above on the grounds of confidentiality.

3. Southern Moreton Bay Development

Mr BURNS asked the Premier and Treasurer—

“With reference to the Government’s oft-stated claim that they have a plan to manage the resources, lands and waterways of southern Moreton Bay from Jumpinpin to Southport—

(1) Will he table copies of documents, plans and reports of enquiries that refer to the short and long-term plans for the use of this valuable resource?

(2) Who owns and controls Jabiru or Phil Hill Island?

(3) When did Gold Coast Alderman Lester Hughes, or his companies, obtain a lease over part of this island?

(4) Is the island subject to rezoning applications that will allow the Hughes companies to develop a barge landing and sand stockpiling area?

(5) Is he aware that, whilst objections to this application have not closed, bund walls and groynes have been constructed?

(6) What is the current zoning of this island?

(7) Who owns and controls Ephraims Island?

(8) Does the proposal to construct high rise on this island meet the requirement of this Government’s overall plan for the area?

(9) How much of the tidal water or bay will be pumped and filled to provide land for this development, and for the development on Andy’s and Griffin Islands?

(10) With regards to Sanctuary Cove and Bayview Harbour’s proposals for private beaches and the GCWA plans for a golf course on South Stradbroke Island, has the Government made a final decision on these applications?

(11) What does the Government see as the future for South Stradbroke?

(12) How much public money will be spent on dredging the Coomera River and is the sand dredged to be piped to Sanctuary Cove through a channel dug through Coomera Island?

(13) What contribution will Sanctuary Cove or Lunds Marina Development pay towards these costs?

(14) Were permits obtained under the Fisheries Act for all mangroves destroyed, in the southern Moreton Bay Area in the last five years, if not, which

parts were destroyed without permission and to whom, and for what areas, were permits given for mangrove destruction?

(15) Who owns and controls Coomera Island and is there any plan or have discussions been held to swap land on Coomera Island for land on South Stradbroke?

(16) As there are problems from biting midges and dropping levels in canals as a result of the Southport Bar development and as plans are in place for development on Andy's, Griffin, Ephraims and every other island, but Crab, between Paradise Point and the bar, will he respond to growing public alarm at the massive destruction of mangroves and loss of open space by setting in place a management plan for southern Moreton Bay?"

Sir JOH BJELKE-PETERSEN: (1 to 16) As the information requested by the honourable member is quite extensive, I have asked my ministerial colleagues whose respective portfolios cover the areas of the honourable member's interest to provide me with the details sought, and I shall communicate with the honourable member in due course.

I might add that the Government back-bench committee on natural resources and economic development, chaired by the honourable member for Aspley, Mrs Nelson, will be asked to adopt Moreton Bay as its next priority after it has finished its report on the rainforests.

4. Pitman Report on Tertiary Entrance

Mr UNDERWOOD asked the Minister for Education—

"With reference to the Pitman Report, dated July 1987, on tertiary entrance, which he intended to keep from public scrutiny and to his recent denials of knowledge of the final report and its contents—

(1) Was he, contrary to his denials, personally presented with a copy of the report at a small internal function?

(2) Did this occur on or about 7 August?

(3) Has he misled Parliament on this matter as he in fact received it approximately a month before he publicly admitted to receiving the report?"

Mr POWELL: (1 to 3) In answer to the honourable member, I point out that there is no so-called Pitman report.

I could quite properly leave the answer there. However, I will expose the question for the sham that it is. I presume that the report about which the honourable member is speaking is the report entitled *Tertiary Entrance in Queensland—A Review*. That report is the result of deliberations that took place for two years after I set up the working party to investigate tertiary entrance. As I indicated to the Parliament last week, I was personally handed a copy of the report at approximately 4.30 p.m. on Wednesday, 9 September. In fact, on 7 August, which was the date cited by the honourable member, I was in Roma to officially open the very successful Roma Middle School. At no time have I indicated—

Mr Underwood: Can't you read basic English?

Mr SPEAKER: Order!

Mr Underwood interjected.

Mr SPEAKER: Order! I warn the member for Ipswich West under Standing Order 123A.

Mr POWELL: At no time have I indicated that the report would be withheld from public comment. What I did say was that I believe that, for the benefit of the 1987 Year

12 students, the report should be withheld until 1988. However, various people—including the honourable member—have little regard for Year 12 students and want only to grandstand.

Since receiving the report, the joint advisory committee on post-compulsory education, comprising the vice-chancellors of Queensland's three universities, the Director-General of Education and the chairman of the Board of Advanced Education, has decided to seek an independent assessment of the report in order to provide me with further advice.

My preliminary perusal of the report indicates that, contrary to the honourable member's earlier statements, there is absolutely no possible justification for claims of fraud in the compilation of the TE score. In fact, mathematics and computer experts inform me that, if the recommendations that are contained in the report were implemented without amendment, quite serious anomalies could occur.

In summary, the information that I gave to this Parliament was accurate—in stark contrast to that which was given by the honourable member for Mount Coot-tha and the honourable member who asked the question, and in contrast to the accuracy of the spelling in the honourable member's written question. Perhaps he should be asked to write "contrary" and "admit" out 100 times so that he can learn also to be accurate.

QUESTIONS WITHOUT NOTICE

Contempt Proceedings against Mr J. Minuzzo

Mr Warburton: In directing a question to the Premier and Treasurer, I refer to Mr Justice Dowsett's decision to fine Mr Minuzzo's company, Mainsel Investments, an amount of \$125,000 as a result of Mr Minuzzo's activities at the Capital Hotel site, where that monolithic monster is proposed to be built. It seems that Mr Minuzzo could also face a goal sentence for contempt.

I ask: does the Premier believe that Mr Minuzzo is the sort or person who should be associated with development projects in this State? In view of the fact that if a Queensland Government employee was found guilty of similar charges he or she would be sacked immediately by the Premier, I also ask: is the Premier prepared to do the same thing to Mr Minuzzo?

Sir JOH BJELKE-PETERSEN: Of course, the answer to that question is, "No".

Mr Warburton: Of course you wouldn't. He's a mate of yours.

Sir JOH BJELKE-PETERSEN: Of course I wouldn't.

The point is that the honourable member must realise that an appeal has been lodged against that decision. This is not the end of the matter. As the case moves on to the next stage, there will be an entirely different complexion, which the honourable member may be able to work out.

Be that as it may, Mr Minuzzo has achieved a great many objectives that have been of special benefit to Australia, particularly to many parts of this State, and indeed to our part of the State. The project that he has put forward is outstanding. My Government and I support the project and we will continue to support it.

Mr Warburton: What are you going to do if he is gaoled?

Sir JOH BJELKE-PETERSEN: There has been a lot of talk about his going to gaol and all the rest of it. If the honourable member were to follow the details through, and if the people who are involved in the whole exercise and who have been making the allegations knew the background of the case, I am afraid that they would be side-stepping the whole issue very, very quickly.

Criticism of Premier by Mr John Hay

Mr WARBURTON: In directing a further question to the Premier and Treasurer, I refer to the fact that, this morning, the Australian Free Enterprise Foundation convenor, Mr John Hay, who was previously one of the Premier's solid supporters and compatriots, called upon the Premier to stand down from his position in the interests of Queensland and Queenslanders. Mr Hay also accused the Premier's Ministers of having no intestinal fortitude and claimed that they were not considering the State's interests by allowing the Premier to remain in leadership.

I ask: in view of Mr Hay's remarks, with which most Queenslanders obviously agree, and the rumblings in the National Party even as recently as today about the Premier's 60 per cent disapproval rating——

Government members interjected.

Mr WARBURTON: I ask: is it the Premier's intention to get out——

Government members interjected.

Mr WARBURTON: Can I ask the question?

Mr SPEAKER: Order!

Mr WARBURTON: I want the Premier to hear this. I ask: is it the Premier's intention to get out before he is thrown out?

Sir JOH BJELKE-PETERSEN: The honourable member knows the answer to that question. He knows also that he is in very dire straits with the possibility of his being thrown out very, very quickly. I will wager that the Leader of the Opposition will be thrown out a long, long time before I ever will be—don't you worry about that! The honourable member should look after himself. I can look after myself.

ICI Chlorine Plant, Lytton

Mr FITZGERALD: In directing a question to the Minister for Employment, Small Business and Industrial Affairs, I refer to media reports in which it has been indicated that the firm ICI may be withdrawing from building its chlorine plant at Lytton. I ask: if the company proceeds to do that, does the Minister believe that a chlorine plant will be lost to Queensland?

Mr LESTER: ICI has not said at this point that it will pull out. However, it is very interesting to note that the company has been extremely frustrated and sabotaged, and the indications are that it may pull out.

I want to make it clear that the Government is determined not to lose this and other industries for Queensland. There are exciting new prospects for a Gladstone deal far bigger and better, with employment prospects for hundreds of people.

ICI has flagged the prospects with the Premier, and discussed the initial strategy with the Deputy Premier and myself. The location of Gladstone has certain advantages. Coal mines and considerable secondary industry are close by. Salt, which is an important primary product, also is close by. The council, of course, is pressing for more industry.

In view of that all-round interest, I have asked the Department of Industry Development, in consultation with ICI, to look at a package taking into account possible future cheap piped gas supplies, availability of land, the utilisation of electricity capacity and a possible freight rate agreement, depending on the volume of traffic. I have also asked ICI to look at, on its side, a possible petrochemical industry and other associated industries that could result. In addition, today I have had discussions with Mr Roger Bryce, the executive director of the Queensland Confederation of Industry Limited, who has indicated that it, too, is prepared to assist the Queensland Government and ICI to make sure that this important project is not lost to Queensland.

Advantages to ICI include the fact that Queensland has an additional huge coal potential. Countries such as Romania and Turkey can come only to Queensland. A massive increase in tourist trade will occur. After all, I have no doubt that there will be international airline flights into Queensland from all over the world. Obviously, when that happens—I do not say “if it happens”—supporting industries will be needed.

ICI has been advised and it knows that Queensland is an attractive place for the proposed plant. Queensland has the lowest workers' compensation rates in Australia. It has by far fewer strikes than any other State in Australia. It has no taxes on fuel. ICI can look forward to positive help from the National Party Government in Queensland, as distinct from the knocking attitude of the Australian Labor Party and the Liberal Party.

I want to make it clear to the Parliament that that dialogue will continue. The Government will work hard to foster additional industry and job opportunities in Queensland and it will not be frustrated by the efforts of the negative few.

Indemnity from Prosecution for Police Officers

Mr BURNS: I direct a question to the Minister for Police. Recently, Commissioner Fitzgerald offered police officers in this State an indemnity from prosecution if they agreed to come forward and give evidence to the commission. Another condition of the indemnity was that they resign from the force, with the result that they forfeit their normal retirement benefits. The Minister was then reported as having said, two days before the deadline expired—

“If a police officer is entitled to early retirement, and that means at age 55, there is no way the Government would stand in that person's way to prevent him from receiving his entitlement.”

Given that Commissioner Fitzgerald indicated that the indemnity offer had substantially failed, I now ask the Minister—

(1) Will he explain to the House why, only two days before the indemnity expired, he gave this public guarantee to police officers that they could retire on full benefits, no questions asked?

(2) Will the Minister explain to the House how Commissioner Fitzgerald's indemnity could possibly succeed after this guarantee had been published?

(3) Did the Minister direct that the names of those officers who have left the force since July be checked with Commissioner Fitzgerald for confirmation that he was not investigating those officers, before they were permitted to leave the force on full benefits?

(4) Will the Minister explain the extraordinary contradictions in his conduct, whereby on the one hand he says that he cannot answer questions in this House owing to the sub judice convention, while on the other he issues public statements such as this one on 5 September which cut the legs out from under the commissioner's indemnity?

Mr GUNN: The matter of indemnity comes within the province of the Minister for Justice and not within my province. May I say that, as far as the Government is concerned, a man is not guilty until he is found guilty. None of these people have been found guilty; therefore, under the Police Superannuation Act, they are entitled to collect their superannuation at the age of 55 or 60 years.

Once again I inform the House that nobody is guilty until found guilty. Indemnity is a matter for the Minister for Justice.

Government Intrusion in Town-planning

Mr BORBIDGE: I ask the Premier: is he aware of criticism of the Queensland Government over alleged intrusion into town-planning? Can he advise this Parliament of the position that exists in New South Wales?

Sir JOH BJELKE-PETERSEN: The Queensland Government has always got along first-class with local authority organisations in this State. It has a good standing and a good relationship with local authorities—except, perhaps, the one in Brisbane. By and large, however, the Queensland Government has always worked with local authorities. It has always supported local authorities and helped them with infrastructure—particularly the area represented by the honourable member for Port Curtis. The Queensland Government has spent many hundreds of millions of dollars to play its part in Gladstone.

Mr Prest: It is millions and millions. That is a way down the track yet.

Sir JOH BJELKE-PETERSEN: It is a way down the track, yes; but the Queensland Government will continue. That has already been indicated.

In answer to the second part of the honourable member's question—the New South Wales Government has by-passed the town-planning powers of local authorities in relation to major developments over the last few years. In particular, recent amendments to the Darling Harbour Authority Act in 1986 and 1987 have overridden the need for the normal local authority approval and have put all planning powers in the hands of the responsible Minister. That can be seen in copies of the debates on amending legislation that have been sent to me and of which I am now aware.

Other councils have suffered State Government intervention in New South Wales. I mention, for example, Warringah Shire, where approval for a \$500m commercial park was overridden by the State Government. Although the proposal had been rejected by council, it was approved by the Minister for Planning and Environment in August of this year. After closed meetings with a State Government committee, the council has now called for an independent inquiry, as honourable members would expect.

In February 1987, Premier Unsworth announced that all councils would be required to notify the Government of any tourist development proposals costing more than \$10m.

A Government member interjected.

Sir JOH BJELKE-PETERSEN: Yes, just \$10m. The councils have to go to the State Labor Government in New South Wales for approval. The State Government is overriding the councils.

Vital tourist projects will be given fast-track approval after assessment by the Department of Environment and Planning and the Tourist Commission. Honourable members can read in the *Sydney Morning Herald* a report indicating that in June a letter was sent to all local government authorities by the Department of Environment and Planning requesting local authorities to inform that department of all developments over \$10m in Sydney and \$5m elsewhere in the State. I point out that that applies not necessarily just to tourist areas, but to all developments. The New South Wales Labor Government has intruded well and truly into every area of local authority activity in that State. Opposition members cannot deny that overriding of local government.

Osteoporosis; Free Milk for Pre-school Children

Mr SHERLOCK: I ask the Minister for Health: is he aware of the condition osteoporosis, which is affecting an increasing number of people in the community—especially women? Is he also aware that many health practitioners believe that the increased intake of calcium has prophylactic benefits, and that milk is one of the best—and easiest—assimilated forms of calcium, if included in the diet regularly and from an early age? Does the Minister agree that a withdrawal of free milk from pre-school and child-care centres—merely to save \$700,000 in the Budget—is potentially detrimental to the health of everybody's children? Is he aware that responsible parents in most pre-schools, creches and kindergartens in this State will continue at their own expense to provide free milk as an essential nutrient? Does the Minister agree that the cost of approximately \$250 per month per centre is a further tax on already overburdened parents? Finally, can he assure the House that he will endeavour, in the interests of the

future health of our children in this State, to persuade his colleagues in Cabinet to review this withdrawal from the Education budget?

Mr AHERN: I am aware of the condition called osteoporosis. I would, however, contest the fact that it is widespread in Queensland, and I would certainly contest any assertion that the withdrawal of the pre-school milk scheme in Queensland will lead to an increase in osteoporosis. I doubt very much whether any doctor in Queensland would make that assertion. However, milk is obviously an important part of the nutrition of young people, and that will be encouraged as part of school health programs. I think the extravagant assertions that the honourable member makes about the Cabinet decision are not warranted.

Trial Senior Colleges

Mr NEWTON: I ask the Minister for Education: in view of the criticism which the building of two trial senior colleges attracted two or three years ago, is he satisfied now that the trials have proven to be worth while?

Mr POWELL: Yes, I am satisfied that they are proving to be worth while. The assessment and evaluation of those colleges, of which there are now three—one at Hervey Bay, one at Alexandra Hills and the other at Roma—is an ongoing thing, and we will be continuing that.

Such has been the response from teachers, for example, that for 40 teaching positions that were advertised for the Alexandra Hills college, there were 730 applicants. The teaching profession, as a profession, is now recognising the worth of senior colleges within our education structure and is anxious to work in them for the benefit of the young people of Queensland.

I have spoken to the Federal Minister for Education, the Honourable John Dawkins, on the matter of funding, as Queensland, because of its innovativeness in education, is being disadvantaged in that the Federal Government will fund only capital works that are regarded as being for tertiary education—that is, TAFE colleges, CAEs or universities. As the senior colleges go across the spectrum from secondary education to TAFE—and, at Hervey Bay next year, into CAE—we believe that there is a very good case for Federal funding to be provided for the capital works. If the Federal Government accepts our proposition, we will be able to extend the sort of education that is available through senior colleges to a much wider area of Queensland, whereas currently, of course, it is being narrowed down. For example, currently we have a proposition before the Federal Government for an amount of approximately \$16m to build two TAFE colleges. If that money could be reallocated so that the State Government was able to apportion it the way it saw fit in the senior college area, it would be able to bring TAFE programs to a much wider area of the State. Two of the places that immediately come to mind are Caboolture and Gympie. We seriously need to have the Federal Government recognise the worth of the senior college movement so that areas such as the one that the honourable member represents will be able to be catered for in the future. Senior colleges are proving very successful indeed, and the student populations of those colleges are very happy with what is going on. The communities in which they are placed are extremely happy. Altogether, we have a very successful program going ahead.

Learn-to-swim Classes

Mr UNDERWOOD: I have a question for the Minister for Education. I hope he can hear; I doubt whether he can read.

Mr SPEAKER: Order!

Mr UNDERWOOD: In asking the question, I refer to the learn-to-swim classes as listed in the Budget document entitled *Departmental Services and Programs: A Budget Perspective 1986-87*, page 60, and to the same document for 1987-88, at page 52. This 20-week program is for non-swimmers aged nine years and over up to Year 7. This year the program commences on 5 October and concludes at the end of March 1988. Is it

not true that last year approximately 85 000 pupils attending Government and non-Government schools were provided with free transport and free admission to school and public swimming-pools throughout the State? Why didn't the Government last week have the courage to publicly advise parents of the savage Budget cut to this program instead of just advising schools by letter this week? For example, one Brisbane State school has just been advised that it has been allocated \$2,100, which will cover the cost of its pupils' entrance into the pool, but the school has been stunned by the more than two-thirds cut in funds to cover the cost of transport to and from the pool? Why has his Government put these young Queenslanders' lives at risk? In particular, the 210 students at this school, which is by law required to hire three buses at \$66 a week—that is last season's price and it will obviously increase this year—have now had the full subsidy slashed to \$22 a week. Why has he added this major financial burden of more than \$880 to this school's parents and the p. and c. association's fund-raising? Or does he expect more than two-thirds of the non-swimmers to be deprived of the vital life-saving skill of swimming? Will he immediately restore full funding to the learn-to-swim program so that these young Queenslanders will not drown because they have not been given the chance to learn to swim? If not, how many drownings will have to occur before he will restore full funding?

Mr POWELL: Not only can I hear, but I can also spell. I do know what is going on in my department. The honourable member has asked a very long, detailed question. I suggest that he put it on notice, and he will get a very long, detailed answer.

Mr UNDERWOOD: With pleasure, Mr Speaker. I will put my second question on notice because the Minister is incapable of answering.

Mr SPEAKER: Order!

Mr UNDERWOOD: I will put it on notice. It is in regard to the Chairman of the Public Service Board——

Mr POWELL: I rise to a point of order. I take offence at the remark made by the honourable member and I ask that he withdraw it.

Mr UNDERWOOD: I withdraw, with pleasure.

Mr SPEAKER: Order!

Mr UNDERWOOD: He can dish it out but he can't cop it.

Mr SPEAKER: Order! The member for Ipswich West will withdraw the comment.

Mr UNDERWOOD: Mr Speaker, I withdraw it, with pleasure. He can dish it out but he can't cop it.

Mr SPEAKER: Order! I warn the member for Ipswich West for the second time under Standing Order 123A.

Guide-lines for the Construction of High-rise Buildings

Mr STEPHAN: In directing a question to the Premier and Treasurer, I refer to guide-lines for the construction of high-rise buildings in Queensland. I now ask: what level of expertise is available for the construction and supervision of buildings higher than 50 storeys? Is any engineer resident in Queensland or Australia qualified to supervise this type of construction? Do any other States of Australia have any fast-track legislation for the construction and development of this type of structure?

Sir JOH BJELKE-PETERSEN: I think I have outlined publicly, at least to the media, that there are no organisations or individuals in Queensland or in Australia qualified to carry out the supervision of the construction of a high-rise building of the nature contemplated in this city. Indeed, I have been informed by the Director of Local Government that there are no people available to carry out supervision of the construction of a building above 60 storeys. That is why people associated with high-rise building

are presently in the United States obtaining and collating all the necessary data and information on stress factors.

Because of the tendency for buildings in this State to be outside the limit and scope of the people trained in this State and in this nation, it is necessary, as announced by Mr Hinze before he went overseas, to introduce legislation to cover a whole series of these operations.

The Lord Mayor of Brisbane, Alderman Sallyanne Atkinson, makes a lot of noise and a lot of fuss, but she does not have the knowledge, information or understanding to realise that she does not have anybody who is competent to carry out the supervision of the erection of such a building. The Government is only offering to come to her assistance, to help her, because she needs help in so many ways. She has a feeling coming over her a bit like the Fourex feeling, because there is an election coming on.

Distribution of Federal Funds to Local Authorities; Abolition of Queensland Local Government Grants Commission

Mr SHAW: In directing a question to the Premier, I refer to his statement last week to the Local Government Association conference that neither he nor his departmental officers have in the recent past been speaking to or negotiating with Federal Ministers or public servants—nor will they in the future—about the distribution of Federal funds to local authorities and that the Queensland Local Government Grants Commission may be abolished or become inactive.

In contrast to that, in answer to a question asked in this House on 10 September, the Acting Minister for Local Government, Mr Glasson, said in part—

“ . . . the State Government will be taking every action possible to correct this very serious situation.”

I now ask the Premier to state clearly what specific action, if any, will be taken by the State Government to make changes in the distribution of funds as announced by the Federal Minister responsible for local government. In particular, will the Queensland Government make use of its powers to adjust the amounts where it believes that anomalies exist?

Sir JOH BJELKE-PETERSEN: That is a very good question. I thank the honourable member very sincerely for asking it. He and his party have put their feet right in the middle of it. It is not the Queensland Government that has to make the adjustment or the decision; it is his mates in Canberra who have to make a decision because they completely and utterly ignored all the information given to them by this Government. For 12 months, through the Local Government Grants Commission, this Government sought to give the Federal Government the correct information—the right guidance—but it would not accept it. That Government threw it out the window.

As indicated by the honourable member, the Federal Government has made a frightful mess of things. Would honourable members believe it? It has overpaid some of the councils by an enormous amount and grossly underpaid a dozen of them.

Would honourable members believe that yesterday I received a letter from Mr Young saying, “Mr Premier, would you please help us to get out of the mess we are in? Would you please advise us, Mr Premier? We just don’t know what to do. Will you now advise us how we ought to adjust these amounts? If you, Mr Premier, would tell us how you think this money ought to be redistributed—how much has to be taken off those councils that have received too much and how much should be added to those councils that did not receive enough—I promise in all sincerity that I will give the councils exactly what you tell us.” But I said, “You made the mess. You made the wrong decisions against our advice. Now you get out of it.” That is the answer that I give to the honourable member for Manly.

Statements by Leader of Opposition about Balanced Budgets

Mrs NELSON: In directing a question to the Premier, I refer to the soap-box oration to the public servants' rally yesterday by the Leader of the Opposition, who stated in reference to the Queensland Government—

“They’ve relied on your wage patience and restraint to balance its Budget in the financial year just gone and rely now on the same patience and restraint again to balance its books for the present 12-month period.”

I now ask: in view of the statements by the Leader of the Opposition prior to last year’s State election that the Queensland Government could not balance its Budget, is the Leader of the Opposition finally acknowledging that the Queensland Government does in fact balance its Budget? Or did he deliberately attempt to mislead yesterday’s rally?

Sir JOH BJELKE-PETERSEN: The Leader of the Opposition has certainly got himself caught up in his own web. He has finally acknowledged—as was indicated by the honourable member for Aspley—that the Queensland Government has a balanced Budget. I thank him for that acknowledgement. It is very kind of him. I wonder what the Leader of the Opposition will say later on in this Chamber. A balanced Budget is something that the Leader of the Opposition’s Federal Labor colleagues have not been able to achieve, and never will be able to achieve.

The Leader of the Opposition cannot have it both ways. I do not know if he has ever tried it—I imagine that he has tried it many times because of what he has said and done, that is, walk with one foot on each side of a barbed-wire fence—but he cannot do that continually. Either he misled the people of Queensland prior to the State election, or he misled the rally yesterday. Which is it? The Leader of the Opposition tried to straddle a barbed-wire fence and got caught in the process. It is as simple as that.

Supply of Bullet-proof Vests to Police in Country Areas

Mr CAMPBELL: I direct a question to the Minister for Police concerning the shortage and non-supply of bullet-proof vests to police in country and provincial areas. There are no bullet-proof vests in the police force in Maryborough, Bundaberg and many other Queensland country centres. I ask: will the Minister immediately ensure that bullet-proof vests are supplied to all police districts in Queensland country areas for the safety of police and the added security of police families?

Mr GUNN: At this particular time special vests are being trialled throughout Australia. Some vests have not been a success. I have received the result of some trials performed by the Victorian police. The firm that manufactures the vests wants indemnity. If any firm requires indemnity, that means that the vests cannot be guaranteed.

At the present time the Queensland Government is trialling vests and at the appropriate time, if the trials are successful, it will be up to the research and planning section to make the decision and purchase whichever vests it wants. I can assure the honourable member that I will not be standing in its way.

Chemical Residues in Meat

Mr CAMPBELL: In directing a question to the Minister for Primary Industries about chemical residues found in meat which is for human consumption, I point out that both the Premier and the Minister for Primary Industries have said that the meat is safe. I ask: how can the Minister give such an undertaking when DPI documents have indicated that risk areas of chemical residues in meat were not sampled? I will quote from one of the documents—

“The meat work sampling from the areas is now avoided as much as possible.”

I ask: will the Minister give an assurance to this House that sampling will be performed in all areas of Queensland to ensure that meat for human consumption is safe for all families to eat?

Mr HARPER: Yes, I will give the honourable member the assurance that he is seeking. It is amazing how the honourable member knocks primary industries. Over a period he has done his best to denigrate the farmers in Bundaberg. It was the honourable member for Bundaberg who tried to cast reflections on the milk products of the Bundaberg industry and of Queensland.

I will further expand my answer to the honourable member. I tell him that the people have no cause for concern about the level of pesticides in dairy products, either. The honourable member can knock as much as he likes and he can make that statement as much as he likes.

Mr Powell interjected.

Mr HARPER: I think that the Leader of the House is probably right.

Dairy products, including butter, cheese, pasteurised milk and milk powders, have been sampled and tested for pesticide levels by my department since 1968, and there certainly has been no cover-up or avoidance of responsibility, as the honourable member for Bundaberg would try to suggest. Results have been published regularly in annual departmental reports.

Since 1985, no samples of pasteurised milk have been found to contain any pesticide above the maximum residue limit as determined by health authorities. The dairy industry has adopted a very responsible attitude in this matter. Although results to date are quite satisfactory, the industry, through the responsible attitude of the Queensland Milk Board—again denigrated by members of the Opposition—has asked my officers to increase the level of sampling and testing still further as an added safeguard. I have agreed to this, and the industry is contributing to the cost of increased surveillance, which will commence immediately.

Importation and Sale of Contaminated Chemicals

Mr GILMORE: I ask the Minister for Primary Industries: is he aware of recent reports in both the *Courier-Mail* and the *Cairns Post* which contained a scurrilous and untrue assertion by the member for Cairns, Mr De Lacy, that an Atherton Tableland farmer is importing and selling contaminated chemicals used in the control of disease in one of our most important crops, namely, peanuts? Would the Minister please outline the real position and comment on the savings that have accrued to north Queensland farmers by the direct importation of chemicals?

Mr HARPER: I thank the honourable member for the question. I am aware of the newspaper reports to which the honourable member referred and find it fascinating that the Opposition spokesman on Primary Industries referred to “dingoseb” in his local paper. That seems to suggest he has been fed his lines. The whole thrust of the honourable member’s media statements is nearly enough identical to that of the chemical companies Consolidated Fertilizers Limited and Nufarm Limited, which put their views to me by letters each dated 10 September 1987—again, no doubt coincidentally. It would seem that the honourable member for Cairns is not only attacking Atherton Tableland farmers but is doing so at the behest of the chemical companies.

Responsibility for the regulation of Australia’s import and export trade rests with the Commonwealth Government. As honourable members would recognise, the Commonwealth Government has in place a range of measures regulating external trade, ranging from tariffs and embargoes on imports to licensing of exports. In the case in point, I am advised that no Commonwealth prohibition exists on the importation of Bravo 720.

The facts are that Bravo is the trade name of a range of proprietary fungicides containing chlorothalonil. A formulation containing 500 g/kg chlorothalonil—that is, Bravo 500—is currently registered under the Agricultural Standards Act for sale in Queensland for use against diseases in peanut plants.

For many years peanut-growers in North Queensland have been importing Bravo direct from the United States of America to save costs. I understand that those growers formed what they call the Bravo buying group in order to stabilise a price for the product. I am told that in 1986 the prices started at \$260 a drum, but then suddenly dropped to \$220 and less when the Bravo buying group was able to obtain the product for \$183.

The purchase and import from the United States of America has been co-ordinated by a Mr Trimarchi, a peanut-grower, who apparently collects money from other growers and arranges the purchase of Bravo in the United States. No sale of products appears to take place in this State and therefore there is no breach of the Agricultural Standards Act.

I am informed also that there is no accuracy in the claim that 2 000 drums, or up to 40 000 litres, of fungicide are to be imported for distribution to individual peanut-farmers for the 1987-88 crop in the Atherton Tableland area. I am informed also that Dinoseb has never been associated with the Bravo buying group.

As I have already indicated, I have received complaints relating principally to the commercial disadvantage suffered by Consolidated Fertilizers and Nufarm because they are required to undergo the rigorous registration procedure for their products while there are no controls on a farmer importing a product. I again refer the honourable member to the fact that the responsibility for the regulation of Australia's import and export trade rests with the Commonwealth Government.

Bowen Electorate Water Supply

Mr SMYTH: I ask the Minister for Water Resources: is he aware that 15 farms in the West Euri Creek area of the Bowen electorate are either out of water or their supply is very low and that water for domestic purposes, has to be trucked in? What immediate action will he take to assist those farmers in need?

Mr TENNI: Because of the drought conditions that prevail in Queensland at present, the Bowen area and many other parts of the State are in serious trouble. The honourable member is not telling me anything new. I have spent quite a deal of time in Bowen, both sitting down and talking to the local authority and actually visiting farms and assessing their particular problems.

Thankfully, the Bowen area has some very competent farmers who have implemented sensible irrigation in order to protect the supply of underground water. The honourable member should be aware of that. He should know also that, in order to protect farmers in the future, my department took action to reduce the quantity of water that is able to be taken from underground supplies. That was done with the support of all of the farmers. The honourable member would probably be aware that I met those farmers on the footpath. Both the Government and the farmers agreed that an obligation exists to prevent salt from penetrating into the underground system.

The honourable member should not worry about the Bowen area. The work that my department has carried out in that area, not only in relation to water resources but also in relation to the harbour, will keep that town going.

If the representation that the honourable member has made to me since he became a member of this Parliament is any indication, the people of that area would die of thirst waiting for information from him.

Proposed World Heritage Listing of North Queensland Rainforest Areas

Mr BURREKET: I ask the Minister for Northern Development: is he aware that, last Thursday, the Townsville City Council voted against a motion condemning the World Heritage listing proposal for north Queensland? In other words, that council has supported the World Heritage listing, despite the decision of the recent Local Government Association and despite the consequences that it will have upon the economy of Townsville.

Mr KATTER: It is an extremely sad day for the people of Townsville. Those of us who were at the Foley Shield grand final on the week-end witnessed the desert that the

players were forced to play on. That ground was once, arguably, one of the best grounds in this State. It is now not only a disgrace to the people of Townsville but also a terrible reflection upon that city, which is certainly something that the people of Townsville do not deserve.

The honourable member would be aware that a report which sought to ascertain the relative growth rates of the Townsville and Cairns regions was recently released. Ten years ago, Townsville was growing at twice the rate of the Cairns area.

The Townsville City Council was then taken over by the Labor Party. Since Perc Tucker died, Townsville City has gone into a very rapid state of decline. I was quite staggered to find in the report that Cairns had \$1.7 thousand million worth of development projects in the pipeline and Townsville had a meagre \$0.2 thousand million in the pipeline.

Opposition members interjected.

Mr KATTER: What I am saying is most relevant. By the interjections that I am receiving, it is clear that the members of the Opposition have absolutely no understanding of the relationship between World Heritage listing and the source of water supplies in north Queensland, almost all of which are controlled from the headwaters that rise in the World Heritage Commission's listed area. I will help them out with their geography.

I am not just speaking about the geography and the fact that the headwaters of all of the water supplies are now controlled by people some 4 000 miles away—and their attitude towards that aspect has been enormously cavalier—but, more importantly, the attitude that the only single local authority area in north Queensland—

Mr EATON: I rise to a point of order. The Minister is misleading the House. He has stated that, if World Heritage listing goes ahead, it will not allow essential services such as dams for water supply and power generation.

Mr SPEAKER: Order! There is no point of order.

Mr KATTER: During his election campaign, Mr Hawke came up to north Queensland and made 13 promises. I will not bore the House by going over them again. Every honourable member should know them off by heart. I am very disappointed that the honourable member does not know them off by heart. Of the 13 promises that were made, two have been kept, one has not been kept or broken, and every single one of the others has been broken in a most magnificent manner.

Before the last election, only one commitment was given by the Federal Government. That was that 14 aeroplanes had been purchased by Amann Aviation to commence coastal surveillance in July and September. It was a flagrant lie. Any assurances that are given by the Federal Government that World Heritage Commission listing will allow the people of Queensland to do this and that is worth absolutely nothing. We have learnt from the bitter well of human experience that promises from Canberra are not worth the paper that they are written on.

In answer to the question, let me state very firmly that the World Heritage stand by the Townsville City Council is in keeping with the fact that it is marching to the beat of a different drummer. Every single local authority in north Queensland has committed itself to opposition to World Heritage Commission listing, with one exception. That exception is the council that has presided over the most dramatic withdrawal of progress, development and expansion of any city council in the State of Queensland.

Because the Townsville City Council chased all the development across the road to Thuringowa, Thuringowa is now a city. For anyone to come into this House and defend the Townsville City Council's stand upon World Heritage listing is lamentable.

This very week, there was discussion about the most important development for the city of Townsville—and the members for the Townsville electorates know exactly what I am talking about. If Doug Tarca's floating reef hotel is not moored off Townsville,

it will be a very sad day. Unfortunately, Mr Row, Mr Stoneman, I and all other people who live in the greater Cleveland Bay region will suffer.

One of the major reasons that Mr Tarca is contemplating leaving that area is the World Heritage Commission listing. Mr Tarca has a number of other projects in the area which, unfortunately——

Mr SPEAKER: Order! I have now allowed the Minister six minutes. I ask the Minister to conclude as soon as possible.

Mr KATTER: It is very important that I should make this point to the House. If that floating reef hotel is lost to Townsville, heaven help those of us who live in the greater Cleveland Bay region. I think that Opposition members whose electorates are located in that area know what I am talking about.

Mr Tarca is contemplating leaving that area because he has projects that relate to rainforest areas. Those projects will be stopped by the World Heritage listing. That matter weighs heavily upon his mind at the moment in deciding whether or not he should leave. The Townsville City Council has taken a most irresponsible stand. It has chased development away to Thuringowa and Cairns. It is about to remove the last vestige of hope.

I thank the honourable member for Townsville very much for the question. The honourable member has fought tenaciously to ensure that the people of Townsville are supplied with water, but still his efforts are being frustrated by the council.

Funding for Townsville/Thuringowa Water Supply Board Pipeline

Mr BURREKET: I thank the Minister for Northern Development for his very enlightening answer.

Mr SPEAKER: Order! I ask the honourable member to ask his question so that everyone can hear it.

Mr BURREKET: I thank the Minister for Northern Development for his very enlightening answer to my question.

I now ask the Minister for Water Resources and Maritime Services: could he tell the House about the funding arrangements for the pipeline proposed by the Townsville/Thuringowa Water Supply Board?

Mr TENNI: As all honourable members would know, Townsville is commonly known as the “desert in the oasis”. That has been brought about because of the inability of the chairman of the Townsville/Thuringowa Water Supply Board, Alderman Dobinson, who is a Labor councillor on the Townsville City Council, in a number of respects. It seems that Alderman Dobinson is unable to tell the truth to the people of Townsville and Thuringowa.

Alderman Dobinson has been caught out because I was forced to send all of the correspondence relating to this project to the media—both his letters and mine—so that the truth could be printed. Of course, now he is looking for a way out, which he will not find. He has gone even further, and advised the people of Townsville and Thuringowa that he has arranged bridging finance through the Treasury Department. Anyone would know that that type of finance is not available for water boards.

What Alderman Dobinson should have told the people of Townsville is that his untruths have come home to roost. He was responsible for building a huge tub in the Ross River. He got down on his knees and prayed for rain. The rain did not come, and now he is dirty. He is very worried, too.

The fact is that Alderman Dobinson has not made a submission to Treasury for bridging finance. The Treasury Department has advised the Townsville/Thuringowa Water Supply Board that approximately \$4.5m in the form of a gift—an absolute gift—is available from the State Government for the construction of the pipeline from the

Haughton River to Stage 2 of the Ross River Weir. I will go a little further and say that the Queensland Government is also prepared to make available through Treasury a loan of \$9.5m at the rate of interest that usually applies for local authorities.

I think that the rate is currently 13.8 per cent or 14.8 per cent. However, Alderman Dobinson continues to tell the people who live in that area that the Federal Government will come good with a grant or a gift, which is the same offer that the State Government is prepared to make. In fact, I have it on very good authority—from something that fell off the back of a truck—that the Federal Minister for Resources, Peter Morris, has commented that the Federal Government has considered the State submission and the consultant's report. My information indicates that at this stage the proposal is not regarded as absolutely essential and that water rates would still be relatively low. The Federal Minister does not believe that a case has been made for Commonwealth financial support for the project.

The honourable member for Townsville would know that, prior to the Federal election, both Federal members whose electorates are in that area were saying that the Commonwealth Government would come good with a grant. Again they have lied to the people of Australia, and Alderman Dobinson continues to lie to the people of that area.

When the Prime Minister himself was up there, he made the quite clear statement that he would do everything in his power to at least match the grant given by the State Government, or do better. In fact, it looks pretty definite now that, in line with the actions following the promises they made in 1973 in Townsville, they will do nothing for the people of that area; they will continue to see them run out of water and go thirsty. However, the State Government has available right here and now \$4.5m and the promise of a loan. Owing to the pressure that the honourable member for Townsville has brought to bear on the Government, the people can get out of trouble at no cost to the Commonwealth Government but at heavy cost to this Government.

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

SUPPLY

Committee—Financial Statement

Debate resumed from 15 September (see p. 2566).

Mr SIMPSON (Cooroora) (4.21 p.m.): The most important duties and responsibilities of this Parliament are in the areas of its Budget and State rights. In all of the years of the Queensland Parliament, I do not know of any recorded time when the Leader of the Opposition has not been the first member to reply to the Budget. This Leader of the Opposition has considered the Budget to be so insignificant that he was not the first speaker to reply to it. I believe that that is an indictment of the way in which the Labor Party sees this Parliament.

A serious matter in any budgetary consideration is the influence that the Federal Government has on the finances of this State and, more importantly, the effect that its victimisation has on all the States, particularly Queensland. The Federal Government uses its power to take more power unto itself and to make a mockery of the Australian Constitution.

Mr Vaughan: You don't know what you are talking about. You haven't done your homework.

Mr SIMPSON: I take it that the cry from the Opposition means that it agrees with the Hawke Federal Labor Government's victimisation of the people of this State.

Mr Vaughan: You don't know what you are talking about.

Mr SIMPSON: The honourable member does not wish to know that the Federal Government is unfairly treating the people of Queensland in the allocation of funds for

health and education. The Opposition is agreeing with that discrimination. It obviously does not realise that the Constitution lays down that all the States are supposed to be treated fairly. The Opposition agrees with that mockery of the Australian Constitution. There are even members of the Opposition, such as Mr Comben, who are on record in this Chamber as saying that they believe there should not be a State Parliament. We know that he has a friend—another Fabian—the Prime Minister of Australia, who also believes that there should not be any States in Australia.

Another aspect of the Federal Government's discrimination is in the allocation of Commonwealth funds to local authorities. The Federal Government is starting now to discriminate between local authorities.

An Opposition member: Where did you read that?

Mr SIMPSON: Where did I read that? There are none so blind as those who will not see. For the benefit of Opposition members, I will give examples of discrimination between local authorities.

Under the Grants Commission which is administered by the State Government, the Aramac Shire was entitled to \$423,114.

Mr Prest: You could buy it for that!

Mr SIMPSON: Very funny! I am sure the people of the Aramac Shire would like to hear what the honourable member for Port Curtis has just said.

The allocation by the Federal Government has been reduced to \$409,000. Over future years it will be reduced to \$388,000, \$367,000, \$345,000 and \$323,000. I ask honourable members to keep in mind that the value of the dollar was ruined by the Federal Hawke Government. In the year 1992-93 that allocation will be down to only \$293,000. Even with that sort of discrimination, members of the Labor Party on the other side of the Chamber have the gall to say that they believe in States' rights and that they believe in local authorities.

Mr Hamill: We don't believe in States' rights.

Mr SIMPSON: The honourable member does not believe in them at all; that's right.

Opposition members interjected.

The CHAIRMAN: Order! The Chair does not intend to tolerate multiple interjections. When an interjection is made and acknowledged, it is acceptable; otherwise interjections will not be tolerated.

Mr SIMPSON: I can understand that some members opposite would not know where the Aramac Shire is, so for their benefit I will move to the Maroochy Shire, about one-third of which is in my electorate. The Grants Commission allocated to that shire \$1,803,000, but to that rapidly growing area the Hawke Government allocated the reduced figure of \$1,661,000. That is a tremendous reduction. That is the sort of discrimination I am talking about. That was a reduction of \$142,000, but that shire still has to provide the essential services needed in an area of increasing population. That is an example of the way the Federal Government is dealing with Budget items.

Queensland leads Australia in the quality of education. An independent survey has shown that the standard of education in Queensland is higher than that in any other State in Australia. The State also leads the Commonwealth in terms of innovative education. The State has been putting together programs, especially for children in Years 11 and 12, so that they will be better educated, be able to meet the needs of industry and be able to get a job. That is the area in which the Federal Government has cut back on Queensland's allocation. Queensland now has 5 000 fewer tertiary positions, but honourable members opposite will not face up to the fact that, in comparison with other States, Queensland is discriminated against.

Opposition members interjected.

The CHAIRMAN: Order! Cross-fire in the Chamber will not be tolerated.

Mr SIMPSON: These are not just figures; I am speaking about people. It is the very basic fibre of this country that is at risk when the Federal Government starts attacking the Constitution and the rights of Australians.

In drafting the Constitution our forbears anticipated a move to centralise and foresaw that that power to centralise would have to be deliberately thwarted and made difficult so that the rights of the States would be protected. The Constitution is changed only as a result of referendums. Referendums require a majority of people in a majority of States to be in favour of a change.

However, more recently there has been an abuse of what was thought to be a Federal power in relation to making international agreements to protect the rights of the whole of Australia, in the interests of the defence of Australia. That is now being used as a bogey man to take over any rights one can think of by simply pushing legislation through the Federal Parliament in any area whatsoever and claiming that it is being done under some international agreement. It could be in the area of education, health or whatever.

That abuse of power has occurred more recently in relation to heritage and the environment which, as everyone knows, was never recognised as being the responsibility of the Federal Government. That is obvious because there were never any specific departments. However, that is where there has been abuse and corruption of the Constitution.

It is quite incredible to read the newspaper following yesterday's Federal Budget—

Mr Prest: You can't read newspapers in here.

Mr SIMPSON: I know that the honourable member cannot read them.

For the benefit of the Committee, I have here a newspaper that carries a headline which is very complimentary of the Hawke Budget that was brought down last night. It is only one of many such headlines.

Opposition members interjected.

Mr SIMPSON: Members of the Opposition agree with those headlines.

How in the hell does the Opposition explain the treatment by the Federal Government of the people of Australia and the workers of Australia when once upon a time the Labor Party was supposed to represent them?

On the eve of the recent Federal election, Whitlam, working as a commentator, said that he did not think that in his life-time the Labor Party would be seen to be a pal of big business and as having forsaken the small worker and the battler. And no wonder, because in the last four years the real wages of the workers in Australia have gone down.

The newspapers run headlines like the one I showed members when Australia is going to get more of the same! Something is wrong in Australia when newspapers run those sorts of headlines at a time when the workers of this country are in for more hardship and small business is going to suffer.

Why is the productivity of Australia a negative 1.1 per cent? That is the first time in 50 years—

Mr Hamill interjected.

Mr SIMPSON: The honourable member is proud of that negative productivity, the likes of which this country has not experienced for 50 years. The Opposition is proud of it. Is there no limit to the extent to which the Labor Party will abuse the economy of this country?

The Leader of the Opposition in this State did not take his rightful place and speak first for the Opposition in reply to the State Budget. Her Majesty's Opposition has a duty to peruse and reply to the Budget of this State. What did the Leader of the Opposition do? He went on television that night after the State Budget was delivered and said, "Next year's Budget is going to be bad." He obviously did not think that there was anything wrong with the Premier's Budget this year. That was the only media comment he made. No doubt during the past week, and the extra day that he has found necessary before he replies, the Labor Party has written another speech for him that will in some way try to make the Queensland Budget a terrible one. Yet Queenslanders continue to see the sort of newspaper headline referring to the Federal Budget that I held up.

Mr Vaughan: Tell us what it is.

Mr SIMPSON: I will tell the honourable member. It is a farce. The Federal Government claims to have a balanced Budget and it has not. The Federal Government has sold off the back yard of its suburban block to pay for its bad housekeeping—a \$1 billion deficit.

Opposition members interjected.

Mr SIMPSON: Opposition members think it is a joke. Either they do not understand the first thing about balancing a budget or they believe that it is fair game to deceive the people.

The leading speaker for the Opposition on the Budget got stuck into Hawke and privatisation. I agree with him. There is no connection between privatisation and selling a monopoly, because monopolies are the worst thing that one could have in private enterprise. Private enterprise is supposed to succeed through competition, not monopoly. There is something else far more sinister behind this proposal. Hawke will pull his rabbit trick and say, "Now I am going to sell off Telecom, the Commonwealth Bank and Australian Airlines and you can have it on time payment." Remember that Crean and the unions are the ones who are running Australia, not Hawke. Hawke will use a time-payment scheme funded by union superannuation funds to purchase those bodies, which will result in monopoly control of those essential services in this State and in Australia. That is where the proposal is wrong.

I refer to the ID card as being part of Australia's financial problems.

Mr Hayward: What about the State Budget?

Mr SIMPSON: Yes, the State Budget is directly influenced by moves and measures affecting every small business in this State. The honourable member believes that small business can be isolated——

Mr Hayward: From the ID card?

Mr SIMPSON: Yes, from the ID card. I will give honourable members an example. In this country the cost to small business to implement the requirements of the ID card and to comply with them is conservatively estimated at \$2 billion per annum. Honourable members opposite see additional costs to small business as natural. Why is that? It is because they do not believe that any small business should succeed. They believe in Crown ownership of all farms and butcher shops. They believe that the Crown should handle all distribution, finance and exchange. That is the aim of the Labor Party.

The ID card legislation, with its \$20,000 penalty provision, is the greatest iniquity that I can think of. Yet the Federal Government has the gall to say that it is being introduced to stop tax fraud. The biggest tax rort is in the cash economy. The ID card will make the cash economy explode.

Mr Hayward: How?

Mr SIMPSON: Because people will be frightened that they may be identified through an ID card and the movement of their funds in an account. The money will never be placed in an account; it will go under the bed; it will be used to purchase all the daily requisites; it will be used to purchase vehicles; and it will be used to buy units. Honourable members know that that is happening now. The ID card will accentuate and accelerate the cash economy, which is already the biggest area of taxation fraud.

I will cite another example of an area in which the ID card has not been well thought out. Young people who are allowed to leave school at the age of 15 are encouraged to enter their own business. Of course, they are not allowed to have an ID card. However, when they open an account they will be subject to imprisonment and a \$20,000 fine. In addition, they will be taxed at the maximum rate.

Mr Mackenroth: That's rubbish!

Mr SIMPSON: It is in the Bill. The honourable member ought to read it.

Mr Chairman, that shows you what a heap of sheep they are when they follow what is fed to them.

Mr R. J. Gibbs: If I'm a sheep, you're not getting behind me.

Mr SIMPSON: The members behind me know that sheep come in flocks. When there are a lot of sheep at the bottom of a ramp at a shearing shed—they are so stupid that they all panic and do not know where they are going or what they are doing—you have a heap of sheep. That is what the Opposition members are.

The ID card is not necessary. It will be a net loss to the Australian community over and above the Government's costs of \$1 billion a year. It is aimed at thwarting, hounding and pimping, like the Marxist system, on people who are enterprising and productive. It is one of those typical examples of how you see come out the philosophy behind the——

Mr Hamill: What did your wife do to deserve you?

The CHAIRMAN: Order! I warn the honourable member for Ipswich under Standing Order 123A.

Mr SIMPSON: It indicates the basic philosophies of how Opposition members envy people who are performers and show excellence.

I am concerned also that the Federal Budget provided \$1 billion for foreign aid when the Federal Government is causing a great deal of poverty in Australia, particularly in the State of Queensland. That puts pressure on this State to balance its Budget in very difficult times.

The Budget brought down by the Premier is one that tries to hold a line after the State has been victimised by a reduction in its allocation, including the loss of loan moneys, of just on \$400m.

Mr Mackenroth: He wanted more.

Mr SIMPSON: Opposition members cry that they wanted more.

Mr Mackenroth: No, he wanted more.

Mr SIMPSON: The gaggle opposite are trying to say that Joh wanted a greater cut.

Opposition members: Yes.

Mr SIMPSON: Right.

People would not mind if the Federal Government was also prepared to reduce its spending. In fact, the allocation to the States was reduced by 2.4 per cent. However, the

Federal Government increased its allocation by 13.1 per cent. What hypocrisy! That is why the Federal Government is wrong, and Opposition members know that it is wrong. I do not know how they can sit over there—supposedly representing the State—and allow Queensland to be short-changed like that. That is the sort of thing that is making it difficult for the Premier to balance the State Budget.

Federally, no incentive has been offered to increase productivity in Australia. The Federal Government claims that world commodity prices have been difficult. Of course they have. They have been difficult for every other country in the world. But why is it that every other country in the world is doing better than Australia? That is the sort of thing that Opposition members will not face up to. Why are the newspaper headlines not saying, "What a Shocking Performance"? Not only can the Federal Government not balance its Budget—it is really more than \$1 billion in the red—but it also cannot reduce Australia's foreign debt.

During the time that the Hawke Government has been in office Australia's foreign debt has risen from \$36 billion to \$109 billion, to the extent where Australia is now regarded as a banana republic. In fact, in one of his more enlightened addresses, the Federal Treasurer, Mr Keating, referred to Australia as a banana republic. That is the sort of difficulty that this State encounters.

Great pressure has been put on this State to go the way of other States and impose taxes on things such as tobacco and fuel.

Mr Littleproud: Up went the tax on fuel again last night.

Mr SIMPSON: Yes. But has that appeared in the headlines? No!

It has been reported in the media that there will be no new taxes. Are honourable members aware that the Federal fuel excise is a tax?

Mr Milliner: We agree with you.

Mr SIMPSON: I have agreement from the Opposition on that.

At last the Opposition is agreeing that the statements in the newspapers are false; that there has been an increase in taxes because increases in the CPI are tied to increases in the tax. That has not appeared in the newspapers.

Despite the difficult financial constraints that have been placed upon the States, this Government should be commended for the way in which it has been able to trim and make more efficient its public service while maintaining the number of teachers in its schools. Those are two areas that this Government holds very dear.

It should be remembered that the Federal Government has now cut out or reduced social service benefits for people who are under the age of 16 and under 17; therefore, they are remaining at school. There is also a discipline problem in that many of them do not want to remain at school. This Government must have the support of parents and, hopefully, the Opposition in order to maintain discipline so that those school children who do want to study are able to do so.

Because of insufficient allocation of revenue from petrol taxes, the Federal Government has made it very difficult for Queensland to maintain an acceptable standard of roads, which independent surveys have revealed are the worst in Australia next to those of Western Australia. Although the Federal Government imposes 60 per cent tax on fuel, less than 20 per cent of the revenue received is allocated to road-funding in Australia. It is a great shame that the Federal Government is short-changing the States and is using the revenue from fuel tax to run the country instead of returning it to the States.

I am pleased that the State Budget has made provision to adjust land tax, which has got out of kilter over the years because of the devaluation of the Australian dollar. The Budget provides for a doubling of the statutory exemption from \$60,000 to \$120,000 and a threefold increase in the land tax threshold from \$10,000 to \$30,000 for companies, trustees and absentees.

Of course, 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 was introduced, as well as other concessions.

Those provisions were introduced because from now on annual valuations would have had a distinct effect on land tax. The exemption level had to be brought back to a fairer threshold figure and a new scale introduced, and that has been achieved by the Government. It is the best scheme in Australia.

I turn now to the working of flexi-time. The Budget provides for a relaxing of the flexi-time arrangement while maintaining essential services to the public. One point of concern is that more pressure will be applied to the road-transport system, including buses and trains. The Federal cut-backs in funds will add to that problem, as it will for all industry, particularly the rural industry and the tourist industry, which are major industries in my electorate.

Fortunately, the railway electrification through my electorate is a major scheme that I completely support. I am pleased that during Expo electric trains will travel from Nambour to Brisbane. I will push for that service to continue after Expo is finished.

Time expired.

Mr WARBURTON (Sandgate—Leader of the Opposition) (4.52 p.m.): The real question behind this Budget—the real question that Queenslanders everywhere are asking—is how much longer this great State is to be left to the economic mercy of an ageing political has-been who should have retired years ago with his delusions and discriminations. How much longer, I ask, is this State to continue travelling backwards in terms of economic performance compared with the rest of Australia? How much longer must we listen to political drivel that our economic growth has outpaced the rest of Australia for five years when the simplest of statistics show that, for the last three years, we have suffered the worst or second worst unemployment in Australia?

If we are to believe the Premier—after only five of his Budgets as National Party Treasurer—Queensland is in such desperate financial deterioration that it is forced to strip the 13-year-old annual-leave loading off its own Government employees to help balance the books. From 1 January Government employees in Queensland, alone of all Australian States, will be minus this basic job entitlement that is taken for granted throughout the rest of the nation.

This Budget is smothered from each miscalculated estimate to the next with the imported fingerprints of John Stone and the infamous white-shoe brigade which appears to have dumped Sir Robert Sparkes as the ruling faction of Sir Joh's new Nationals. Who could have imagined just over 10 years ago as he worked with respected Treasurers such as Sir Gordon Chalk that Sir Leo Hielscher would be forced to reach his twilight in the Government service as the mathematical messenger for scavengers such as Mike Gore and the New Right ratbags of the H. R. Nicholls Society?

What we have here is the farewell extreme of an unwanted Premier whose personal rating is down a massive 16 per cent so far this year, according to today's Morgan Gallup poll, and as low as 11 and 18 per cent in recent Brisbane media surveys. It is the farewell extreme of an unwanted Premier, full of hate, who is now spitefully victimising his own Government work-force as the first step towards a wider industrial assault on another 700 000 unlucky Queenslanders under State awards.

The real story of this contradictory Budget is—

- no more schoolteachers for more students;
- no more nurses for more hospital patients;
- no more police to fight rising crime and no more jail officers to guard more prisoners;
- the State public debt is up to a massive \$11.8 billion—the equivalent of an average \$5,000 a head for each man, woman and child in the State;

- the user-pays principle is to be tightened and expanded, no doubt to the extra financial cost of thousands of average families through higher personal contributions towards schools, hospital care and other basic Government services; and
- Queensland public servants are to lose not only leave loading, which I mentioned before, but their flexi-time as well.

Flexi-time will be replaced by a vague and sinister employer discretionary system which the Deputy Premier could not even explain when I questioned him on its meaning last Thursday.

Just over 12 months ago, when the National Party needed votes for the Queensland elections, the Premier promised public service unions that their leave loading was safe. In the Rockhampton *Morning Bulletin* of 27 October, which was only four days before the poll, Employment Minister Lester went even further and attacked suggestions that the leave might go as "counter productive, quite impossible and ALP scare tactics".

This Budget is wholly and solely the creation of the Premier, his new Queensland Nationals and their undesirable cronies. Contrast their document of despair and confrontation with the responsible, forward-looking Budget presented in Canberra last night by ALP Treasurer Keating, on behalf of Australia and of all Australians. Australians have a Federal Budget with a positive economic strategy; a Budget with a clear and constructive direction into the future; a Budget that even now, less than 24 hours later, is stirring the business and community confidence of this nation.

By comparison, the Queensland Budget, pushes this State day by day towards an indefinite term of horror economics. Its financial balance is dependent on the wage restraint and patience of the very employees whom it so ungratefully punishes through loss of real income, loss of job conditions and loss of job security.

Since August 1983, the National Party has governed in its own right, with Sir Joh Bjelke-Petersen as Premier as well as Treasurer, and collectively the Nationals must now share the blame for Queensland's worsening performance. As I look back on the strange antics of the Premier and his Queensland Nationals this year, with the accompanying decline in Government standards, it is amazing that they managed to produce a Budget at all.

First it was "Joh for PM", with car-stickers being circulated throughout Australia. Next, more modestly, it was simply "Joh for Canberra", and then finally and pathetically, when the time came to nominate, it was "Joh for nowhere". This was a case of an enterprising political career in the national capital being stopped short by the discomforting necessity of having to contest an election—particularly a fair one.

The naked truth is that it was not the early Federal election, but the lack of support from the conservative forces in Australia—particularly in Queensland—that halted Sir Joh's crawl towards The Lodge. When the chips were down and the campaign was ready to begin, this self-proclaimed popularist did not have enough marginal support in any electorate within his home State to guarantee him 50 per cent of the vote. He was lost without his gerrymander.

Now this rejected Messiah is back, unwanted and uncontrollable, in a restless caucus that thought it had got rid of him, or was going to get rid of him.

The Premier is now warring with everyone. He is warring with his Small Business Minister on retail shopping centres; warring with his Health Minister on almost every issue; and even warring with Sir Robert Sparkes and the National Party machine. It is a disastrous situation if anyone wants to plan beyond tomorrow's next crisis.

Only a few weeks ago, as concerned Queenslanders feared the loss of Queensland's export beef billions and the first alarming disclosures poured in from the Fitzgerald inquiry, this Government was consumed with higher intellectual urgencies such as Rodney Rude, a couple of condom machines in university toilets and the stripping

adventures of Fifi the French maid. It is a rotten way—and I repeat that; it is a rotten way—to manage the complicated economic affairs of this great State.

As in previous years, the Premier and Treasurer relies once more on preparing his four favourite myths to argue the inadequacies of his latest Budget. These are—

- Queensland has been short-changed in terms of funding by that naughty but successful Hawke Federal Government.
- Queensland has the best-performing economy in Australia.
- The State Budget is balanced.
- The Budget contains no new taxes.

They are the four great myths.

Let me deal now with the claims about Federal Government cuts. The first thing to be said is that Queensland got a much better deal from the Hawke Labor Government than the Premier himself wanted under the voodoo economics he preached at the recent Premiers Conference. Before he dingoed out of his fantasy to become Prime Minister, Sir Joh proposed cuts in payments to the States of 3.3 per cent in real terms. Now this muddled financial eccentric is whinging about receiving \$120m more from Paul Keating than he actually asked for. The Hawke Government gave us a rise of 8.6 per cent to \$2,537m in general revenue grants and in global borrowings \$1160.5m, which was \$50m more than the Premier sought.

Quite frankly, who can believe this hypocrite and the National Party Government that he dominates when, in actual fact, Queensland received \$98 per person above the six-State average in Federal general revenue grants? It is an absolute lie to use the argument of reduction in Commonwealth payments to the States as an excuse for this Government's cuts in essential services. The decision to cut services in this year's Budget was a policy decision of the Premier supported by his Ministers and it had nothing whatsoever to do with Federal funding.

I turn now to Budget myth No. 2—the myth that Queensland has the best-performing economy in the nation. The truth here is that for the past four years Queensland's economic credibility has been disappearing downhill. Of 18 economic indicators released up to this month, Queensland recorded the worst result in six; the second-worst in five, and was below the national average in a total of 13.

In addition to Queensland's horrendous unemployment record over the past three years, its job vacancy rate is also the lowest of any State's. This is the only State in Australia to experience a fall in private capital expenditure in the 12 months to the March quarter, and it has the highest collapse in residential buildings both commenced and under construction. Again Queensland is the only State to record a drop in new telephone services, a recognised guide to business activity.

Queensland recorded the second-worst performance in Australia in such significant areas as average weekly earnings, overtime hours worked, household income per capita, residential buildings completed and retail sales. This State was also below the national average in employment growth and in the number of new motor vehicle registrations. But it is the overall measure of economic activity which is of particular concern. What the Premier's Budget papers do not say is that Queensland's gross State product per capita is the second-lowest of any State with only Tasmania behind.

Average male weekly earnings in Queensland are almost \$1,000 a year less than the Australian average, even though the National Party says persistently and consistently that the workers of this State are earning too much. This is a legacy of the Bjelke-Petersen years and the failure of his Government to develop rational industrial policies to attract job-creative manufacturing industries. I am convinced that, as in the case of ICI, reputable business enterprises, particularly in the field of manufacturing, are steering away from Queensland as a base for production because they are afraid of being trapped as political toys in the weird industrial intrigues of this Premier.

Myth No. 3 is that of the balanced Budget—that the Budget is balanced—and I heard the previous speaker utter a lot of rubbish about this. For a lesson in the documentation of a truthfully balanced Financial Statement, I suggest the National Party study last night's fifth Budget of the Hawke Government through its Treasurer Keating.

Every year in this place honourable members are treated to a distorted view of the outcome of the Consolidated Revenue Fund. It is astounding that, in spite of unforeseen spending as high as \$230m, the Consolidated Revenue Fund always seems to come in on target and the Premier then boasts yet again that another Budget is balanced. It sounds like a comic strip from *Mandrake the Magician* rather than a chapter from what should be a responsible economic submission.

Take this example from last year's Budget. \$86.6m was transferred to the Special Major Capital Works Fund although nothing was planned, while a further \$55.8m was transferred across to special projects in addition to the appropriated amount of \$125.4m. It is so easy to balance the Consolidated Revenue Fund if all the Government has to do is switch across surplus moneys into the various hollow logs within the capital works accounts.

I move finally to Budget myth No. 4—the myth of no new taxes. While it may be true in the strictest sense that there are no fresh taxes in this particular Budget, the fact is that hundreds of Government charges have already risen, many by more than the cost-of-living adjustment, through the hidden columns of the *State Government Gazette*.

Now, in this Budget, the user-pays system is to be exploited to the limit with rank-and-file Queenslanders squeezed wherever possible, as far as possible, for services they must receive from the Bjelke-Petersen Government. The present Budget shows that in the six years from 1981-82 to 1987-88, the Queensland Government's revenue from its own income sources grew from \$1,680m to \$3,158m, an increase of a staggering 88 per cent. That means to anyone except the Premier of this State and his new Nationals that the burden of State taxes, fees and charges has risen by 88 per cent in only six years.

I want to assure Queenslanders that there is a better way for them and their State than this negative Budget proposes. There is an exciting new world out there beyond the blinkered vision of the Premier and his reactionary cronies, an exciting new world in which the economic recovery and policies of the Hawke Government are re-establishing Australia as a respected international influence.

A Labor Government in this State, on election, will end the senseless pursuit of non-operation and obstruction that the small-minded economic pygmies of the Queensland Nationals adopt towards almost any idea or program that originates in Canberra.

Like many other people in this Chamber, in my younger days I was a footballer. I prided myself that I never ran away from a heavy tackle. At the same time, I did not look for a fight on the field unless somebody else wanted to start it. I believe that a similar approach has to be applied to politics. As a Government the Labor Party will never shirk its responsibilities towards the regional priorities of Queensland, but a Labor Government will end what I see as counter-productive confrontation, which, at the national level, must be costing Queensland enormous amounts in available funds and thousands of extra jobs.

We in the Labor Party will restore the 17.5 per cent leave loading that this Budget withdraws and, in conjunction with the public service unions, determine a modern system of flexi-time to meet the requirements of all related parties.

There was some suggestion before that I should talk about the superannuation scheme. I certainly will. The 3 per cent productivity claim granted last year by the Arbitration Commission will be honoured by a Labor Government instead of being manipulated as a double shuffle to reduce real superannuation entitlements and abolish leave loadings.

I believe savings are waiting to be made in Queensland through a Government that is prepared to initiate basic procedures in public accountability. Labor, in office, will

appoint a parliamentary accounts committee similar to those functioning in all States except Queensland.

A parliamentary public works committee will be established that will end the constant arguments that rage over the irregular and questionable letting of major contracts through tender.

Queenslanders want value from their Governments. They demand to know where their money is being spent and why it is being spent. A Labor Government will spell it out for them.

Other measures that a Labor Government will implement to avoid waste and to guarantee accountability include program and capital budgeting; inquiries into revenue and Government functions; and the appointment of a Cabinet economics and planning committee.

The CHAIRMAN: Order! There will be no cross-conversation in the Chamber. Honourable members may interject but I will not tolerate cross-conversation in the Chamber.

Mr WARBURTON: I add to that the parliamentary public bodies review committee to amalgamate, or reform, as many as possible of the quangos that have been allowed to breed like rabbits by the Bjelke-Petersen Nationals.

A Labor Government will review the user-pays principle to ensure that equality of sacrifice applies as closely as possible.

A Labor Government will also look sympathetically at areas where, because of location and other peculiarities, a degree of cross-subsidy is essential to avoid excessive financial hardship within pockets of the Queensland community.

Labor will reverse the dangerous run-down of standards in essential community services such as education, health, law enforcement and prison security.

Labor will, through sensible work practices and industrial relations free from political provocation, attract job-productive new industries to Queensland, particularly in the manufacturing sector.

Likewise, with improved lines of communications between Brisbane and Canberra, I am convinced that, among other things, a Labor Government—on behalf of tourism—will lift the flow of overseas charter flights directly into this State.

In regard to northern development, a Labor Government will establish a meaningful division responsible for proper functions in planning, research and ongoing consultation with local authorities, industries and community organisations. I hope that Mr Katter remains in the Chamber to hear what I have to say. The present so-called Northern Development Department is an administrative phantom, under the ministerial wing of the squawk from the north, that does nothing more than provide costly propaganda bases for the National Party in Townsville and Cairns.

I am taking this opportunity to air the improper practice of the Premier and Cabinet Ministers in using public funds to prosecute personal legal actions against fellow Queenslanders and, in particular, against members of their Opposition.

It sickens me—as I know it sickens thousands of other Queenslanders—to see the lack of ethical integrity of certain senior lawyers in this State, who I believe are not just taking blood-money from the public purse but are also pushing upwards the cost of justice, knowing that their fees are guaranteed by the Government. Let me warn these legal leeches who are lining their pockets with tax-payer dollars under the shabbiest circumstances that from today a Labor Government will accept no responsibility for any moneys that might be advanced from public sources for these or any future political writs and will, in office, examine avenues available for retrospective legislation to recover such amounts that are paid towards these shonky litigations to recover such amounts as might be paid.

Let me warn members opposite that they cannot escape their part in the economic treachery of this Budget by whispering around their electorates, "It's only old Joh" and implying "The poor old fellow's gone batty and won't be around the scene for much longer". That is what is happening. The fact is that they are in this repulsive, unaccountable Budget together—the lot of them—from the Premier, whether he is batty or not, down to the most junior back-bencher.

It is the Health Minister who has let down nurses and other workers in our hospitals; it is the Police Minister who has abandoned the police force as a properly staffed crime-fighting unit; it is the Minister for Industry and Technology who bought the Lytton site for the unwanted chlorine plant; it is the Minister for Small Business who cannot even make a policy on retail shopping stick for more than three days; it is the absent Local Government Minister who is responsible for that gimmick of all gimmicks—that monolithic monster—the tallest building in the world; it is the Education Minister who is trying to suffocate the rights of teachers and parents' school committees; and it is the Corrective Services Minister who controls such airtight gaols that the inmates are able to run off their own keys.

As I explained, the Premier and the members of the National Party Government today are all in this economic mess together. It is the new Nationals, as a Government and as a political party, who are robbing ordinary Queensland families of the rent money for their annual holidays. All Government members should go out and explain to these workers why they should forego a break at the beach while Beryl Young, through Cabinet, can get \$75,000 a year—the same as a jumbo pilot—to ferry the Premier for a few hours a week between Brisbane and Kingaroy. Go out and tell them that things are so impoverished in the Sunshine State that the Government is taking the milk off pre-school children, while already obscure spending involving millions of dollars on the Government Air Unit and the political *Enterprise Queensland* extravagances is being hidden even more secretly than before in the Budget incidentals. I challenge this Government to go out and convince its own public servants that they should lose what little job security they still retain when selected departmental heads are being lifted into the million-dollar bracket as superannuates.

Where in this Budget are those wonderful promises of yester-year that were going to brighten the future of this State beyond our wildest dreams? Where are the cancer clinics of Milan Brych, the Rundle shale-to-oil billions and the hydrogen car glorified in a ministerial statement? Where is the cotton ginnery of the fugitive Oskar and the deposit of almost \$250,000 for a Lear jet paid five years ago to a company that has since folded up? Where is that unknown who was going to bring a new motor industry to Acaia Ridge? How much was wasted on the farcical trade office in the Middle East—an office that these Budget papers show does not even rank among the top 12 trading partners of Queensland or Australia? It is a shameful documentary in Government waste, unaccountability and sheer incompetence. Nowhere in these Budget papers can I find mention of the Turkey deal that, so recently, was going to score a giant new outlet for Queensland's coal industry. Nowhere can I find a reference to the Romanian trade-off that sent the Premier globe-trotting a few weeks ago with another international granddaddy, Lang Hancock. Only yesterday, as the economic brains of Australia were applauding Paul Keating in Canberra, the Government workers of Queensland were trying to tear down the gates of Parliament House to get at the throats of their Budget-bunglers in Brisbane.

What of the Liberals—that little bunch who occasionally wake from their slumbers in the Parliament to claw their way courageously across the Chamber to vote with the National Party that kicked them out of coalition only four years ago? How proud Sir Robert Menzies must be as he gazes down from above on the glittering genius that shines out from this forgotten and semi-retired gang of political drop-outs. Just as the National Party offers no hope for the rank-and-file Queenslanders, the Liberal Party offers no alternative. I have woken them up. The only alternative in this State lies in a Labor Party that the Gallup poll shows today is being seen by more and more

Queenslanders as a comforting change from the abrasive and ragged economics of the National Party and the political nothingness of the Liberal Party.

I have referred earlier to the cut-backs by the Government in essential services that it has elected to provide to Queenslanders, and I wish to elaborate. Education is given the lowest priority in this Budget. The education Budget's allocation is a decline of almost 5 per cent in real terms on last year's. The Premier's promise at the last election was as follows—

"The Education of our children will continue as your Government's major priority."

This is more than a broken promise; it is a broken commitment to Queensland's future.

The 1986 election promises of extra teachers, computer equipment and modernisation programs have all been thrown out the window by the Premier and Treasurer of this State.

But while the education of our children can suffer, while teacher aide positions are axed, while the free milk scheme to pre-school and child-care centres had to be scrapped, while no new teacher bursaries could be offered, it was absolutely essential to suspend the annual publication of ministerial expenses because the public might get the wrong impression.

The Government cannot afford to provide free milk to pre-schools but it can afford full grog cabinets for Ministers and blank cheques for so-called expenses.

Like ministerial expenses, the Ministerial Air Unit had to be——

Mr KATTER: I rise to a point of order. As to the statement about Ministers with full cabinets of grog—I point out that some Ministers are teetotallers and we object strongly to the remarks that reflect upon us personally.

The CHAIRMAN: Order! I ask the Leader of the Opposition to accept the Minister's statement.

Mr WARBURTON: I accept it.

As a matter of fact, my memory goes back only a few years ago when a particular Minister of the Queensland Government was recorded as having spent over \$20,000 on grog and other items in Brisbane alone, so it is no secret. However, I will accept the Minister's personal explanation.

The Air Unit expenses were shoved under miscellaneous and incidentals in the Premier's Department listing. It is obvious that the Premier regards the Air Unit as his own personal toy, accountable to him personally and not the public of Queensland. What a thrill he must get when he goes home to Bethany—he has to choose between a jet, a King Air or a helicopter, or sometimes all three. The fact that they cost an undisclosed fortune to purchase and operate is an irrelevancy as far as the Budget papers go—a mere miscellaneous expense!

Orwellian double-speak has reached new heights in this Budget—Bjelke-Petersen is the first Premier to have a \$7m jet as an incidental.

As I said earlier, the Government is still trying to recover another little incidental expense of \$248,000 paid by the Premier on a personal whim as a deposit on the purchase price of a Lear fan jet. Its now history that the Lear fan jet project never got off the ground commercially. In fact it went broke and, it seems, took with it almost \$250,000 in Queensland tax-payers' funds. To pay for these little incidentals of the Premier, services have to suffer. That is the message.

Voluntary organisations, such as the parents and citizens organisations, Blue Nurses and Boys Town, will now have to work even harder. Last year, parents and citizens organisations raised \$26m for schools, but, because of cut-backs this year in school equipment and service levels, they will have to raise almost twice as much just to mark

time. Instead of providing increased assistance to needy parents to help them with education expenses, as Victoria did in its 1987 Budget by giving a bulk grant of \$60 per student for all families with incomes below \$50,000, the Queensland Government, by comparison, doubles the school tax and implements the user-pays principle.

One intriguing aspect of the Education Department's allocation is the argument that funds had to be transferred from capital works in order to maintain recurrent services. Earlier in the Budget papers it was argued that funds had to be transferred from services to maintain capital works. Perhaps the Premier can explain the logic of that argument to the Committee.

The police force is another area to sustain savage cuts—a reduction of 3.6 per cent in real terms this year.

The joke of the Budget papers surely is the paragraph that——

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

For “enhanced levels” one should really read “the lowest in Australia”.

On a police/population basis, Queensland has the lowest number of police of any State, currently standing at one officer for every 510 persons. To bring the number of police up to the Australian average would require a further 550 police immediately—not next week, but immediately! Victoria could do it in this year's Budget by committing itself to another 900 police. Western Australia could employ another 100 police and, in addition, 112 civilian staff within the police force. The difference is that, in Queensland, we are told that things have to get worse, including, presumably, our already high crime rates.

The Government presented evidence to the Grants Commission that showed that Queensland had the highest growth in crime of any State, and had the highest number of drug offences. But instead of doing anything about our sky-rocketing crime rates, police funds have been savagely cut.

As long as the Premier has enough police to call out to guard the gates of Parliament House from pensioner demonstrations or demonstrations by his own public servants or Crown employees, he apparently thinks that everything is okay. Why should the Premier care about street crime and community violence when he has got enough bodyguards for his own protection?

The \$63m allocated for a new police headquarters must be questioned when police services are so run down and suburban stations are forced to close periodically during the day because of staff shortages. I would have thought that even the National Party back-benchers would admit that.

I wonder when the Government will argue that the user-pays principle is to be applied to the police. Is that the way of things? And is a bill going to be issued for every police service provided? Is that the Government's idea of the user-pays concept?

Health services, welfare services, child welfare and care for the aged all remain understaffed and underfunded in this Budget. Community welfare is a classic example of this Government's passing the buck to voluntary organisations. In fact, the Government is cutting back on assistance under the so-called policy of rationalisation and has adopted a policy of backing out of any welfare services where it can con private voluntary organisations to take over with little or no Government support.

The cessation of funding for The Outlook at Boonah—which has been raised by Mr Hamill time and time again—is an example of this. The department is searching for some voluntary organisation to take it over. The Minister announced the funding cuts just before she departed on that expensive luxury fact finding world tour that was paid for out of the public purse. She says that this Government is too poor to afford to maintain The Outlook.

I would suggest to the Minister that she does some fact-finding in her own department and portfolio responsibilities first before she looks at what the rest of the world is doing.

The Premier is fond of saying that charity begins at home, but there is little charity in the Department of Family Services and the Department of Youth. I want particularly to mention Boys Town. Boys Town, which the Government uses as a place to unload its problem children, gets nothing but a lousy subsidy of \$115 per week for each boy. By comparison, it costs \$4,000 per child per week at the Sir Leslie Wilson Youth Centre. At the same time, the Department of Justice—I ask honourable members to listen to this; the Premier allows this—slugs Boys Town over half a million dollars per year for it to run its art unions. That is an example of this Government's thinking.

One could list hundreds of other voluntary organisations that slave on providing public services essential to prevent the social and community fabric of Queensland from decaying, and all that they receive from this Government is the occasional kick in the teeth.

In this Budget funds for family services have been reduced by 1.4 per cent in real terms, and Queensland's long-standing record of spending the least of any State on welfare will become even more notorious. The message of this Budget is—"Don't call us for help, we will call you. But you will have a long and cold wait."

Other Government services barely rate a mention in the Budget. What does rate a very hefty mention is the attack on the public service and public servants' wages and conditions and, in particular, the decision to abolish the holiday-leave loading and flexi-time, to amend the superannuation arrangements and to introduce contract employment. The real effects are that public servants lose their 3 per cent productivity claim and their 17½ per cent loading, while the Government gains by having to contribute less to the superannuation fund.

The scheme works this way. The Government accepts that it is required, because of the Arbitration Commission decision, to pay the 3 per cent productivity claim. But it argues that lump-sum payments under the scheme should be reduced to approximately seven times final average annual salary. To achieve this, contribution levels are to be reduced by 1½ per cent, resulting in each employee receiving an increase in gross pay of 1½ per cent.

However, for every dollar an employee contributes to the State Superannuation Scheme the employer contributes \$2.31. If employees' contributions are reduced by 1½ per cent, then the employer's contribution is reduced.

Employees have supposedly gained the 3 per cent but at the same time they have lost 3.46 per cent in Government contributions—a net loss of 0.46 per cent. In addition they have lost their 17½ per cent holiday-leave loading.

Queensland's public servants, who already have some of the lowest wages of any public servants in Australia, who have suffered a real wage decline of approximately 10 per cent since 1983, are now forced by this Government to take further wage and benefit cuts. The New Right rampage against the public sector and its employees is using Queensland as a testing-ground. The long-term viability of the changes to the superannuation scheme is very much in doubt, given the reported comments by Sir Leo Hielscher during his background briefing to journalists. He reportedly commented that the reduced contributions, together with early retirement at age 55, would wipe out entirely the present \$300m in the State Service Superannuation Fund within 12 months.

I am also informed that the State Actuary reported that the fund could not sustain early retirement on 80 per cent of final benefit at age 55 but could only do so at age 56½. If that is true, then within 12 months State public servants will be facing a complete restructuring of the superannuation schemes because the changes proposed in this Budget will make the schemes actuarially unsound. I predict that in twelve months' time public servants will face further cuts of their conditions and that this is just the start.

Mr Sherrin: More scare tactics.

Mr WARBURTON: A very truthful comment. The honourable member will live to rue the day. A particularly insidious change is the proposal for contracts for senior

public servants. Contracts are apparently going to be offered to virtually every officer classified as I-15 or higher. Contracts will be the final touch to the complete politicisation of the Queensland Public Service. Ministers and permanent heads will be unrestricted in their ability to offer jobs to the boys and to their political lackeys, giving substantial pay rises to preferred employees, and the concept of promotion on merit will be interpreted as providing the right sort of advice that will please their political masters.

The Westminster concept of an independent public service providing advice free of all political considerations is jettisoned. Any public servant who is induced to sign a contract should beware, for unless he has readily saleable skills he could find himself worse off or even on the scrap-heap. Contracts make redundant the idea of the public service as an independent career service.

These changes will also significantly widen the salary differentials between the so-called central departments and the service departments. Large salary rises are on the way for favoured employees in the Treasury and Premier's Departments; but if someone happens to work in a service department, he will be viewed as a cost to be contained.

The abolition of flexi-time is to be replaced by a new system of employer discretionary working hours. That is what the Budget paper states. Although, admittedly, I am led to believe that legislative changes would be needed, if a department head requires staff to start work at 7 a.m. or to work standard hours at week-ends, then workers will do so without any overtime or penalty rates, provided that the spread of hours is regarded as the standard. That is the ultimate. Whether it happens immediately or not is another matter, but that is what is in the mind of the Premier and the people who put forward that proposition. The changes to Queensland's public service are obviously the start of things to come.

The proposals of the Savage committee report have still to be evaluated and implemented in practical terms. Next year's Budget will no doubt detail the methods and extent of implementation. This will be overseen by an expenditure review committee comprised of the permanent heads of the Premier's Department and Treasury. That committee will be the only expenditure review committee which is staffed by public servants rather than by politicians. I repeat—the only expenditure review committee of that type in existence. Obviously, Queensland's National Party Ministers have not got the capacity to direct the reform of the public sector. All they seem capable of doing is rubber-stamping public service proposals submitted to them. They certainly have not got the capacity to analyse issues and come up with solutions.

The Deputy Premier is an excellent example of this. For four years now, when the Opposition has proposed reforms such as program budgeting and expenditure review committees, he parroted off Treasury objections and said that the reforms were a waste of time. Now they are being introduced as necessary reforms that are essential for efficient public sector administration.

Perhaps he can explain to the Committee why the recommendation proposing efficient reforms was accepted by the Government, but the recommendation for efficiency auditing—which would determine whether efficient goals were being met—was rejected? Unfortunately for Queensland, the National Party Government has done little more than mouth platitudes about efficiency and effectiveness; but when it comes to the crunch of actually doing something about it, the difficult decisions are put in the too-hard basket.

The great failure of this Budget is its failure to put forward any proposals designed to promote economic and employment growth in Queensland. It is painfully obvious that this National Party Government has no development strategy for Queensland.

The only attempt made by the Premier's Department to formulate a strategy, if I could call it that, was put forward in a leaked document called "*Queensland—Competing in a Changing World*". That report, which was greeted with a great deal of professional derision, basically said that Queensland's private sector was weak and dependent on

Government favours. It concluded by stating that the Government's performance was such that it should do as little as possible.

It is not surprising that the report was not acted upon; but it was the only attempt made by this Government to even consider the matter of an economic strategy. I presume it was conducted after the severe criticisms of Professor C. P. Harris of James Cook University when he spoke about the total lack of a development and decentralisation strategy by the Queensland Government. His now-famous comment was that—

“In terms of State Government initiatives, no economic development strategy exists or has existed in Queensland except on a limited, fragmented, ill-directed and ad hoc basis.”

In other words, the Queensland Government has failed completely to adopt coherent policies designed to promote growth and diversification.

One result of that has been the 10 per cent decline in manufacturing employment over the last two years. Queensland's industrial basis is shrinking—not growing—because the Government has no industrial policy.

The same is true of regional policy. The Government does not have one and, as a result, the drift from the country to the city is accelerating. Only in the last three months has Treasury set up an economic policy unit and, then, only in response to the stringent criticisms of Treasury's economic policy by the Savage committee report.

The development initiatives announced in this Budget are pathetic. All honourable members should listen to the next topic because it is a bottler: \$3m for the establishment of a defence industry and offsets unit within the Department of Industry Development to try to obtain some spin-off from the submarine contracts.

Mr Burns: Three years too late.

Mr Warburton: The Deputy Leader of the Opposition is absolutely correct.

The only problem with this initiative is that it is three years too late—which is what the Opposition expected, of course. The Defence Minister commented—and this ought to be recorded, because it is the comment he made—that Queensland made virtually no effort to obtain part of the submarine construction contract, which will be the biggest construction contract in Australia's history; that the Industry Development Department had virtually no contact with defence officials evaluating the proposals; and that all the Queensland Government did was send down a few glossy brochures on “Life is Great in the Sunshine State”. That is this Government's commitment.

Mr Katter: I rise to a point of order.

Mr Warburton: Does the honourable member want to prosecute an argument or is it a real point of order?

Mr Katter: I just wanted to know if someone could wake up Mr Goss. He has been asleep for most of the speech.

The Chairman: Order! I remind honourable members that taking up the time of the Committee with frivolous points of order is not in order.

Mr Warburton: I think that all those people who are listening and watching from the gallery realise that that utterance by a Minister of this Government is truly indicative of the standard of conduct and ability of Ministers in this House.

Specifically, no attention was paid by the Queensland Government to the crucial question of quality control and in ensuring that Queensland firms were certified by Lloyds International as meeting international quality standards. A further criticism was that the Queensland Government gave no practical support to NQEA in its bid for a part of the contract.

Mr Katter interjected.

Mr WARBURTON: The interjector is, as I have said, the squawk from the north.

Now after the major contracts have been awarded and the other States have put in three solid years of work to obtain maximum benefit of the submarine contracts for their States, Queensland—this Government—decides to set up an offsets unit. How enterprising! Let's hope the unit is considerably more successful than Q-Net was.

As with industry development, the so-called proposals for regional development are laughable. A few grants of a few thousand dollars each—and even then it will be Federal and not State money which will be used—will be given to regional development organisations and boards so they can think about what they are going to do. At least this will give the Minister something to do as well as sitting back and watching Queensland's manufacturing base shrink. He can now visit a few development boards and hand over a couple of cheques.

One company which does appear to do well out of the Queensland tax-payer of course is Arnott Morrow, one of the largest multinational biscuit companies in the world. This multinational is apparently so strapped for cash that it needs the assistance of the Queensland tax-payer for it to move its biscuit factory.

As with regional development, the Government's approach to solving our unemployment problems and below-average employment growth is to give a dollar here and a dollar there.

The sum of \$1.72m—a miserable \$1.72m—is graciously made available for employment initiatives and represents the most pathetic effort of any State Government to create jobs. In short, this National Party State Government is not even trying. That is the problem that we as Queenslanders face.

No economic strategy is in evidence; no regional development initiatives are proposed; industry is left to languish while those slogans of the New Right such as privatisation remain just slogans. The closest we can get to privatisation in this Budget is the closure of the Queensland Film Corporation after—to use the words of the Premier—its many “wonderful achievements”. In its place a private enterprise film studio, in the form of the Dino de Laurentiis group, is to rise in Queensland on a feather bed of public funds.

It is a very sad and pathetic fact that there is nothing in this Budget for families. There is nothing in this Budget for the encouragement of economic and employment growth; there is nothing in this Budget about economic strategies; and there is certainly nothing which will achieve greater social justice and improvements in community services. As far as country Queensland is concerned, there is scarcely a mention of the problems of the rural community that this Government once pretended to represent.

Hon. R. C. KATTER (Flinders—Minister for Northern Development and Community Services) (5.45 p.m.): In rising to join the Budget debate this evening, I think it is important to take up a few of the points made by the Leader of the Opposition.

An Opposition member: A couple of squawks.

Mr KATTER: I hope that I do not indulge in the same name-calling as the Opposition indulges in.

Mr Prest: Katter don't matter.

Mr KATTER: The inane comments speak for themselves, don't they?

An Opposition member: You would talk in your sleep.

Mr KATTER: I was trying to spark a little bit of enthusiasm into the Chamber during a speech that put one of the prominent members of the front bench into a state of complete exhaustion.

Mr FitzGerald: That was on the other side of the Chamber.

Mr KATTER: Yes. He was sound asleep for the entire episode.

The first thing I heard from the Leader of the Opposition was an 88 per cent increase in State Government spending in six years. This State's spending base is very low. Any movements in the growth of population in this State are reflected, if the Government is doing its job, in an increase in the outlay on the number of people employed. That has to be done simply to service the increase in population, which, in one year alone, was an extra 45 000 people from the other States. That is quite apart from the population growth from within the State. I certainly question seriously the accusation that Queensland Government spending increased 88 per cent in six years. However, I must add that that pales into insignificance when compared with Federal Government expenditure, which from 1982 to 1987 has increased from \$41 billion to \$79 billion. That is the sort of increase one expects from the present Federal Government.

For the last month for which I have the figures, the Australian nation suffered a current account deficit of \$1,400m. Few people realise the number of con tricks that in fact are perpetrated on them by the Federal Government. I will now give the Committee one of the very interesting ones. From July of this year that figure will grow over the next 12 months and, on past indications, it will reach a figure of about \$1,600m. That happens because the final figure is not released. When it is released, the current account deficit figure for the last month is not a final figure. It will grow very considerably over the next 12 months. What happens is that, because the figure for the last year has had the 12 months' growth added to it, when the figure is released it makes it look as though there has been a reduction. Built into the mechanisms by which the Federal Government discloses its statistics to the public is a deceit. It is a thimble and pea trick. The figure of \$1,400m, by itself, is the fifth-worst trading record in Australian history.

Mr De Lacy: Are you talking per month or per year?

Mr KATTER: I am giving figures on a per-month basis. I wish to heaven that I was talking per year, but the figure is \$1,400m per month. In fact, when the Whitlam Government won office in Australia that was the yearly figure, but under Mr Whitlam it doubled and, again, under Mr Hawke it doubled. I might add that it did not double in the eight years of the coalition Government; it remained static on \$6,000m per year, which was the figure that the coalition inherited from Mr Whitlam. When the Hawke Government was elected, that figure jumped from \$6,000m to \$13,000m.

Two approaches can be adopted to that phenomenon. The first is that the ALP is very unlucky; every time it gets elected the current account deficit doubles. The second approach is to be a little suspicious and say that it just so happens that in the second year of a Labor administration the current account deficit is doubled because of the bumbling incompetence displayed in the attitudes and practices of the sort of people who are then governing Australia. I suspect that everyone in this Chamber, including those sitting opposite, agrees with the latter approach.

Ms Warner: Can you explain that?

Mr KATTER: Let me explain it for the honourable member. That is a very reasonable question.

For the six years prior to the election of the Whitlam Government, Australia had a constant current account deficit figure of \$2,000m. When Whitlam was elected to office it jumped from \$2,000m to almost \$6,000m. For the next nine years, until Mr Hawke was elected, it remained at that level. It then jumped to \$13,500m in the second year of the Hawke administration.

Mr Ardill: Who incurred the debt?

Mr KATTER: I will explain how that occurs. When cost structures are imposed upon our export industries—and basically those are the coal, iron ore and rural industries—so that they simply cannot compete on the world market, they start to collapse and Australia can no longer trade aggressively amongst the other nations of the world.

That is in fact what occurred in this case. Forty per cent of the farm cost structure is taken up with interest and petrol and oil prices.

Mr Prest: Petrol-pricing is past record.

Mr KATTER: I will take that interjection——

Mr Prest: It is on record; it is in *Hansard*.

Mr KATTER: That is correct.

Australia said it would adopt world parity pricing policies. If this country was operating on world parity pricing policies at present, the cost of fuel would be exactly half what it is at the bowser at the moment.

Mr Prest interjected.

Mr KATTER: I will have to speak over the top of the interjector. I will take his interjection. He said there is something wrong with our world parity pricing policy. Australians were prepared to take the pain. I most certainly make no apology for saying that I agree with world parity pricing, because we were willing to accept that——

Mr Prest interjected.

The CHAIRMAN: Order! I remind the honourable member for Port Curtis that, if he wishes to interject, his interjections must be intelligible.

Mr KATTER: What I was saying was that most Australians agreed that that was a sensible policy. We knew that it would trip certain mechanisms which would result in a reduction in the price of oil throughout the world and most certainly in our own country.

That is exactly what happened. The price of oil dropped to one-third of what it was at its peak. So motorists expected the price at the bowser to drop. But no, the Federal Government said to us, "Thank-you for the windfall profits. We will keep it all and put it in our pockets." If the policy that we agreed with had been implemented, the honourable member for Port Curtis would be paying half what he is now paying at the bowsters around Australia. But that was not to be. World parity pricing was turned into a milking-cow for the Federal Government.

Mr Gately: It is a fact, isn't it, that Mr Hawke increased the excise?

Mr KATTER: He increased the price of fuel in Australia in real terms by 78 per cent, after promising in his speech at the Sydney Opera House that he would reduce the price of petrol by 2c a litre. That is another promise that not only was broken but also was broken in the most dramatic fashion in which any promise could possibly be broken. Mr Hawke promised a reduction in the price of petrol of 2c a litre, but in fact an increase of 78 per cent was imposed by the Federal Government. That was the increase in taxation that occurred on that item.

An Opposition member interjected.

Mr KATTER: I am taking the interjections by honourable members opposite. The question was asked: why was the current account deficit blown out? That is a very reasonable question for a member of the Opposition to ask. I will explain it by saying that a problem arises if our export industries cannot compete.

About one-third of our entire export industry is in fact our rural industry. Twenty per cent of a farmer's cost structure is in his petrol and oil and about 10 to 20 per cent is in interest rates. Our interest rates are exactly double those of any of our trading partners. In fact the last set of figures that I saw—and they are about three or four months old—revealed that this country was on an 18 per cent interest rate; the United States was on an 8.7 per cent interest rate; and Japan was on a 3.7 per cent interest rate. Australia's trading partners have interest rates that are exactly half of Australia's interest rate.

The reason why interest rates in Australia are so high is that they are set by the Federal Government. Interest rates are determined by the bond rate and the bond rate becomes the interest rate for Australia—unless terrible teaching mistakes are being made in universities throughout Australia. The Federal Government chooses to set the interest rate at this enormously high level of 18 per cent, or whatever it is. I believe that at the present time it is approximately 16 per cent.

Mr Hamill: Less than that; it is coming down fast.

Mr KATTER: It might be 15.7 per cent now, but I am making the point that Australia's interest rate is still more than twice that of Australia's major trading partner, the United States, and something like four times that of Australia's other major trading partner, Japan. In fact, out of all of the OECD countries, the only nation whose interest rate was even remotely close to Australia's was Spain, at 14 per cent. Except for Spain, there was no other country out of the 23 OECD countries that had interest rates of over 11 per cent. Australians are being charged interest rates that are double those charged in any other OECD country in the world. Consequently, because of high interest rates, the farmers have a 100 per cent cost imposition on their cost structure.

Farmers are charged a tax on petrol that is equal to approximately 140 per cent of the cost, depending on what kind of petrol they buy. When farmers pay for their fuel, the amount that constitutes the 140 per cent goes to the Federal Government. Depending on whether a person is a farmer or a pastoralist, between 30 and 40 per cent of his entire cost structure is doubled by the cost impositions of the Federal Government.

If Opposition members need an answer as to why the current account deficit blows out, it is because the Federal Government dramatically increases the cost impositions upon farmers. That is one of the major reasons why the current account deficit has blown out. I might also add that the 23 000 increase in the number of public servants in the space of three short years——

Ms Warner: The current account deficit is not accounted for by public funds. It is accounted for by private funds.

Mr KATTER: Yes, and I am explaining to this Chamber that the farming sector makes up the biggest segment of the private sector or Australia's export industries. The farmers' cost structures are increased by 100 per cent because of Federal Government cost impositions. Those cost impositions were not present under the Fraser administration.

Mr Prest: What rot!

Mr KATTER: I will simply quote the figures to the honourable member. In the first 18 months of the Hawke Government there was a 5 per cent increase in interest rates. I give the Federal Government full marks for allowing the dollar to fall. That was an excellent thing to do, but, having made that decision, it immediately lost its nerve and moved very rapidly to prop the dollar up. That was the reason for the decision taken on interest rates.

Ms Warner: Why are you complaining?

Mr KATTER: I am explaining that although the Federal Government initially made that decision, it rescinded the decision almost as soon as it was made. It immediately moved to prop the dollar up. In fact, Australia has never had a free-floating dollar at all, because it has continuously been artificially propped up.

Mr Hamill: What do you think the exchange rate should be?

Mr KATTER: I am quite happy to take interjections, because I believe they are very important in this debate.

Mr Hamill: What do you see as an optimum exchange rate for Australia?

Mr KATTER: I believe it should be allowed to reach its own level without interference from the Federal Reserve Bank. It is due to the actions of the Federal Reserve Bank that the rate is artificially high.

Mr Hamill: So you do support an absolutely free flow?

Mr KATTER: Within reason, yes. That is a fair statement to make.

That is the reason why the current account deficit is where it is. It has become a self-reinforcing phenomenon. Interest rates have to remain where they are and every quarter tens of thousands of Australians are being forced out of their homes.

Sitting suspended from 6 to 7.30 p.m.

Mr KATTER: Prior to the dinner recess I referred to the most important indicator in the economy. It is funny how these things change. About 12 years ago the economic indicators were inflation and unemployment. However, our attention now bears very forcefully on the current account deficit, which rules interest rates. One church newspaper estimates that in Brisbane 35 homes are repossessed every month. With the current housing interest rate of 15 per cent, that trend will continue. The same newspaper states on its front page that some 250 000 Australians are now living in caravan parks.

The Salvation Army estimates that they are giving out more free meals now than at any time since the Depression. The Presbyterian Church estimates that the number of people seeking overnight accommodation is at its highest level ever, with the Great Depression being the only possible exception.

There are two key indicators of poverty. One is the number of motor vehicle registrations. Motor vehicle registrations in Australia have fallen from 51 955 in 1986 to 32 000 in 1987, which represents a decrease of nearly 40 per cent. The only housing study that I have seen was conducted in Townsville and Thuringowa. Building approvals in Townsville fell from 304 to 114. In Thuringowa, the number of building approvals fell from 741 to 358. Housing approvals in Logan City fell from 2 613 to fewer than 1 200. Thuringowa and Logan City registered falls in building approvals of over 50 per cent.

When the Hawke Government took office, the rate of unemployment was 8.8 per cent. This is where the thimble and pea trick is performed in a magnificent and brilliant manner. I am a person who likes to watch these things, and I must say that, in the field of public relations, Mr Keating is one of the most clever persons in many years to hold the Treasury portfolio. Last year a very distinguished European magazine described the Federal Treasurer as the top Treasurer in the Western World. That was much hailed and much vaunted. This year, that same magazine rated Mr Keating second last. I agree. In the field of economics, I would not rank him as second last. I would rank him at the bottom. In the field of public relations——

Mr Innes: Mr Katter?

Mr KATTER: I ask the honourable member to be quick, because I am short of time.

Mr Innes: In that meeting of the United Graziers Association at Julia Creek that you described on radio last year——

Mr KATTER: I really do not have time to wait for the honourable member's interjection. He is taking far too long to come out with it.

When the Federal Government took office, the rate of unemployment was 8.8 per cent. It is now 8.2 per cent. The much-vaunted reduction in unemployment can be accounted for——this is where I think the Treasurer is very, very clever——by the Treasurer's switching of the statistics. What was once called unemployment became CEP. About 50 000 Australians were on the CEP roll. If one adds that number and the increase in the public service of about 23 000 to the employment rate of 8.6 per cent, one arrives at the highest unemployment figures in Australia's history outside of the Depression.

They are the true and accurate unemployment figures. If unemployment figures are to be used as a statistical indicator of the state of the economy, the artificially created jobs—the RED schemes, the CDEP schemes, as they are now called, the NESA training schemes, the DEIR schemes and all of the other alphabetical combinations that are given to Federal Government schemes that artificially create jobs—must be added to the number of persons on the unemployment roll. If one does that, one arrives at the highest unemployment figures in the nation's history, other than in the Great Depression, with the exception of one year. In fact, I believe that 10.8 per cent was the effective unemployment rate at that time. That does not take account of what occurred approximately six years ago during the great rural decline when, because of a terrible drought, approximately \$3,000m was shaved off our economy during a single year.

Last month's current account deficit was the third highest in the history of this nation, with the exception of October of last year—ominously—and October of the year before—even more ominously. We wait with bated breath for the figures for October of this year.

With the exception of Spain, of the 23 OECD countries Australia's interest rates are a full six percentage points ahead of the rest, even at the currently reduced figure.

Australia is currently experiencing the highest unemployment rates in its history, the highest taxation rates and—and this is very interesting—the greatest drop in real wages of any OECD country. During the last three years there has been a decline in real wages of 4.4 per cent, representing the greatest decline in real incomes of any nation in the OECD countries. This is what our much-vaunted Treasurer has done to our much-vaunted economy in this “wonderful” Budget: he has given us—the third-highest current account deficit in Australia's history; the highest interest rates in the world, with the exception of Spain; the highest unemployment since the Great Depression; taxation rates that are the highest in Australia's history; and the greatest drop in real wages. The person who is taking the knocks is the worker. The person on wages is the one who is suffering the most.

The Federal Government has just brought down its Budget. What answers has it provided? It has provided us with \$250m worth of hand-outs, saying, “We can't provide you with work. We will provide you with hand-outs.” That is the Federal Government's answer to our economic problems.

Earlier this evening Opposition members inquired as to the causes for that. I stated clearly—and I make no apologies for it; I believe that it should have been demonstrated clearly to every honourable member in this Chamber—that Australia's economic problems have arisen because of impositions that have been placed upon our export industries.

If honourable members think that the Australian economy is going bad—to quote Mr Reagan, “You ain't seen nothing yet.” The coal guillotine has not yet fallen. The reduced price of coal has not yet worked its way through into the Australian economy. Perhaps honourable members saw Mr John Maitland the other evening when he stated that 8 000 jobs will go. Our own Minister in this House has said, “Yes, 8 000 jobs will go.” We must accept that, next year, 8 000 men will lose their jobs as coal mines close down, when the export income that Australia is now enjoying will start to evaporate. The real pain in the Australian economy has not yet been felt. It will begin to be felt next year as the coal mines begin to close down. With Australia's current account deficit, unemployment rates, interest rates, taxation rates and the highest drop in real wages in the world, people will begin to realise the true position of the Australian economy.

During the Opposition Budget reply, the Leader of the Opposition levelled criticism at this Government. I could hardly describe it as penetrating. I noted that Mr Goss was sound asleep throughout that speech. The notes that I took about the Leader of the Opposition's reply indicate that he really had nothing to say. I would hate to lose him as Leader of the Opposition, but I regret to say that, on his performance today, one would have to admit that we may have to say goodbye to him.

The Leader of the Opposition's advice on what we should do in Queensland amounted to the formation of a public accounts committee. That has been a marvellously successful organisation! We have seen how wonderfully it has overseen the building of Parliament House in Canberra—or the "Opera House", as we call it. We have seen how marvellously effective the public accounts committee was in controlling the cost explosions on that.

Honourable members have seen how wonderful the public accounts committee was in the case of Amann Aviation. It did a wonderful job in preventing that piece of two-stepping from occurring! That is the Leader of the Opposition's answer to the Queensland economy and how it can be turned around. He advocated the setting-up of a public accounts committee and criticised the Government for increasing public expenditure by 88 per cent over six years. That claim pales into insignificance when compared with the Hawke Government's increase in expenditure of 100 per cent in three years. The Leader of the Opposition also criticised privatisation.

The only positive statement that he made, if one could call it a positive statement, was a criticism of this State's increase in public spending. He suggested that Queensland should have a public accounts committee and then suggested a series of hand-outs to various people in Queensland. That was his answer.

Mr Yewdale: Did they draw your name out of a hat for this slot?

Mr KATTER: That is the Labor Party's policy in Queensland. I just read it out. The honourable member's leader just criticised this State's increase in public spending, stated that Queensland needed a public accounts committee and said that privatisation is a sham. Then he told the Government to give a whole range of hand-outs. I do not know where he thinks the money will come from. Anyway, that is what he suggested that the Government do.

Could I venture to submit to the Chamber the reason why Queensland's economy has shown the greatest growth of any economy in Australia; why Queensland has the greatest growth in employment; why nearly 200 000 people have migrated to Queensland from the other States since 1976—people voting with their feet; why many companies and their operations are moving to Queensland; and why money, as well as the people, is coming to Queensland?

In its Budget, the Federal Government cut funds to the CSIRO by 10 per cent. That organisation has made technological break-throughs that have, in many cases, made Australia great. I refer to such things as myxomatosis, which saved the Australian wool industry. Throughout its history, that has been Australia's largest export industry. The Federal Government made a cut in funds of 18 per cent to the rural sector, which is the profitable part of the Australian economy, and a cut of 3 per cent in water development projects. In fact, the \$200m a year that was expended by the Federal Government has been cut by one-third to \$60m this year. Where did the money go? It went to the steel industry. The biggest winner was, in fact, the steel industry.

I will tell honourable members how competitive the steel industry is. There are 120 000 people employed in the steel industry in Australia. In Korea, approximately 70 000 people are employed in the steel industry. Korea produces 9 million tonnes of steel a year and Australia produces approximately 6 million tonnes a year. That is the industry that the Federal Government has decided to prop up. On those figures, the Australian steel industry is one-quarter as efficient as the Korean steel industry.

Mrs Chapman: Didn't the Canberra politicians just give themselves a rise?

Mr KATTER: I am sure that they do that all the time for their friends, in any event.

I will summarise by stating that Queensland has the highest growth in employment of any State in Australia and the highest growth in population. Since 1976, 200 000 people have moved to Queensland from the other States. Queensland has the highest

growth in GDP of any of the States. Queenslanders can be justifiably proud of that record.

Because Queensland is the lowest-taxed State in Australia, the Government can easily fix up its unemployment by doing what Victoria did. It increased its Budget and its taxation by 40 per cent in two years, and used that money to provide a range of jobs. That is cannibalism economics—a very enlightened approach. Of course, that is the type of approach that is being used by the Federal Government. Last month, Australia had the third-highest current account deficit in Australian history. Australia also has the highest interest rates of all OECD countries except Spain. The Federal Labor Government is also responsible for the highest unemployment rate in the nation's history since the Great Depression and the highest taxation rate in the history of the Australian taxation system.

Time expired.

Hon. Sir WILLIAM KNOX (Nundah—Leader of the Liberal Party) (7.45 p.m.): I am delighted to participate in this debate on the Budget. One regrets very much the breaking of the traditions of this Parliament in that neither the Treasurer nor the Minister Assisting the Treasurer attends this debate. It is a matter for great regret that, although two Ministers are responsible for the Treasury, neither has been in the Chamber—except fleetingly—during the course of this debate. For years it has been the practice—ever since the beginning of this Parliament, I would imagine—for the Treasurer to sit in the Chamber throughout the debate because the whole record of the Government is under examination. It is the only time during the year when it is under examination. The Ministers responsible should be present in the Chamber for the examination of the Budget.

Mr Vaughan: They don't understand it; that's why.

Sir WILLIAM KNOX: I realise that the Premier is extremely busy, but that was why the Ministry to assist the Treasurer was established. The Minister Assisting the Treasurer should be here.

I will deal firstly with the Federal Budget. The best way to describe the Federal Budget is as a phantom Budget. The Federal Government has been able to use the sale of assets that will be in excess of \$1,000m, windfalls that have come from unexpected income such as from minting \$2 coins, and other advantages. An amount of \$5,000m has come from the normal increment to be expected from an increase in wages over the next 12 months.

In the Federal Budget there has not been the tightening of the belt that the Prime Minister promised this nation. The whole responsibility for tightening the belt has been forced onto the States. All States, regardless of political colour, were asked to tighten their belts—and responded positively to requests made by the Federal Labor Government. The Federal Government did not do so. If anything, it proposed an increase in expenditure in quite a number of areas.

Mr Innes: \$3 billion.

Sir WILLIAM KNOX: Yes, of that order. Further excesses on the part of the Federal Government can be expected, whereas all State Governments have to tighten their belts and find more austere ways in which to manage their affairs.

Mr Yewdale: Did they win the election?

Sir WILLIAM KNOX: I do not deny that the Labor Party won the election. Members of the Australian Labor Party also told the people of Australia in advertisements that a tough time was being experienced and that tough times were ahead. One would hardly have thought so from the Budget that was presented last night.

An Opposition member: A very good Budget.

Sir WILLIAM KNOX: If the honourable member were to run his household by selling some of his outhouses and part of his land, and was thereby able to meet the costs associated with running a household, he would be criticised for not managing the household on a good budget. That is exactly what has happened to this nation. The Federal Budget is not a good Budget in the sense of its being an operation in good house-keeping. Honourable members can imagine what will happen when all these windfalls disappear.

One aspect of the Budget that did disappoint me—and would have disappointed many people who live in Brisbane—was the prospect of scrubbing the development of a modern international air terminal in Brisbane. Queensland urgently needs a modern international air terminal. Queensland is getting a magnificent new airport, which has taken years to achieve, in spite of the hiccups and deliberate delays by Labor Governments.

Mr Campbell: Who put it in?

Sir WILLIAM KNOX: The Fraser Government put it in. The Whitlam Government stopped its progress for two years under the Coombs task force recommendations.

Before the Expo project commenced, Queensland had an opportunity to acquire a modern serviceable international terminal that would have been provided by private enterprise. A great many of those types of facilities are provided around the world by private enterprise. That opportunity was available for the benefit of Brisbane. Several people were interested and had the capacity to provide such a facility. As a result of requests made by the Federal Government, these people submitted complete plans and prospectus, outlining their ability to undertake the project, their capacity and their expertise. It cost several hundred thousand dollars for that to be provided, and in one stroke of the pen the whole concept was destroyed. For some years Brisbane has gone without a modern international air terminal facility.

Mr Borbidge: It's a political decision.

Sir WILLIAM KNOX: Political it may be; the honourable member may be quite right. The people of Australia, not just Queensland people or Brisbane people, use the Brisbane international terminal. It is one of the points of entry to this nation. People who are travelling to many other parts of the nation pass through the international terminal in Brisbane, and many more will do so.

Turning to the Budget—some matters should be dealt with. The first is pay-roll tax.

A Government member: Again?

Sir WILLIAM KNOX: Continuously. I will keep on repeating it, because for some reason or another it is not understood that thousands of small businesses in this State are crippled by pay-roll tax. Because of pay-roll tax they are unable to employ more people. It is a tax on employment. As I said in 1976, and have repeated ever since, it is an iniquitous, anti-social tax in the same category as hearth taxes, window taxes and chimney taxes. They were abolished because they were anti-social. Because of those taxes, houses did not have chimneys or windows.

Businesses do not want to employ people because they are charged by the Government for employing them. It is a tax on employment.

Mr Menzel: Why don't you attack the Federal Government?

Sir WILLIAM KNOX: I have done that. I am now dealing with this matter.

In recent years, namely, 1984, 1985 and 1986, the Government has introduced amendments to the Pay-roll Tax Act to improve it and make it the best in Australia. But in 1987—a blank. A Bill will not be introduced to give even relief as a result of the increase in the cost of living.

Mr Yewdale: You didn't go that well when you were the Treasurer.

Sir WILLIAM KNOX: I did extremely well. I was the first Treasurer in Australia to produce legislation in any Parliament to break the uniform pay-roll tax provisions of this nation. I put Queensland ahead of the rest of the nation by simply breaking the arrangement that existed across the nation, which was to keep everybody at exactly the same level. That prejudiced Queensland because it is a labour-intensive State.

Mr Borbidge: How do you propose we be compensated for the loss in revenue? Seriously.

Sir WILLIAM KNOX: I will deal with that. I will deal with that as part of my thesis. I will tell the honourable member that, as I told the Parliament in 1976.

Apparently it does not seem to be understood by several people that 80 per cent of the pay-roll tax of this State is contributed by only 20 per cent of employers, and the majority of employers provide the rest. Those employers are little employers. For them the tax is a burden. For the big employers it is not a burden. They would like to be without it, but if they did not pay it, they would have to pay company tax.

In 1977, when Mr Whitlam promised to abolish pay-roll tax across the nation and reimburse the States for what they had lost, everybody suddenly discovered that the big employers would not be any better off, and some of them would be worse off, because they would not be paying pay-roll tax. Instead, they would contribute more to their net profit, which was subject to further taxes by the Federal Government. That would have simply transferred the revenue from the States to the Federal Government, and quite a few companies would have been worse off. In fact, the people of Australia and many employers opposed the abolition of pay-roll tax under those terms.

For the small employer, pay-roll tax is an impediment. Many employers have said to me—and probably to other members—that they would employ another person or two if they did not have to pay pay-roll tax on the additional people they employed. This year many employers who in the past have not had to pay pay-roll tax at all will be paying it for the first time. While the Budget has not introduced any new taxes, for those people who have not paid any pay-roll tax before, it will be, and is, a new tax. They had never heard of it before, and this year in Queensland they will be paying it.

I say to the Deputy Premier that it is not too late to amend the Act—even though it is not mentioned in the Budget Speech—if for no other reason than to keep pace with the increase in wages since the last amendment. The Government should at least keep those small employers who have never before paid pay-roll tax from having to pay it in this financial year. I suggest that if there is no amendment to the Pay-roll Tax Act this financial year, those people will be paying pay-roll tax for ever, even though there may be future amendments to provide some amelioration.

Since 1976 Queensland has had the proud record of having the best pay-roll tax system in Australia. It could be a lot better; for one reason, it should be a lot better. That reason is that Queensland has a huge number of labour-intensive industries. It has a greater proportion than Victoria and New South Wales. Because Queensland has this huge proportion of labour-intensive industries, the employment of labour in small businesses is far more critical in Queensland than it is in Victoria and New South Wales. Therefore, special consideration has to be given to pay-roll tax in Queensland, even though it may not be so critical in New South Wales and Victoria. There is plenty of room to move.

On the matter of the sacrifice of revenue—when I, as I now do, recommend that the threshold should go from \$324,000 to \$700,000, which would cause a notional loss of revenue of approximately \$8m to \$9m a year out of about \$540m, that would be more than recovered by the increase in employment opportunities, the opportunities of buying and selling, the opportunities to collect more stamp duty and the opportunities of many people to expand their businesses. They would be able to take that leap forward, which may even put them back into the position of having to pay pay-roll tax, but it would give them the chance to move forward and to do the extra jobs they want to do.

A further part of the pay-roll tax story is the quite scandalous fact that the Police Department pays pay-roll tax. Where do honourable members think that department gets the money from? Treasury! The department pays it back by way of pay-roll tax. The Education Department pays \$40m to \$50m per annum in pay-roll tax. Where do honourable members think the department gets the money from? It comes from Treasury.

Mr Menzel: You said this last year.

Sir WILLIAM KNOX: I know, and I will keep on reminding Government members of it so that perhaps they will learn how absurd it is. The revenue from pay-roll tax is about \$450m or \$440m. The cost of administration runs into millions of dollars.

Mr Vaughan: What about changing the subject? Give us a bit of variety.

Sir WILLIAM KNOX: No, I will not change the subject, because in this State it is a matter that is absolutely critical.

The fundamental misunderstanding of the special circumstances that face Queensland in regard to the payment of pay-roll tax by small employers deserves special attention. That was my theme in 1976 and it has been ever since. I will continue to talk about it until it is understood by this Legislature and special action is taken to look after the small employers of this State who are severely prejudiced—far more prejudiced than employers in the highly industrialised States—particularly in the hospitality and other labour-intensive industries.

Mr Stephan: But you were going to tell us where you were going to get the extra money.

Sir WILLIAM KNOX: I told the honourable member that. I explained it to him only a couple of minutes ago. He should have been listening.

Part of that recovery of funds is getting rid of the cost of administration of pay-roll tax for the Police Department, the Education Department, the Railway Department and various local authorities. It is ridiculous. That these statutory and public bodies that draw moneys from Treasury by way of subsidy and by way of income should be paying pay-roll tax is absolutely ridiculous.

Mr Beanland: Electricity authorities.

Sir WILLIAM KNOX: This is why the figures are misleading. Until the Legislature understands that the Government is taking in washing on pay-roll tax, the matter will not be dealt with properly. Let us not kid ourselves: the big payers of pay-roll tax are certain private enterprises, Government bodies and Government departments. If they are taken out of the system, they will not feel it. However, the people who are feeling it are the little employers in my electorate and in the electorate of Surfers Paradise, particularly in the hospitality industry. It is a very severe penalty on the hospitality industry. I hope that by repeatedly explaining this I will eventually convince the Legislature to do something dramatic about pay-roll tax. There will be no loss of revenue to the State at all in the reduction of pay-roll tax.

I turn to unemployment, which is related to pay-roll tax. Queensland has the highest unemployment rate in the nation. That will continue to be so for the rest of this year, and for the whole of next year it will be the worst or the second worst in the nation.

It is no use complaining about the people crossing the border. A moment ago Mr Katter said that people were voting with their feet, coming to live in Queensland—they are very welcome—though the numbers have fallen dramatically in the last 12 months, as revealed in the Treasurer's Budget Speech. Even so, those people are welcomed by the Government of Queensland, and for good reason.

Queensland is one of the States that grows by way of internal migration in this nation. Those people should be welcomed. They should be made happy here; they should

be employed here. Those people are welcomed and made to feel part of Queensland, and the Government is proud of them—except on the day on which the unemployment figures are announced. When the unemployment figures are announced, Government spokesmen talk about dole-bludgers, people living on the beach on the Gold Coast and young people crossing the border. That is a lot of nonsense.

Mr Borbidge interjected.

Sir WILLIAM KNOX: The member for Surfers Paradise knows that that is nonsense. That is not happening on the Gold Coast.

The Government knows that that is nonsense, yet on the one day of the month when the unemployment figures are published, all these wonderful people who come across the border as visitors, and who are made welcome here, are suddenly branded as dole-bludgers. Nothing is further from the truth.

Parents visit me in my electorate office who have children in their late teens and early twenties who are seeking work. They have lived in my electorate for years. Some of those young people have only had one or two jobs since they left school.

Mr Innes: They came from interstate jangling their little bags of money.

Sir WILLIAM KNOX: Some people do. I just want to mention this because these people have lived in my electorate for years. I would imagine that that is the experience of many honourable members. These are not people who have suddenly come across the border; they are not dole-bludgers. They happen to be people who are genuinely trying to do their bit. Many of them are not adequately educated and are not qualified, but at least they are trying to find a job. I want to stress that they are trying to find a job, because that is sometimes forgotten in the emotional debate about unemployment.

Queensland has an employment problem that is unique in Australia. For some reason or another, the present Government does not understand its uniqueness. Firstly, part of its uniqueness is the excessively high proportion of labour-intensive industries. Secondly, that proportion of labour-intensive industries leans heavily towards the hospitality industry, which has many itinerant workers and many small employers who, collectively, employ many people.

Queensland also happens to be a very decentralised State. A person in this State has to go a long way to get a job compared with someone in, say, Sydney or Melbourne. Because of these special problems, special action is called for. Pay-roll tax is part of the answer.

I will examine this State's special problem. Queensland's very special problem is that the height of its seasonal unemployment happens to coincide with the end of the school year. That is not so in Western Australia, where the height of unemployment is in the middle of the year, not at Christmas-time. It is not so in Victoria or New South Wales, of course, where the seasonal factor is almost irrelevant.

However, in Queensland the seasonal factor is very relevant. In fact, Queensland's normal unemployment in a good year is twice the level at the end of the year than it is in the middle of the year. The best months of the year for unemployment in this State are, of course, July and August, at the best part of the season. The worst part of the season coincides with the school-leavers attempting to join the work-force, which makes the position far worse than it would otherwise be.

This is a very special problem that only Queensland has. Other States, because of the structure of their industries, their seasons and other factors, do not have that problem. Because Queensland has this special problem, it is necessary to fine tune the methods of looking after employment opportunities in this State. For years and years, the letting of tenders for the railway and construction departments were fine tuned and organised so that this problem of the peak in unemployment would not occur. There is no longer any sensitivity in its management. Each year in the past it was organised to ensure that at certain times of the year work was available in the market-place to absorb the people

who were able to obtain employment and those who wanted or were able to work, and the peak was not nearly as bad as it has been in recent times. That is a very simple, sensitive and easy thing to do if it is properly managed, but for some reason or another in the last few years it has not been done. Perhaps this has been due to elections or for some other reason. Nevertheless, that is what can be done to help the situation in Queensland.

At the moment in Queensland some 500 or 600 teachers are out of work. These are mostly primary schoolteachers. Teachers who have recently graduated were told that they were not guaranteed jobs, but one would expect in an expanding State with new schools and new families burgeoning, that Queensland would need every teacher it could lay its hands on. The teachers receive letters from the department advising them that they are being considered and so on, but many of them have to find other work. Naturally they keep other people out of those jobs.

Queensland has almost 2 000 nurses who are currently not practising but who wish to practise again. Queensland has approximately 12 000 nurses who are currently not practising, but most of them do not want to practise again for various reasons. Approximately 2 000 nurses wish to be practising again and, in order to do that, they would have to take a refresher course. No such course is available in this State. If these nurses wish to practise again, they have to go elsewhere in Australia. Queensland should be putting these people back into the system. They are occupying other jobs within the community which are well below their discipline and capacity—they have to take these jobs because they want to work—thereby preventing other people from occupying those positions.

Queensland urgently requires 600 police. There are people wishing to join the police force who are working in other jobs. They are quite capable of becoming policemen and, in normal circumstances, are well qualified to do so. This State is so far behind with the provision of police facilities that it is becoming almost a joke. If anyone's property is burgled in Brisbane, he can forget about it ever being followed up, and that also applies on the Gold Coast. The police are so overloaded with work that more police officers are urgently required. Queensland has young men and women who are fit, effective and who would make capable police officers if they were given the opportunity to be trained. The Commissioner of Police and the community have demanded additional police.

I turn now to the chlorine plant. Today ICI announced that it was brownd off by the way in which it was treated by the Government of this State. ICI has every reason to say that, because it should have realised it was being taken for a ride by this Government. Having already been told that ICI could not go ahead at Lytton, because of the Federal election, and realising the emotional and political content—apart from all the other facts necessary for this argument—ICI should have realised that there was no chance of this project ever being allowed to get off the ground in this city. The chlorine plant is wanted by plenty of people in various other parts of Queensland, well away from residential areas where therefore there would be no possibility of any harm being caused to the community.

In this particular instance ICI has been made the whipping-boy of the Government, which was trying to pretend that it was making strong decisions, knowing full well that it could not deliver that land, its surrounds and the environment to ICI. The Government knew that the public and political reaction would be enormous. Is it any wonder that ICI is brownd off by the way in which it has been treated by a Government which knew perfectly well that there was no chance of that plant being established anywhere in the metropolitan area of Brisbane?

The other matter I want to mention is the public sector review. I congratulate the Government on its initiative. At the back of the Treasurer's Budget Speech one can see the list of recommendations and how they have been treated. I am pleased that most of them have been accepted. Some that have not been accepted can bear closer scrutiny.

Other members of the Liberal Party who will speak in the Budget debate will deal with them.

One matter that causes me some concern should concern every member of this Chamber. I refer to the *Auditor-General's Reports on audits of the Departmental Accounts, the Accounts of Statutory Bodies and Associated Bodies and the Accounts of Local Authorities* for the financial year ended 30 June 1986. That report was presented to the Parliament in February of this year. That is not satisfactory. In fact, it is far from satisfactory. The debate on the Estimates and the debate on the Budget for the 1985-86 financial year took place at the end of last year. I realise the difficulties faced by the Auditor-General. He is a person of high standing in his profession and a man of great integrity. In his editorial at the beginning of his report he referred to his difficulties and to the procedures that he has to follow. That virtually means that the accounts that the Auditor-General has commented upon in that report have not been debated in full in this Chamber. Let me mention some of them and deal with them.

If the accounts of the Queensland Fish Board had been the subject of discussion in this Chamber during the course of the Budget or the Estimates debate last year, some of the matters of concern, which have been subsequently dealt with by the Parliament, would have been highlighted.

The Racing Development Fund receives an interesting commentary. Those matters were eventually tidied up. However, they should have been debated in this Chamber before legislation on that matter was introduced into the House. The opportunity would have presented itself once the Auditor-General's report had been tabled in the House.

The Queensland Dairymen's State Council funds were again of great concern to the Auditor-General and mentioned in his report. However, that matter was not debated in the House because the Auditor-General's report did not hit the Parliament until early this year—some eight months after the close of the financial year. I understand all the difficulties that the Auditor-General has; I understand them perfectly. However, it is not good enough for this Parliament to have reports from Auditors-General presented to the Parliament long after the opportunity to debate their contents has presented itself. A debate on the reports does not necessarily mean criticism of the Government because many of the bodies that come under fire and review are statutory bodies and, by legislation, they are responsible to this Parliament. It is our duty and obligation to examine these accounts with the assistance of the Auditor-General's reports, which are made to Parliament, not to the Government. Parliamentarians, both Government and Opposition, Ministers and back-benchers, should have the opportunity of discussing these things fully in this Chamber at the time when the subject is before the Assembly for debate, not at a time when it is impossible to raise it in debate because there is no Bill before the Assembly concerning the matters contained in the Auditor-General's report.

Again I stress that the functioning of this Parliament is severely hampered and impeded by the lack of adequate information that is vital in these types of documents that ought to be before the Assembly at the time when it is most appropriate to debate them.

Mr BORBIDGE (Surfers Paradise) (8.14 p.m.): I have pleasure in joining the debate tonight. I believe that the State Budget is a strong and positive response to the financial situation confronting the Queensland Government. It is very much a Budget for the times. It is firm but it is fair. It was interesting to hear the response of honourable members of the Labor Party in this Chamber. I would submit that their criticism is, as expected, both empty and irrelevant. In fact, the Queensland ALP, by its performance in this place and elsewhere, is in no position to denigrate the Budget. I say to honourable members opposite that their performance this session of Parliament has been pitiful.

Mr Vaughan: Didn't you read the Morgan poll?

Mr BORBIDGE: The honourable member who has interjected would obviously like an impartial assessment of the Opposition's performance. I refer to the *Courier-Mail* of Monday, 7 September, which contains a leaked report from a national ALP organiser, Mr Joe Moran, who worked in Queensland during the Federal election campaign.

The ALP Secretary, Mr Beattie, is quoted as saying—

“The leaking of reports like the Joe Moran report and the leaks in both Sunday papers are hurting the party's next State election chances.”

The article continued—

“Mr Moran's report after the Federal election said that the Queensland ALP had very low morale and apparent discipline problems.”

Mr Beattie continued—

“Regardless of the election result, the performance of the Shadow Cabinet must be lifted dramatically. They do not exist in the voters' eyes. Their performance was a disgrace and they do not appear to have established media contacts.”

That is what the Labor Party's own members are saying. Compared to what Labor Party members are saying, I believe that I have been quite reserved in my criticism. Empty rhetoric is a poor replacement for economic substance.

Mr Stephan: What did Mr Beattie say?

Mr BORBIDGE: Mr Beattie has had a lot to say.

Honourable members opposite should remember that, as a result of Commonwealth Government cut-backs in allocations to the States and reductions that were imposed on borrowings, Queensland has lost over \$400m this year. That represents \$150 for every man, woman and child in this State.

Mr Vaughan: Rubbish!

Mr BORBIDGE: The honourable member obviously disagrees. I most strongly recommend that he listens closely and I will do my best to enlighten him.

All that this Government has ever asked of the Federal Government is to be treated fairly and for that Government to apply the same restraints upon itself as it applies to this State, and nothing more.

Mr Hamill: You always ask for more.

Mr BORBIDGE: We have asked for nothing more. And what has happened? I will tell the honourable member what has happened.

Since the election of the Labor/ACTU Government in 1983, Commonwealth Government expenditure on its own activities has increased by 22 per cent. That is a fact of life, and Opposition members cannot dispute it.

During that very same period, payments to the States—the grassroots providers of Government services—have increased by only 6 per cent.

If the Federal Government had bothered to impose the very same conditions upon itself as it applied to the States, there would not have been a Federal Budget deficit. In fact, there would be a current surplus of approximately \$4 billion. That is what is rotten in the administration of Government in Australia today.

Despite that, honourable members in this Parliament have witnessed the economic recklessness of the Opposition members who have been asserting that Queensland can afford the luxury of flexi-time; that leave loading should be sacrosanct; that more police, nurses and teachers should be provided, together with better schools. In fact, some members of the Liberal Party have been joining in that chorus.

I say to those honourable members who have been making those statements—what double standards and what cheap, political hypocrisy! It would have been very easy for

the Queensland Government to have taken the Labor way out—the Warburton strategy—by implementing new taxes such as financial institutions duty and fuel tax.

Mr Yewdale: Who won the last Federal election?

Mr BORBIDGE: I say to the honourable member that the Federal Labor Government's vote in the last Federal election dropped by 1 per cent, but it managed to increase its majority in the House of Representatives by eight seats. Across Australia, the National Party and the Liberal Party out-poll the Labor Party.

The same point applies to the last State election. On a two-party-preferred basis, after the allocation of preferences from the Liberal Party, this Government is representing the State with something like 54 per cent of the vote. So Opposition members should not carry on with that sort of nonsense.

This Government has correctly resisted the temptation to implement new taxes. Instead, it has decided to trim the sails of Government.

Mr Sherlock: You recognise that you got into Government on Liberal preferences.

Mr BORBIDGE: What I am saying is that, on a two-party-preferred basis, this Government had a majority of the vote that was well over 50 per cent.

Mr Cooper: The conservative vote.

Mr BORBIDGE: The conservative vote.

In this Budget this Government has avoided the possibility of retrenching approximately 1 700 people. Following the handing down of other State Budgets, this Government has consolidated its low-tax status.

Let me look around the rest of Australia. Let me look at the performance of the colleagues of the honourable members opposite and see how they are going in handing down their State Budgets. While Queensland's Budget is balanced, the pampered and spoilt Labor administration of John Cain in Victoria has allowed for a \$1.05 billion deficit this year, or a 16.4 per cent increase on last year. Premier Cain has described the recent Victorian Budget as "a great redistributive Budget". The ALP Government's priority in that State has not been to ease the tax burden—my words, not his—or restrict the growth of bureaucracy but to "spend more on social justice related issues". Social engineering—the primary aim and objective of the Labor Party in Australia today!

Let me look at South Australia and the pampered Labor Government of Mr Bannon, which has received so much preferential treatment from Canberra in recent times. In South Australia, the Labor Government has a recurrent deficit of \$14m. An estimated 3 000 jobs are at risk following an 18 per cent reduction in capital works expenditure. Petrol tax, which Queensland does not impose, has been increased from 2.5c a litre to 4.5c a litre. While the Queensland Government is reforming land tax, Premier Bannon is increasing it. Rebates on land tax on property over \$200,000 have been abolished.

In Western Australia, the Burke Budget has increased State taxes by an estimated \$46 per person.

Mr Yewdale: What is your prediction on the meeting tomorrow?

Mr Simpson: A bigger hand-out.

Mr BORBIDGE: A bigger hand-out, as my friend from Cooroora said. It was \$20m for the America's Cup, and a special allocation in the Budget last night of \$6m to clean up after it. What have the Opposition member's mates done for Expo? Shame! It is a disgrace.

Labor's record in Government speaks for itself and is in stark contrast to the Queensland response. Labor, by its performance in Canberra and across Australia, has forfeited the right to criticise our Budget with any degree of credibility. Its criticism is an act of political fraud.

The implementation of the major recommendations of the Savage report highlights the need to address the staggering growth and duplication of Government by Canberra if this country is not destined to Third World oblivion. Why is it that we need a Commonwealth Department of Education with 1 800 public servants, costing the taxpayer \$60m per year, when that department has no teachers and no students?

In Queensland the State Department of Education—

Mr Hamill: Do you want the answer?

Mr BORBIDGE: The honourable member wants to talk about education. When the Commonwealth took over tertiary education funding, Queensland had the highest participation rate in Australia. Successive Federal Governments have now made such a mess of it that Queensland is 6 000 tertiary places behind. I can understand the sensitivity of the honourable member opposite. He should be hanging his head in shame.

Why is it that in Queensland the State Department of Education, with a staff of 30 000 teachers, is administered by a head-office staff of only 500 people at a cost of \$10m? Why is it that the Commonwealth Department of Health, with 4 100 public servants, has a salary bill of \$144m and no patients? In Queensland, a massive public hospital system is run by a head-office staff of 300.

Then we have a Federal Department of Local Government, created in 1984 with an obscure charter and imprecise responsibilities. In 1985-86 that department recruited nearly 1 100 additional staff, their exact purpose difficult to determine. The list goes on and has been detailed previously by the Premier.

If honourable members look at the record, they will discover a massive overlap. For example, they can look at Health; Education; Aboriginal Affairs; Housing and Construction; Industry and Technology; Resources and Energy; Tourism, Sport and Recreation; Arts, Heritage and Environment; Local Government and Administrative Services; Welfare and Community Services; Water Resources and Maritime Services; Attorney-General's Department and Justice; Employment, Small Business and Industrial Affairs; and Transport. That is a massive overlap which the Federal Government consistently refuses to do anything about.

Mr FitzGerald: The honourable member for Ipswich asks why does the Queensland Government duplicate Federal Government activities.

Mr BORBIDGE: I suggest that the honourable member for Ipswich should read a document called the Constitution to find out which level of Government is doing the duplicating. Surely Opposition members can see the absolute stupidity and extravagance of such unfettered empire-building that has massively increased the tax burden and undermined living standards.

In his Budget Speech, the Premier detailed a number of key economic indicators which disprove the Labor theory that in some way Queensland is being out-performed by the other States. Earlier the honourable member for Nundah referred to the figures on unemployment. For the benefit of the Committee I wish to emphasise some facts, as follows—

- Fact No. 1—Queensland has experienced consistent net growth in unemployment transfers. From March 1983 to 24 April 1987, a net inflow of 9 909 persons on unemployment benefits has occurred.
- Fact No. 2—As at February 1987, according to the Australian Bureau of Statistics, 5 400 New Zealanders were receiving unemployment benefits and were resident in Queensland.
- Fact No. 3—Substantial problems were experienced by the sugar industry.
- Fact No. 4—Substantial Commonwealth underfunding of tertiary institutions, compared with the national average, has meant that 6 000 tertiary places are not available in Queensland. That number of places would be required to bring Queensland up to the average of the other States.

- Fact No. 5—High interstate migration has occurred. Over the past six years, 143 000 people came to Queensland.

Mr Yewdale: Why don't you write your own speeches? That's Hielscher's.

Mr BORBIDGE: As a combination, the factors I have outlined are estimated to account for up to 3 per cent of Queensland's unemployment level.

I say to the honourable member who interjects that he would not be able to disprove what I have said, because they are facts provided by his Federal Labor Government. If the honourable member wants to argue with the Australian Bureau of Statistics, he should talk to his Canberra colleagues.

In a debate such as this, it is appropriate to refer to the comments of the Business Council of Australia in its long-term study of the performance of the Australian States. No doubt this comment will embarrass critics of the Queensland Government—

“In terms of total expenditure, Queensland stands out as the low-spending State, spending 15% less than the six States average. . . Queensland has chosen to have a low-spending/low-taxing fiscal regime relative to the other States.”

The Business Council's figures show that our taxing effort has represented an average of only 84 per cent of that of the other States. This Budget demonstrates this strategy, and I make no apology for it.

I would particularly commend the Government for implementing in difficult times further land tax concessions. Recent high revaluations have meant that many property-owners would otherwise be confronted with massive land tax increases. I urge the Government to continue land tax reform as quickly as circumstances permit.

This Government—more than any other Government in Australia—has nurtured the growth of tourism by providing the best possible investment climate. Tourism is now responsible for employing 145 000 Queenslanders and its financial worth to the State's economy is now \$4.3 billion, increasing to \$9 billion indirectly. As Queensland emerges as one of the world's great holiday and convention destinations, \$4.3 billion worth of industry investment is committed or under way, representing 43 per cent of the national total. Significantly, \$1.2 billion of this investment is in the Gold Coast region.

Again I want to state that it is a national disgrace that, in spite of the superb new Brisbane Airport redevelopment, Queensland's tourism industry is being denied an appropriate world-class international passenger terminal to match the soon-to-be-on-line domestic facilities.

Even if we accept with a degree of cynicism that no more funds are available at this stage, why not let private enterprise build it? Why not call for expressions of interest? Why leave this affront to our State—a tin shed in a paddock—as this State's major international gateway? I have not heard honourable members opposite making representations to the Federal Government; they have been silent. Again they have sold out the greatest growth industry in this State.

Mr Menzel: What is the Liberal Party saying about it?

Mr BORBIDGE: To be fair, I must say that the honourable member who preceded me in the debate did make mention of it. However, I would suggest that all honourable members in this place should be having a lot to say about the matter.

Mr Simpson: The Opposition should be making overtures to Canberra.

Mr BORBIDGE: As the member for Cooroora says, Opposition members should be talking to their colleagues in Canberra.

Mr Yewdale: Rubbish!

Mr BORBIDGE: The honourable member says, “Rubbish!” He is not interested in trying to secure a new international terminal for Brisbane.

I want to take that matter a bit further and see how the members opposite squirm now. Queensland is a victim of a conspiracy to maintain for as long as possible Sydney as the major port of entry for overseas visitors, despite the fact that Kingsford-Smith airport is congested and hotel accommodation in Sydney is at a premium. Federal aviation policy is an appalling indictment of successive Federal Governments—not just this one—that for too long have been dictated to by a greedy and self-centred bureaucracy. The ball is in the Federal Government's court, and it is constantly running away from it.

New South Wales receives 51 per cent of direct seat capacity into Australia—despite the fact that it generates only 34 per cent of visitor nights. Victoria receives 22 per cent of direct seat capacity, yet it generates 19 per cent of visitor nights. Queensland is generating—honourable members opposite should listen to this, as they might learn something—24 per cent of visitor nights, second only to New South Wales, yet it receives a miserable 12 per cent of direct seat capacity.

Mr FitzGerald: Shame!

Mr BORBIDGE: Shame, indeed! It is a disgrace and a scandal.

I will now refer to the figures relating to visitors from the United States. New South Wales receives only 35 per cent of American tourists but 79 per cent of flights. This deliberate Federal Government policy amounts to vicious and deliberate discrimination against employment in Queensland, because the jobs go where the planes land, and Federal policy appears to be to make the planes land outside Queensland as much as possible.

It is about time that the so-called great Minister for Tourism, Mr “Froth and Bubble” Brown, some of his colleagues in this place, and the Federal and State ALP members in Queensland, started to do something.

Mr FitzGerald: He put a new meaning into the words “tabling documents”, didn't he?

Mr BORBIDGE: I would have to agree with the interjection from the Government Whip.

The Labor Party controls international landing rights. It can rectify the situation.

Once again this Chamber has been subjected to the same old arguments about the Budget. Once again we have been told by a disunited and discredited Opposition that is viewed with despair by its colleagues elsewhere, that the Queensland economy is badly managed, that we are being outpaced. The facts tell another story. They show a Government, against the odds, giving a lead to the nation. They show record investment and sound growth.

The Brisbane *Telegraph* of 9 September stated—

“Sir Joh's 1987 Budget is an honest attempt to meet community desires for smaller government.”

I suggest to honourable members that if they really want to see how responsible and how good this Budget is, they should examine the Budgets of other State Governments across Australia. An independent publication by the Institute of Public Affairs shows the following state of the States on the collection of taxes, fees and fines per head: New South Wales, \$925; Victoria, \$929; Queensland, \$607; Western Australia, \$790; South Australia \$661; and Tasmania, \$699.

Opposition members interjected.

Mr BORBIDGE: Opposition members do not like it.

While I have the opportunity, I would like to pass comment on the double standards of the Labor Party in this Chamber and ask the question: why is the waste and extravagance of the Labor Party virtually ignored by the same people who, almost daily,

question the use of the Government jet or ministerial accountability? Why do these people have one rule for themselves and another for the Queensland Government? These same critics are silent when the Prime Minister and an RAAF jet load of cronies jet into Brisbane to try to revive the political fortunes of the ALP only to jet back to Canberra, at the tax-payers' expense, in despair.

When the Prime Minister went to Samoa for the South Pacific forum he was the only leader to arrive in his own plane and to bring with him a fleet of limousines.

Mr Powell: He also embarrassed the South Pacific nations.

Mr BORBIDGE: As the Leader of the House says, he embarrassed the leaders of those nations.

The Prime Ministerial car was shipped to Western Samoa aboard HMAS Tobruk along with Z-plated Fairlanes, a fleet of Ford Lasers for lesser officials and six new Australia Post motorcycles for junior bureaucrats to explore the island. He was the only leader to bring his own press corps, with no fewer than 30 reporters and cameramen, on board the Royal Australian Air Force Prime Ministerial Boeing 707, Charisma One.

There is also the case of the Federal Government's \$85,000 jaunt for an ACTU mission to Sweden and Europe. This makes interesting listening. Nine union officials and two Trade Department officers were on this dubious expedition. Three of the group combined the study tour with holidays. ACTU vice president John MacBean was joined by his wife. ACTU secretary Bill Kely claimed \$1,706 for hotel bills and received \$1,471 in travelling allowance from the Federal Government. The unionists and Trade Department officers were all paid travel allowance at an average of \$100 a day, on top of hotels, fares, telephone calls, taxis and entertainment, none of which had to be justified and for which they were not accountable.

Mr Newton: They talk about accountability on the other side of the Chamber.

Mr BORBIDGE: Accountability is what is heard from the other side of the Chamber. Let there be some accountability on this one.

Apparently the Parliamentary Public Accounts Committee must have been preoccupied trying to work out why it had not heard about the rorts at the new Parliament House.

Mr Comben interjected.

Mr BORBIDGE: What was the Federal Parliamentary Public Accounts Committee doing? Nothing! It was not interested. It is a whitewash. It is a waste of time.

A Government member: It is a rubber stamp.

Mr BORBIDGE: It is a rubber stamp, it is a rort and it is a racket.

The trade union leaders, apparently being good egalitarians, stayed at appropriate hotels. For example, in Sweden the cost was \$203 per night and the mission-leader on each leg was entitled to a suite. In Norway, leader Terry Johnson, national secretary of the famous Electrical Trades Union—I presume one of the people who was involved in the turning out of the lights in Queensland—took a \$336 per night suite, although only one other trade union member was present on that stage of the grand tour, the ACTU grand tour of Europe, mostly funded by the Federal Government. It was funded by the Australian tax-payer to an estimated, but unaccountable, amount of \$85,000.

Apparently other leading lights despatched at the tax-payers' expense on this grand tour of Europe included the Building Workers Industrial Union secretary, Tom MacDonald, the Amalgamated Metal Workers Union research officer, Laurie Carmichael, and assorted others—at a cost to the tax-payer of some \$85,000.

A Government member: Others or udders?

Mr BORBIDGE: Assorted others! Once again this demonstrates the absolute hypocrisy of the Labor Party in this Parliament. If the Premier takes the jet to Cairns to try to save jobs, it is a waste of money. Yet members of the Opposition send their trade union mates on an all-expenses-paid tour of Europe and that is okay. The Public Accounts Committee is not even interested.

It just shows the massive double standards of the Labor Party in this Parliament and throughout Australia. Prime Minister Hawke flies up to Queensland at tax-payers' expense to take members of the Labor Party out to dinner—I presume at the Sheraton—to try to save them, then he goes back to Canberra in absolute despair. I repeat that he did so at tax-payers' expense. If the Premier takes the jet or the chopper or the King Air anywhere, it is the subject of some sort of criticism by members of the Opposition.

Mr Hamill: Where's Russo?

Mr BORBIDGE: Where is Ed Casey? Where is the member for Mackay? If members of the Opposition want to play that game, the Government will take them on.

The Budget presented to this Parliament by the Premier and Treasurer is an outstanding one. It is the best Budget that has been handed down by any State Government in Australia for a long, long time. It has given a lead to the rest of Australia, despite the very profound economic difficulties that this State has found itself in as a result of deliberate financial discrimination against the people of this State—deliberate discrimination of which members of the Opposition have been part and parcel.

Opposition members are quite happy to see the Federal Government make life as difficult as possible for the Queensland Government and therefore the people of this State. I am amazed at that. One would think that members of the Opposition would use their influence with their Federal colleagues and comrades to try to rectify the enormous financial discrimination to which this State has been subjected.

Mr HAMILL (Ipswich) (8.42 p.m.): I have heard the diatribe from the honourable member for Surfers Paradise and I have come to the conclusion that, like so many other Government members, he is shedding mere crocodile tears when he talks about the excesses of other Governments and how wonderful this State Government's budgetary arrangements are. One only has to read the Premier's Budget Speech, in particular where he deals with the welfare portfolio, to see what I mean. The Premier said—

“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.”

That is yet another example of the creativity that members of the Opposition have come to expect from the Queensland Government. I say “creativity” because I do not know of any other Government that has such a wonderful way with figures as the Queensland Government.

Mr Newton: Now, now, Paul and Bob are pretty good with figures.

Mr HAMILL: The member for Glass House is not known for his numeracy or his literacy. However, if he keeps quiet, he will realise that the Queensland Budget this year is again the same sick old farce that the Opposition has come to expect.

I will take the Premier's figures on face value. \$68,188,000 has been allocated to the Family Services, Youth and Ethnic Affairs portfolio. In the previous Budget, the allocation was \$64,518,000. In other words, the increase in the appropriation for the coming year over the appropriation for the previous year is not 9.4 per cent, as the Premier would have had honourable members believe in his Budget Speech, but in fact 5.9 per cent. I do not know whether the Premier got the figures in reverse, mixed them up or perhaps a typographical error was made in the Budget Speech. However, the fact is that that represents a real cut in spending on the welfare portfolio, which takes in

very important facets of Government endeavour in this State, but basically the welfare of families.

Again there is this creativity, this fiddling with figures in order to try to make the situation appear as otherwise than it is.

Mr Newton: Paul's doing it every day.

Mr HAMILL: The member for Glass House, Mr Newton, probably has not read that part of the Budget Speech. If he had, he would not make such an ass of himself by opening his mouth so frequently.

The fact of the matter is that even though the Government did allocate \$64.5m to the Welfare portfolio last year, it actually left \$300,000 of that allocation sitting in the bank. The Government underspent the allocation. At the same time as there are children out in the streets in need of shelter and welfare organisations doing the work of this Government and crying out for more assistance, the Government has not spent the allocation that was put aside last year.

Let us cut out the nonsense and look at the State Budget to see how it really assists the families of this State. Half of the welfare budget is taken up with family services and the appropriation in this Budget is only 5½ per cent above the amount made available last year. That is not the 9.4 per cent that the Premier spoke of. That is a real cut. Inflation is running ahead of the increased funding that has been provided to the portfolio.

Turning to the increases for some of the smaller items contained in the Budget—a good example is allowances paid to foster-parents, who are doing a tremendous job in providing homes for needy children in this community. Whilst there has been an increase in the total amount of money made available for allowances paid to foster-parents, bringing that allocation in the coming year to a sum of \$5.145m, the actual amount of the allowances being paid has not increased at all. Obviously next year there will be more children in the care of foster-parents, but the Government is saying that it will not provide those foster-parents with any additional assistance to defray the costs of the very important social duty that they are undertaking.

Mr Newton: Is Bob going to help you out there, too?

Mr HAMILL: The figures in the Budget papers are quite clear. If one compares those figures with the figures for the previous year one finds that foster-parents were receiving \$60.30 per week for the care of each child under five years of age during the first four weeks of care. Despite the fact that the cost of living and all other associated costs of caring have risen, this year foster-parents will still receive only \$60.30 per week.

A similar situation exists in relation to outfitting children. Last year the maximum payment under the outfitting allowance for children under 12 years of age was increased to \$168 and—surprise, surprise—in the caring, sharing Budget brought down a week ago by the Premier the allowance has not been increased. In other words, this Government is saying to all those needy families out there, “Look, we do not care about the fact that your family budget is being stretched. You are doing the job for us and providing care for foster-kids. We are not going to provide you with any more assistance at all.”

Mr Comben: Bob Hawke would not let that happen, would he?

Mr HAMILL: No.

The attitude taken by the Queensland Government regarding foster care is indicative of its whole approach to the welfare portfolio. This afternoon this Chamber heard a Minister refer to the incidence of poverty. They were crocodile tears, because nothing in the State Budget does anything at all to alleviate the poverty which exists in this community.

Mr Menzel: Bob Hawke said he was going to address that problem anyway, so let's be fair.

Mr HAMILL: This is typical of the National Party and the honourable member for Mulgrave. Whenever there is an important problem in Queensland, they always look to the Federal Government for more funding. Yet at the same time they are critical of the Federal Government for taking up the slack which the National Party Government in Queensland leaves because of its poor provision of services and poor allocation of finance to very worthwhile areas of Government endeavour.

According to the social security review, in June 1976, 8.7 per cent of all children in Australia were in families who were on income-tested social security benefits. By June 1986, 20 per cent—one-fifth—of all children in Australia were in families whose principal source of income was income-tested social security benefits. This is a dramatic increase in the incidence of child poverty in Australia. When one considers that much of that increase is a consequence of the significant increase in unemployment over the last decade, and when one further considers that Queensland has a rate of unemployment that is equal to the highest rate of any State in Australia, one does not have to be a mathematical genius such as the honourable member for Glass House to be able to appreciate that Queensland is suffering extremely badly in the area of child poverty.

What is contained in the State Budget to alleviate the incidence of child poverty? Absolutely nothing! The Government took away the free milk from the pre-schoolers. That was certainly a major initiative designed to assist the most needy in the community! When the fact that Queensland has one of the lowest wages structures of any State in Australia is added to unemployment, one begins to develop a very serious picture indeed of the true levels of need that exist in this part of the nation.

Earlier, honourable members asked what was contained in the Budget on this matter. As I said, it contains nothing. It did not pass the notice of honourable members that in the Federal Budget last night \$250m was allocated to a package directed to the most needy families with children. As a consequence of last night's Federal Budget, a supplement of \$22 per week per child will be paid to needy families and \$28 per week per child will be paid to needy families with teenagers. As well as that, additional assistance was forthcoming through rent assistance. They are very significant measures because they go to the heart of family income support. However, the State Government's performance in that area is truly threadbare.

Mr Wells: Pathetic.

Mr HAMILL: As the honourable member said, it is pathetic. As well, it is occurring at the same time that the Queensland Government is in the business of trying to shed its responsibilities to the welfare sector in this State.

There is an article of faith from the Queensland Government that welfare should be privatised. In other words, it is really saying that welfare is basically community charity to be doled out to the needy by community organisations, and the less Government involvement in that, the better. The Government is doing that at a very rapid rate. It is developing a really serious problem in the welfare sector in this State.

For a very long time Queensland has been on the bottom of the pile of States when it has come to the provision of finance to the welfare sector. The Grants Commission figures demonstrate that most clearly. According to the Commonwealth Grants Commission, in the welfare sector Queensland spends \$13 per person less than the average of the six States. That is an indictment of the Government's performance. As well as providing insufficient general funding to welfare services, the Government is leaving the non-Government welfare sector dangling on a string. Because there is inadequate provision for the non-Government welfare sector by way of grants and subsidies, and because they are locked into a grinding situation of annual budgets, there is non provision for long-term planning of welfare services in this State by the non-Government sector.

Mr Randell: What did the Federal Government do about pre-schools?

Mr HAMILL: The honourable member for Mirani speaks about pre-schools. I thought that the member had been in this Chamber for some considerable time. He

should know that at the invitation of the States the Commonwealth Government actually put the money into pre-schools some 10 years ago. Government members also talk incessantly about the provision of education. Whether it be pre-school, secondary or primary education, it is, of course, a State responsibility. Here we have a glaring example of the hypocrisy of the National Party position. On the one hand, members of the National Party say the Commonwealth should get right out of education; on the other hand, they constantly hold out their hands for additional funding and Commonwealth intervention in the education system. If it was not for the Commonwealth's playing a role, the services that exist in this State at a very low level would not even exist at all.

I return now to the welfare system. Honourable members have seen the priorities of the Queensland Government. On a number of occasions I have spoken about the privatisation of The Outlook at Boonah. Last year, a thousand kids went through that centre. It cost only \$350,000 to run the entire centre for a whole year. But, no, cost-cutting measures will be implemented and that funding will be scrapped. The savings through the scrapping of the centre at The Outlook at Boonah will be less than \$80,000 per annum. Because the Minister concerned has lured private organisations into negotiations over a lease of those premises and then in turn offered a subsidy, one must in all fairness take the cost of subsidising the successful tenderer off the actual savings to be made from that establishment. At the same time the Queensland Government goes ahead and spends \$5m on establishing a new secure centre for juvenile offenders that will cater for only 30 young offenders at any one time. Where are the priorities in that sort of an allocation?

The specialist services, which have been provided within the Department of Family Services, are being slowly but surely removed from that department—hopefully to be taken up by the non-Government sector.

The sexual abuse treatment program and the child protection unit—both of which services within the Department of Family Services contain considerable expertise—are going to go the same way as The Outlook. The Minister is already casting around for some non-Government organisation to try to fill the gap, because she is going to hack away those two services. Who will be the losers? The losers will be the families who need those services; families who need intervention in their family relationships in order to prevent their break-down and to militate against the dramatic increase in child abuse that has occurred within the community.

By withdrawing the provision of specialist services, the Government is effectively undermining the operation of the non-Government sector by removing the support that has otherwise existed within this State—whether it be through the training of staff or expert advice.

Every time that this issue has been raised with the Minister her stock answer has been, "We are rationalising our services within the department in order that we can allocate more staff to priority areas such as child abuse."

I hope that Government members have read the fine print in the Budget papers. Despite the ballyhoo earlier this year by the Minister, who was claiming that in excess of 120 additional staff would be allocated to the field of child abuse—which is what the department has been crying out for for years—the 1987-88 Queensland Budget provides not for 120 additional people working in the area of child abuse, not 100, not even 20, but three additional child care officers who will be added to the establishment of the Department of Family Services. That indicates the double standards and the hypocrisy of the claims that the Premier made when he introduced the Budget, which, he stated, was designed to provide greater assistance to families.

When one considers the contribution that the Queensland Government makes to the alleviation of poverty, the contributions that are made by a range of departments that offer concessions, fringe benefits, rebates and so on to the needy within the community cannot be ignored.

Many people who rely upon social security payments, or people who have very low incomes, realise that a significant proportion of their family budget is derived from things such as rates rebates, electricity rebates—which were a very long time coming—concessions on drivers' licences and so on.

A consideration of the Queensland Government's performance reveals that it has the lousiest record of any State Government in terms of the provision of additional benefits and concessions. Figures that have been derived from the social welfare policy secretariat paper on pensioner fringe benefits reveal that, at the time of that study, which is now three or four years old, the average provision by State and Territory administrations for fringe benefits to the community was of the order of \$25 per capita. The figures range from the ACT, with over \$38 per capita, to good old lousy Queensland, with less than \$12 per capita. That is an indication of this Government's genuine lack of concern for the needy within the community. This Government talks about supporting families, but when it comes to the crunch, that support is not forthcoming.

I turn now to the allocations for youth that have been made in the Budget. The Department of Youth has been restructured within the reformulation of the Family Services portfolio. However, the allocations, grants and subsidies that were going to be made available to youth organisations have been frozen. As well as that, there was a situation earlier this year——

Mr Randell: Mr Hamill——

Mr HAMILL: I thought that the honourable member was concerned about the welfare of young people in this State. I thought that, as a member of the National Party Government in this State, he would be concerned about the future of young people. In that context, the Minister for Employment and his colleague the Minister for Industry, I recall, brought a paper to Cabinet earlier this year in which they argued, quite correctly, that Queensland's provision for training and employment programs was the worst of any State in Australia. It was abysmal. It was so low. The Queensland Government basically washed its hands of the whole employment and training area.

I was pleased that the Ministers advanced that argument. They obviously took a leaf out of Labor Party policy. The Labor Party argued for an \$18m package for youth employment initiatives last year. Mr Lester obviously picked up the Labor Party's policy document and borrowed the same figure. He realised that \$18m was needed to drag Queensland back to the average of other States in the provision of training and employment opportunities for young people. But where is it in the Budget? It is absolutely nowhere to be found. Another initiative looking to the future has been set aside, scrapped and not acted upon. And who are the losers? Again it is the families. In this case it is the young people who are having great difficulty in obtaining skilled training in this State. All honourable members know that the number of apprentices in Queensland in training and undertaking pre-vocational courses in institutions in this State is at the lowest level for seven years. However, what has the Government done about it? Absolutely nothing.

We have seen the crocodile tears and heard all the ballyhoo about commitment to the family. It is a shame that the member for Surfers Paradise is no longer in the Chamber. He waxed long and loud about allegations of self-indulgence by other persons in other Parliaments in Australia. However, if the Government is genuine in its concern about getting value for dollars spent, it need look no further than its own back yard. If it wants to see the epitome of self-indulgence, it need look no further than its ministerial front bench.

At the same time that the Government takes milk away from pre-schoolers——

Mr Randell: What rubbish!

Mr HAMILL: The Premier has just come back from overseas after getting advice in Britain. I remember when Maggie Thatcher was known as the milk-snatcher, because she took milk away from the children in schools. Now the Premier is doing the same

in Queensland. That is the National Party that is supposed to be looking after dairy-farmers.

Mr Gately interjected.

Mr HAMILL: The honourable member for Currumbin is the closest thing that I know to a laxative.

At the same time that the 17½ per cent loading is attacked, we find that the Minister for Local Government, Main Roads and Racing has embarked upon a massive fact-finding initiative, taking him to Canada and the United States for some 26 days. The honourable member for Surfers Paradise was going on about certain other people taking their wives along on trips. I know that the Minister has taken his wife as well.

No-one can object to a genuine mission whereby those involved in that mission will add to their personal knowledge and expertise within their portfolio and bring that information back for the benefit of the Government in this State. However, a 26-day progress around north America, I am afraid, is a very dubious exercise.

Mr FitzGerald: Where is Casey?

Mr HAMILL: Mr Casey is overseas representing the honourable member, because the honourable member, as a member of the Commonwealth Parliamentary Association, sent him over there. For once honourable members see a bit of bipartisanship in this place.

Let me look at the itinerary of the Honourable the Minister and see how worth while that enormous fact-finding exercise really is.

The Minister for Local Government, Main Roads and Racing has some very onerous responsibilities indeed. As we know, of course, local government has a major input in relation to World Expo. We also know that Vancouver has recently hosted a World Expo. Therefore, it is quite plausible that a Minister with a significant interest in that area ought to take himself off to Vancouver to see how that city is working its way through the post-Expo phase. We should all applaud the Minister for that initiative.

According to the Minister's itinerary, he flew into Vancouver on 1 September, where he spent two days inspecting inner-city redevelopment and business parks. He also had a ferry-ride over to north Vancouver. As an honourable member said before, it is all quite plausible stuff, and no-one is objecting to it.

From Vancouver, the honourable Minister chuffed off to Chicago. As I have said, the Minister has a variety of responsibilities. On most of these occasions, the Minister will be travelling on aircraft, so he will not be doing much of an investigation for the Main Roads Department. However, he is taking a fair bit of interest in racing.

Mr Austin: We had your itinerary when you were overseas at tax-payers' expense.

Mr HAMILL: That is all right. There is no problem.

I turn now to the Racing portfolio. A fair few visits will be made in relation to racing: Armstrong Brothers Stud Farm, Taylors Woodfield Farm, Blue Chip Farm, Castleton Farm, Almahurst Stud, Spendthrift and Gainsway Breeding Farms, Delaware State Fair. It would all be very interesting, I am sure—certainly for a person who takes such an active interest in the racing industry.

It is interesting that it is not only the horse stalls that the Minister is interested in. I thought the Minister may well have been trying to supplant the Minister for Mines and Energy and Minister for the Arts, because as well as the stalls that contain the gee-gees, the Minister has been able to fit in *Cats* and *Sweet Sue* on Broadway. That is fine, too. Honourable members will also find—the Minister has actually admitted as much—that he always was a bit of Thespian at heart. I can understand his desire to see the production of *Cats* on Broadway. Recently, he also expressed his interest in the cinema industry.

Tomorrow will be a very important day for the Minister because he is off to the Little Brown Jug Pacing Racing Classic at the Delaware State Fair. That sounds very interesting, too. After that, the Minister travels to Hollywood. I do not know whether the Minister is going for a screen-test, but I do know that he actually expressed his admiration for his hero, Clark Gable.

Mr Vaughan: Are you sure it wasn't Dolly Parton?

Mr HAMILL: I do not think so.

By the time the Minister reaches Hollywood, the purpose of his fact-finding mission will be a bit like the title of that famous movie *Gone with the Wind*. By the time the Minister reaches Hollywood, his itinerary will begin to look very much like a bit of a holiday except for the very important function that he has to perform, which is to see Mick Borzi, who is the Agent-General.

Mr Comben interjected.

Mr HAMILL: I hope he does a bit better in Los Angeles than he did in Bahrain. After the Minister does all that, thankfully he will have three days shooting the tubes in Honolulu on the way home. I really do hope that the international convention on whaling is observed!

When honourable members look for the benefits to the State from this fact-finding tour, I suppose they will know what correct weight was at the Budweiser-Arlington Million, the Mowhawk Raceway, Meadowlands Raceclub, Belmont Park, and the Little Brown Jug Pacing Racing Classic. One very fortunate aspect is that the Minister will arrive back in Brisbane in time for the races at Eagle Farm on 26 September.

My purpose in bringing this to the attention of honourable members is to illustrate that the Government wants everything its own way. Much was heard from the honourable member for Surfers Paradise about alleged extravagance by other people in their travels. The Queensland Government cannot have everything all its own way. Government members attack delegations for going overseas, but when members of the Government do it, nobody is supposed to mind. The Government abolishes the 17.5 per cent loading and takes away the milk from the children; it will not give foster-parents any additional assistance in the Budget's provisions this year; it denies people on low incomes adequate levels of fringe benefits—but none of that stops the Government undertaking international fact-finding visits and it does not stop the international travel.

All I ask is that Government members maintain more balance in their criticisms. Government members act like those who live in glass houses; they cast plenty of stones, but they do not like it when the rocks come back through the windows. That is the way it is.

I would hope, however, the next year when the Budget is presented, it will be presented without the arrant nonsense of the claims contained in this year's Budget, such as increases in assistance to families. The fact is, of course, that assistance is not being increased.

The claim could not be made that the Government cares for the welfare of families in Queensland when the testament—the Budget—illustrates quite clearly that caring is not there.

I hope that we will not have the arrant nonsense that this Government is concerned about staffing levels and so on in the area of child welfare and child care, when it is known full well that the Government has absolutely no intention of providing adequate staffing and resources to the department.

I hope that there will not be the arrant nonsense that there is a new partnership between the Government and the non-Government sector for the provision of welfare services in the State, when it is known full well that the sort of partnership that is running is the same old one-way partnership, that is, the Government's saying to the

community organisations, "You fill the void and you do the work; but don't expect adequate financial support from us."

When those sorts of points can be appreciated by Government members, I suggest that they can come into this Chamber and talk convincingly about their commitment to Queensland and Queensland families. But until those improvements can be made to our welfare system, I ask them not to try to bore us with platitudes, which, quite frankly, no-one in the community believes, anyway.

Mr MENZEL (Mulgrave) (9.11 p.m.): I rise to commend the Treasurer for the Budget, which was drafted under very difficult circumstances in view of the fact that since 1983, when the ALP took over the Government in Canberra, it has continually slashed Queensland's funding and has wrecked the economy. Unemployment has never been higher. Australia has record high interest rates. On the news tonight I heard one of the commentators saying that the interest rates are coming down; that they have not been so low for about three years. The Hawke Labor Government has been in office for about four or five years, so that is no great achievement for it. It has created the highest interest rates that Australia has ever seen.

With record inflation, Australia's foreign debt is increasing by a billion dollars every month. Every year the Federal Government introduces more and more taxes such as the fringe benefits tax and the capital gains tax. You name it, the Federal Government is introducing it.

The Federal Government is claiming that it has declared war on tax cheats, yet the Federal ALP Treasurer is the biggest tax cheat in Australia. It was found that he had not even lodged his own tax return after he became Treasurer. Perhaps he felt that he was above the law.

In regard to Queensland, in the May mini-Budget the Federal Government cut funding to Queensland by more than \$400m, yet in real terms it increased its own spending by 4 per cent. That demonstrates what a hypocrite the ALP is. In that mini-Budget Canberra cut Queensland's road-funding by about \$20m, and funding for education was cut by about \$30m.

The average per capita Medicare grant to all States other than Queensland was \$71.68, yet Queensland received only \$30.29. In other words Queensland should have received another \$108.2m.

As everyone knows, the Federal Government has built a new embassy in Peking—or Beijing, as it is called now—for \$48.5m, yet it says that it is short of money. What a disgrace. If it can waste money overseas, it is not very responsible.

Mr Gygar interjected.

Mr MENZEL: It is interesting to hear that there is the odd Liberal in the Chamber.

Mr Randell: There are two here.

Mr MENZEL: There are a couple of them. It is no secret that there are rumours around Brisbane that once a large building contractor goes to city hall to see the Liberal-controlled city council in order to get permission to build a complex, certain members of the Liberal Party organisation approach the contractor for a donation to party funds. Obviously the builders are worried that, if they do not donate, permission will not be granted by the Liberal city administration. I call upon the Minister for Justice to investigate the matter.

Mr Randell: It is scandalous.

Mr MENZEL: Yes, it is scandalous.

As I have said, the Federal ALP Government has created record high unemployment in Australia. That will certainly be compounded in north Queensland by the declaration of the World Heritage listing, which includes the whole of my electorate of Mulgrave.

It also covers a couple of other electorates. The timber-workers will be thrown out of their jobs. With the shutting down of the timber industry, their families will be uprooted and they will lose their assets such as their homes and businesses, which will be of no value. The listing will cause a drop in real estate values.

People who are building new homes will be forced to import timber. That will cause higher costs and will put a strain on Australia's balance of payments. The listing will also put a strain on tax-payers, who will have to support more people on the dole. The cost of housing will also rise. It is a disgraceful and shocking decision of the Federal Government which will throw the people of Ravenshoe, Babinda, Gordonvale and other north Queensland towns on the scrap-heap. The members of the ALP will certainly go down in history as the greatest wreckers of employment and development in Australia, especially in north Queensland.

It is no secret that members of the State ALP are worried about the Federal ALP's blunder on World Heritage listing in north Queensland, yet they continue to publicly support their Federal colleagues on this stand.

Mr De Lacy: We do.

Mr MENZEL: I am pleased to hear that. Now I will tell that to the people of north Queensland.

Mr De Lacy: I am proud of it.

Mr MENZEL: The honourable member says that he is proud of it.

Mr Prest: They won't believe you.

Mr MENZEL: I think the people of the north are starting to believe it.

How would Paul Keating like to have his half a million dollar Sydney mansion declared worthless and be given no right of appeal.

Mr Austin: It is full of clocks.

Mr MENZEL: How does the Minister work that out?

The people in the timber towns of north Queensland now occupy worthless real estate and have no jobs and no future for their children. Is this an example of a Government that cares? Surely it makes a mockery of Bob Hawke's hollow words on children and poverty. The member for Ipswich has just spoken to the Committee about poverty in Queensland, but Bob Hawke has promised to eliminate poverty within a year or two.

The Forestry Department and the loggers of north Queensland are the world's greatest conservationists. Every 40 years they cut only a minute percentage of the millable trees available. As a result they ensure that the tropical rainforests of north Queensland are preserved, thereby providing in their towns a livelihood for themselves and future generations. I wish to commend the Minister for Forestry, the Honourable Bill Glasson, who was in the Chamber a minute ago, for the excellent manner in which he and his officers have administered the Forestry Department in Queensland, particularly in north Queensland. Under his guidance the rainforests have really been looked after.

The ALP hypocrites in Canberra ordered a massive amount of timber to be taken from north Queensland rainforests, which are now included in the World Heritage listing, so that the timber could be used in the new billion dollar Parliament House in Canberra. What a mob of hypocrites they are. On the one hand they are telling the Australian people that they want to preserve the rainforests, but on the other hand there they were privately ordering hundreds of thousands of dollars worth of timber out of the rainforests.

Mr Prest interjected.

The TEMPORARY CHAIRMAN (Mr Alison): Order! If the honourable member for Port Curtis wishes to interject, he should do so from his own seat.

Mr MENZEL: What opportunists members of the Hawke Labor Government are. They used the timber from the rainforests of north Queensland for the new Federal Parliament House, yet they claim that those rainforests should be preserved.

The Hawke Government is not fair dinkum about this so-called conservation. That goes for the Labor Party generally. Of course, the Labor Party also says that it does not believe in uranium-mining, yet it is okay at Roxby Downs because the State ALP Government was worried about the political implications of the loss of jobs if it was closed down.

The Labor Government is only worried about the Labor States. It is not really consistent. In my opinion, uranium has the potential to do far more harm than the bit of logging that is taking place in north Queensland. I wonder how much the company that operates the Roxby mine donated to the ALP Federal and State campaigns? I wonder if that is not the reason why uranium-mining was allowed. After all, there is supposedly a lot of opposition to it in the Labor Party. I notice there is silence in the Chamber at the moment.

The Federal Government will place further strains on the State Budget because of the loss of forestry royalties. In addition, freehold land will be rendered worthless when it is placed on the World Heritage List. After all, who wants land that Big Brother in Canberra or, worse still, overseas—say the President of Senegal—has full control over?

Even if a person only wants to dig a trench, he must obtain permission from Canberra. I wonder whether back yard vegetable gardens or swimming-pools will be considered unnatural in a World Heritage park and so be disallowed?

The future of the extension of the hydroelectricity development on the Tully River is also in jeopardy. There is a lot of doubt about that.

Mr Comben: You stopped that yourself. On 3 April this year Katter said, "No."

A Government member interjected.

Mr MENZEL: As the honourable member has confirmed by way of interjection, what I am saying is true.

Freehold land is once again under threat by the ALP. It has always been opposed to freeholding. Unfortunately, this threat ends up costing the tax-payers of Queensland money and lowering the standard of living in Queensland.

Anyone who remembers life in the Dark Ages under the Queensland Labor Government will recall only too clearly that freeholding of land was not allowed until the Country/Liberal Party came to power in 1957.

The Queensland Budget abolishes flexi-time in the public service. I am sure that the overwhelming majority of Queenslanders will be pleased about that move. It is no secret that flexi-time was being abused, and in fact there is no need for it.

I turn to the abolition of the holiday-leave loading for public servants. Those public servants will be more than compensated by the upgrading of their superannuation arrangements.

The campaign by the Queensland Teachers Union before the Budget predicted large reductions in teachers and staff in the Education Department. This, of course, proved to be untrue. However, what did the Queensland Teachers Union say when the Hawke Government cut back spending on education in the May mini-Budget? It said nothing!

Mr Hynd: Silence.

Mr MENZEL: There was absolute silence.

What do the members of the Queensland Liberal Party say when the Federal Labor Government cuts back spending? Nothing! The members of the Queensland Liberal Party seem to be more interested in fighting the National Party than fighting the ALP.

In fact there is a rumour that the Queensland branch of the Liberal Party is going to go into coalition with the ALP. I do not know; that sounds a bit far-fetched.

The Queensland National Party Government is the only Government in Australia that has a balanced Budget. The Federal Government certainly did not balance its Budget. How it can claim to have done so when it has a \$27m deficit, I do not know. It is amazing. The ALP has always proved that it cannot manage the economy. The closest to balancing the Budget that Keating can get is \$27m in the red—that is, of course, if one can believe his figures.

Tourism in north Queensland is booming thanks to the efforts of the Queensland Government. Cairns is certainly the holiday Mecca of Australia. There could be many more flights into north Queensland, and Cairns in particular, if the Federal Government did not stop overseas aircraft from landing in Cairns. That would also provide north Queenslanders with cheaper overseas travel as they would not have to fly to Sydney or Melbourne before leaving for overseas destinations.

Unfortunately, once World Heritage listing is in operation in north Queensland, tourism will dramatically and drastically decrease. After all, who will want to see ghost towns with no facilities? Tourists come to look at rainforests, but still like to eat, sleep, use electricity, drink water, drive on sealed roads and enjoy the facilities that accompany development. They do not want to see ghost towns.

The evidence shows that the Federal Labor Government is deliberately working towards wrecking the Queensland economy.

An Opposition member: Ha, ha!

Mr MENZEL: It is true. The Federal Government believes that wrecking the Queensland economy is the only hope it has of defeating the Queensland National Party Government.

The Federal Government has reduced Medicare funding to Queensland to a greater extent than it has to any other State that I have quoted. It has cut funding for roads and education in Queensland. Its World Heritage legislation is destroying Queensland's very important timber industry. The President of Senegal is the president of the World Heritage Commission and he and others, not the people of Australia, will decide what happens to north Queensland. Where is the open government referred to by the ALP? I am interested to know what knowledge or record of conservation there is in Senegal which Queensland does not already have. Queensland probably has the best conservation record of any State in Australia.

World Heritage listing of rainforests in north Queensland will have a devastating effect on the economy of north Queensland. Unfortunately the Liberal Party in the Federal Parliament has pledged to support it. Is it any wonder that the Liberal Party is in opposition whilst it is in bed with the ALP on that issue?

I quote from a paper which outlines the composition of the World Heritage body. It states—

“The 21 member Committee is elected among the States parties to the Convention. One-third of the members change at the end of each General Conference of UNESCO every two years.

The States parties, who are members of the Committee, are represented by people with specialised knowledge of heritage conservation.”

That underlines it.

I will provide the Committee with details of some of the members of the world body in 1987: Jordan, Zaire, Guinea and Libya. There are many others. It would be a joke—and a sick one at that—to say that Libya would know anything about rainforests or conservation. Libya would know more about killing and destruction than preservation, certainly of human life. Perhaps the Libyans have more respect for the life of trees than the life of people, yet the ALP supports organisations in which the Libyans have a

greater say than the citizens of north Queensland. Perhaps the Libyans want the jungle to train guerrillas and recruits to further their cause.

In addition, the Federal Government is robbing Queensland local authorities of \$27m in grants, compared to the amount given to other States. Senator Reynolds, who claims to be a north Queenslander, lives in Townsville and is in charge of local government in the Federal Cabinet, allows that to happen. This is an absolute disgrace. Although the Federal Government has cut back funding to Queensland, it continues to provide grants to the following organisations—

A university, for the study of the reproduction of flying foxes	\$82,500
University of Sydney, for archeological excavation in Jordan	\$82,500
Black South Africans	\$5,000,000
Friends of the Earth	\$13,000
Rainforest Conservation Society	\$8,000

An Opposition member interjected.

The TEMPORARY CHAIRMAN (Mr Alison): Order! I remind the Chamber that, if any honourable member wishes to address another honourable member, he should use the correct parliamentary expression.

Mr MENZEL: Additional organisations are—

Women's Electoral Lobby	\$15,000
Northern Territory, for study of history of the ALP	\$35,410

Mr Palaszczuk: That's great.

Mr MENZEL: The honourable member says, "That's great." \$35,410 is an absolute misappropriation of funds.

However, the best one of all is the Australia-Japan Foundation for the Translation of Bob Hawke's Biography to Japanese—\$12,000.

Mr FitzGerald: He would have to pay them that much to read it, wouldn't he?

Mr MENZEL: He probably would. I think that he would probably have to pay a bit more than that.

Are they examples of responsible government by the world's greatest Treasurer, or is it a complete misappropriation of tax-payers' funds by the Federal ALP Government in Canberra? Although the Federal Government is reducing its allocation to Queensland by \$400m, it has plenty of money to waste on disgraceful projects.

The Hawke Government, of course, has a disgraceful record in economic management. It is the biggest taxing Government in peace-time history—25.5 per cent of the GDP in 1986-87. It is the biggest spending Government in peace-time history—30.5 per cent of GDP. It has experienced the lowest value of the Australian dollar ever, despite recent revenue; and it has the highest interest rates ever on home loans, Bankcard and overdrafts. The Federal Government has no proud record at all. It also has the largest foreign debt ever of \$105 billion. It has the highest current account deficit ever of \$13.5 billion. It is the first Government ever to lose Australia's AAA international credit-rating. What a terrible economic record! The members of the Hawke Government are the greatest bunch of faceless connemen ever assembled in the history of this nation. And they certainly do a lot of conning.

Paul Keating, in his Budget Speech, said that the Hawke Government, in its term of office, will have created one million jobs in Australia. If that is so, why does Australia still have a record of high unemployment in Australia? Why did Keating not say that most of those jobs were dummy jobs—temporary jobs for a few weeks on the CEP

scheme—or that tax-payers' money was wasted, generally speaking, on unproductive work? A job for only a few weeks is not a proper job, as far as I am concerned. It is not job security that the average Australian deserves. It is a complete con job on the Australian public by the Federal ALP.

The Australia Card has even split the ALP. Opposition members have quietened down a bit now. Bob Hawke did not tell the people of Australia that he had two sets of books on that card. One, of course, will be a secret file, which the Government will have in Canberra and which will contain facts that we, as citizens, will not know anything about. That is terrible. Somebody said, "What has happened in Cairns?" The results of a telephone poll that was conducted this morning by 4CA were that 597 people rang the station; 59 supported the ID card and 538 did not. I do not know whether the honourable member for Cairns was one of the people who voted "no" on the telephone.

Members of the ALP talk about tax-cheats. It is about time that Bob Hawke investigated his rich and powerful friends—the millionaires from Western Australia—who do not pay any tax or pay very little tax. An Australia Card would not be needed to fix that. A flat tax policy would ensure that the wealthiest companies were not paying tax of only 13c in the dollar, or less. As far as I am concerned, no ID card is necessary.

Mr Borbidge: Channel 7 ran a poll tonight on who should be leader of the Labor Party and "don't know" won.

Mr MENZEL: That is probably right.

Mr Elliott: 37 per cent don't know.

Mr MENZEL: As the honourable member says, 37 per cent do not know. It is a wonder that it was not even higher.

If Mr Hawke was to put the tax cleaners through his rich and powerful friends, he could not get millions of dollars for campaign funds. That is the real crux of the problem. Certain people are donating millions and millions of dollars to the Labor Government. Bob Hawke is not game to touch them because he will lose all of his campaign funds.

The Australia Card will not overcome the tax cheats and social security fraud. It is an attempt by the ALP and the public servants in Canberra to control our society, our life-styles and the freedom of all Australians.

It has been revealed that the ALP Government is going to release to other agencies the information that is obtained for the Australia Card. The Government has been trying to deny that, but that information was leaked to the media last week-end. I am pleased that that has been revealed.

I turn now to the latest Hawke and Keating fraud. They have been claiming that the Budget is balanced. I have mentioned this matter previously, but I did not refer to it as a fraud. It is yet another fraud of the Hawke Government. In actual fact, this country has a deficit of \$27m, which is a lot of money.

Mr Borbidge: They took a billion off the States and sold a billion in assets.

Mr MENZEL: That is true. There is debate within the Labor Party over the sale of public assets. It will soon be found that Australia has no assets left.

Mr Elliott: Bob Gibbs is not going to let them sell them.

Mr MENZEL: I heard that. Of course, Bob Gibbs is a member of the faction that is opposed to the selling off of assets; and rightly so. Most Australians are concerned about this issue. The Government cannot continue to sell off public assets; it will eventually run out of assets. It cannot continue to sell them off year after year.

Considering the difficult times, I commend the Budget.

Mr CAMPBELL (Bundaberg) (9.37 p.m.): I congratulate the Leader of the Opposition for his contribution to this debate. It showed both depth and competence which, I believe, are lacking in the present Treasurer.

Both the Leader of the Opposition and the honourable member for Mulgrave referred to the myth of the balanced Budget. It is a myth that the Consolidated Revenue Fund is always balanced.

Although the Government claims that the Budget is balanced, what does that really mean? I intend to speak in depth about the myth of the balanced Budget. In effect, all it means is that the receipts and expenditure of the Consolidated Revenue Fund are roughly the same. Through mismanagement and inefficiency the purse of consolidated revenue has had the same amount of money put into it as has been taken out of it.

The balancing factor, to which I have referred, is done in a very simple way. What happens is that, during the first nine months of a financial year, the Queensland Treasury builds up a surplus in the Consolidated Revenue Fund. During the final quarter of the financial year that surplus is decreased in order to create a balanced Consolidated Revenue Fund. The way in which that is done is that, during that final quarter, under the Treasurer's special allocations, extra funds are taken out of the amount that is normally appropriated in order to create what is known as a balanced Budget.

I would like to outline how that process has occurred during the last four years. As at March 1984, the first nine months of the 1983-84 financial year, the excess of receipts over expenditure was \$65.9m. Yet by the end of that year it was able to be reduced to a deficit of \$0.9m. That is close enough to call it a balanced Budget.

Up to March of the following year, the 1985 financial year, there was a surplus of receipts over expenditure of \$137m. By the following June, that was reduced, by Treasury manipulation of the Consolidated Revenue Fund through the Treasurer's special allocations, to a balanced Budget with a surplus of \$0.76m.

Up to March 1986, there was a surplus in the Consolidated Revenue Fund of \$183.4m, which was subsequently run down to a balanced Budget with a surplus of \$0.2m.

This year it goes one better. For the first nine months of the year up to March 1987, there was a surplus of \$240.9m, which was subsequently reduced to a surplus of \$0.5m, which again is roughly regarded as a balanced Budget.

If honourable members examine how that is done, they will see that there is an end-of-year transfer or sell-out of funds from the Consolidated Revenue Fund that is not carried out in an efficient or effective manner. Basically how is that balancing factor carried out?

In 1984, in the Treasurer's special allocations there was a Special Projects Fund. The actual amount taken out of the Consolidated Revenue Fund and put into the Special Projects Fund was \$102.5m. The appropriated amount for that year was \$68.7m. In actual fact, a surplus of \$33.8m above what was appropriated was transferred out of the fund; in other words, a difference of 49 per cent. When the Government says that it can be out by 49 per cent in the planned capital expenditure in the Budget, it is total mismanagement.

In 1985, in the Special Major Capital Works Fund, the actual amount outgoing was \$140m, the amount appropriated was \$90m and the difference was \$50m. That is a 56 per cent increase in the actual outgoing amount that was appropriated. In the same year, in the Special Projects Fund there was an actual outgoing of \$43.9m and an appropriation of only \$24.4m, which is a difference of \$19.5m. In that year, the Special Projects Fund was out by 80 per cent.

Honourable members can see what was being done by the Treasurer in those two years. He would build up a surplus and then take it out through the Special Major Capital Works Fund, which left a balanced Budget.

In 1986, the actual amount outgoing from the Special Major Capital Works Fund was \$212.526m, the appropriated amount was only \$51.676m, and the difference was a total of \$160.85m. The difference between the actual outgoings and the appropriation was 211 per cent. It had nothing to do with good management. That was done to

supposedly balance the Budget. However, it means that the expenditure on capital works is very inefficient, ineffective and unplanned.

For the 1986 financial year, the actual outgoings from the Special Projects Fund were \$79.224m, the appropriated amount was only \$51.224m, with a difference of \$28m. That is a difference of 55 per cent.

This year, in 1987, there is no allowance for any special major capital works, but we find that the actual amount outgoing is \$86.6m, which leaves \$86.6m above what was appropriated that was actually transferred out of the Consolidated Revenue Fund into the Special Major Capital Works Fund. In the Special Projects Fund there was an actual outgoing amount of \$181.2m. The appropriated amount was \$125.4m, the difference being \$55.8m. In other words, \$55.8m more than what was appropriated actually went out from the Consolidated Revenue Fund into the Special Projects Fund, which is a difference of \$44.5m.

Again, there were massive misappropriations of funds from what was actually appropriated, yet we end up with a balanced Budget. Isn't that great! What actually happens when we get this balanced Budget?

I point out to the Committee that in the *Auditor-General's Report on his Audit of the Public Accounts* for the year ended 30 June 1986, the Auditor-General stated the following—

“Notwithstanding the commendable progress that has been and is being made, there remain areas of activity where further research and consultation are necessary to agree upon formats, or more appropriate formats, for reporting and to establish means by which the necessary data can be collated and audited.

The public sector debt is one such area. It is apparent that a consolidation of material already published, with some additions, purification and refinement, could result in production of a statement which would be of significant benefit. Associated with this could be a report on the results of foreign currency activities.”

This year—for the first time—the people of Queensland were provided with a consolidation of what the State debt is. In previous years, it was a very murky area of public accounts.

According to the *Auditor-General's Report on the Departmental Accounts Subsidiary to the Public Accounts*, as at 30 June 1987, the debt serviced by consolidated revenue was \$3,738.4m. Debt shown as non-public consolidated revenue, which includes areas such as the Housing Commission and the electricity fund, amounted to \$989.1m. Debt for statutory and local bodies, including the Queensland Government Development Authority, totalled \$7,094m. The total indebtedness of the State was \$11,821.5m.

If that amount is divided by the estimated Queensland population, which is 2 605 300, the State debt per person now is \$4,537—one of the highest levels of State debt in Australia.

The report I refer to also shows what the State debt was as at June 1986. A statement taken from this Government's own Budget shows that as at June 1986 the State debt was \$10,964.1m. In other words, the increased State debt for this year, shown in the Government's own figures, has increased by \$857.1m. I point out to the Committee that that occurred in a year when the Treasurer sitting opposite—Queensland's incompetent Treasurer—had the hide to say, “We have a balanced Budget.” How can Queensland have a balanced Budget when the State debt has increased by \$857.1m? It is important to bring that to the notice of the Committee, so that honourable members will understand what the discrepancy factor is so far as the Consolidated Revenue Fund is concerned and what the State debt is.

Sir William Knox interjected.

Mr CAMPBELL: The total State debt is \$11,821.5m.

Sir William Knox interjected.

Mr CAMPBELL: If the honourable member for Nundah thinks that the debt is greater, he can do the calculations.

I turn now to the more concerning aspects of the Queensland economy. When honourable members talk about Queenslanders, it should be recognised that honourable members are talking about problems facing people who are unemployed. In August 1986, Queensland recorded the highest unemployment rate of those for all States—9.4 per cent compared with the Australian average of 8 per cent. In other words, the Queensland unemployment rate was 1.4 per cent above the Australian average. In August 1987, when the Australian unemployment rate was 7.8 per cent, Queensland's unemployment rate was 9.3 per cent, which is 1.5 per cent above the Australian average.

The youth unemployment situation is worse. In August 1986, the level of Queensland youth unemployed was 21.8 per cent, compared with an Australian average of 20.5 per cent. By August 1987, the unemployment rate in Queensland had increased to 24.3 per cent, compared with an Australian average of 21.3 per cent. Over that year, the youth unemployment rate in Queensland—which was 1.3 per cent worse than in Australia had increased to be now 3 per cent worse than the Australian average.

With such a bad situation in youth unemployment, one would think that the State Government would show some compassion and an attitude of caring towards young Queenslanders; but no. In 1982, Queensland recorded a peak in the number of apprentices of 23 000, but by 1986, that figure had declined and was recorded at less than 19 000.

Over the same period, the number of brick-laying apprenticeships fell by 44 per cent and those in carpentry by 37 per cent. In effect, TAFE colleges in Queensland were training approximately 10 900 apprentices, or, one for every 240 Queenslanders. In Victorian TAFE there are 44 000 apprentices, or one for every 110 people.

The apprenticeship scheme in Queensland is falling apart. Although the Queensland Government has reluctantly acknowledged that the trade-training system in Queensland is failing and although the Minister has voiced concern about this situation, no effective action has been taken to reverse this trend of falling numbers of apprentices. In 1984 Mr Lester acknowledged that action should be taken. An article in the *Sunday Sun* of 12 August 1984 stated—

“State Employment Minister, Mr Vince Lester, said it was time Queensland spent more money on programs to help young people get jobs. He said the money should be spent on long term projects that taught young people a skill.

. . .

Since last year the State Government has allocated \$100,000 to youth employment schemes, compared to \$16m in Victoria and \$30m in New South Wales.”

In 1985 the Minister, in introducing a Bill to amend the Industry and Commerce Training Act 1979-1983 in certain particulars, said—

“The Queensland Government is committed to promoting the employment and training opportunities for Queensland youth.”

However, there are no facts to show that this National Party Government has provided the incentive, the policies or the funds to overcome this malaise. In fact, in the *Courier-Mail* of 18 March 1987, three years after the Minister said we should be spending more money, he revealed the true situation.

A Government member interjected.

Mr CAMPBELL: I care for young Queenslanders. The honourable member might not.

A report to Cabinet showed that the Queensland Government was spending \$2.40 a head on employment and training incentives, which was less than half the amount spent by the second-lowest spending State. A table in that article showed that Queensland spent \$2.40 per person; Western Australia, \$5.30; Victoria, \$5.80; South Australia, \$7.10; New South Wales, \$8.50 and Tasmania, \$13.90. On training alone, Queensland again

spent the lowest amount of any State. Queensland spent 90c per head less than half the level of spending of the second-lowest spending Australian State, and in training incentives it recorded only one-sixth the level of spending of Victoria.

The same newspaper article states—

“The Ministers urged the Government to spend more to cut unemployment, which is higher in Queensland than in any other State.

They urged that more than \$18m be spent immediately on employment, training and industry incentives—areas where Queensland lags other States.”

A committee of inquiry was set up and was to report back in one month. To date, I do not think that that committee has reported to Cabinet. Was the \$18m forthcoming in the Budget so that employment and training incentives could be improved? The answer is: no, it was not.

Under special allocations, the amount appropriated for employment initiatives and promotion of training is \$3.5m, not the \$18m that Ministers Lester and McKechnie said had to be spent immediately. This Government has not been prepared to do its bit for young Queenslanders.

When one looks through the State Budget papers, one finds that for the Department of Employment and Industrial Affairs the Commonwealth Apprenticeship Training Fund provided actual income of \$1.274m. It was estimated that it would receive \$1.86m. In other words, it received \$585,781 less than was to be given by the Commonwealth Government for apprenticeship training. The reason why this State Government did not spend as much money on apprenticeship training is to be found in the notes to the accounts for the Department of Employment and Industrial Affairs, which state—

“The intake of apprentices into the public sector was lower than anticipated resulting in reduced subsidy payments under the C.R.A.F.T. Scheme.”

Government members complain that the Commonwealth Government does not give enough to the State, yet the State Government does not even use the money that is given to it for apprenticeship training. \$585,781 that could have been spent on public-sector training under the CRAFT Scheme was not taken up by the State Government. That is an indictment of this shameful National Party Government.

It is an area of major concern that the National Party State Government is not even prepared to spend the Commonwealth money that has been given to it. The Government cannot manage or handle the funds of the different departments. I refer to the *Auditor-General's Report on his Audit of the Public Accounts* to 30 June 1986.

Under the heading “Department of Lands—Losses Arising from Late Re-Assessments of Lease Rents”, the following appears—

“The Accountable officer has reported revenue losses totalling \$510,018.”

A half a million dollars was lost because the Government did not have the capacity to collect it. The report continues—

“Under the provisions of the *Land Act 1962-1985*, rents payable to the Crown in respect of certain leasehold tenures are re-assessed at fixed intervals during the term of each lease. As the Act places a limitation on the recovery of retrospective rental adjustments of this nature, prolonged delays in the re-assessment process can result in losses of revenue.

In 1985-86, losses accrued over a period of years and totalling \$510,018 were recorded. These arose as a consequence of re-assessments not being performed on a timely basis. The Department has sought the Solicitor-General's opinion as to whether portion of this amount may be legally recoverable and has advised that steps have been taken to improve managerial and inspectorial efficiency in order to minimise future losses.”

The Government lost half a million dollars and the Auditor-General says that he will take steps. What happened? I now have the Budget papers for the Department of

Lands for 1986-87. Under "Losses or Deficiencies" it shows 378 cases of forgone assessment of collections that caused a loss of \$306,113. What pathetically weak management and what a lack of managerial skills must have been involved to have to forgo another \$306,113. That is a shocking state of affairs over which a very lax and incompetent State Government has presided.

I will now refer back to the balancing factor which, as I said, is the way the Government builds up a surplus in the Consolidated Revenue Fund and in the last three months funds are exploded out in any way possible. Other States have committees, known as Parliamentary Public Accounts Committees, that have looked at this problem and have brought down special reports on end of year spending. In his progress report of April 1985 the Auditor-General of New South Wales stated—

"One danger is that hastily contrived purchases might not always result in getting value for money. Subsequently my officers extracted figures on the extent of payments in May/June, 1984. A remarkably high incidence was found where, against an expectation that payments for any two months would be 17% of the year's total, the May-June period bore 50, 60, 70% (or higher) of the year's total."

The New South Wales Public Accounts Committee was concerned that the incidence of higher levels of spending by Government departments at the end of each financial year may result in wasteful expenditure and unwise purchases. It looked into that problem and was able to make quite a few recommendations. Although it was difficult to establish beyond question that wasteful spending had occurred, the committee believed that, given the typical nature and timing of many June purchases, there were strong grounds for believing that in many cases low-priority items were being purchased, that purchases were unplanned and that departments were not getting value for money. It is those latter aspects that were of the greatest concern to the committee rather than the mere concentration of expenditure towards year's end. The finding of that committee provides a message for Queensland's very lackadaisical Treasury.

In the committee's view, the major underlying cause of high year-end expenditure is the desire by departments to spend all funds appropriated before they lapse at the end of the year. The committee concluded that this behaviour is motivated by three factors: a desire to preserve the funding base for the year; poor management practices, including excessive conservatism and a lack of proper planning and execution of budgets; and departments wishing to purchase items which are not of maximum priority. Those things are happening in Queensland, and I will demonstrate that later.

In the course of its inquiry, the committee discovered that some departments adopted the practice of drawing cheques prior to 30 June and holding them in safes until services had been performed and goods had been delivered. The practice is used as a means of drawing on the funding allocation at the end of the financial year when indeed the payment should be met from the following year's allocation. The committee cited the example of the Government architects branch. \$820,000 was spent by that branch and the cheques actually despatched up to four months after the end of that financial year.

If Queensland departments are doing the same thing, are they breaching the Financial Administration and Audit Act by adopting such measures? I believe that the Auditor-General should look into this matter.

Do the findings of the New South Wales Public Accounts Committee have any relevance to Queensland? I believe they do. I examined the quarterly expenditure of three Government departments.

The figures for the Department of Industry Development show that for the 1984 September quarter expenditure was 17.1 per cent; for the December quarter, 33.3 per cent; for the March 1985 quarter, 8 per cent; and for the final quarter, 41.5 per cent.

Of the total budget of \$17.88m, 41.5 per cent was spent in the last three months in the end-of-year spend up.

Expenditure for the last three months of the following year in the same department was 49.1 per cent of the total budget. It was \$12.6m out of a total expenditure for the year of \$25.7m. The figures for this financial year are no better. The end-of-year spend up by this same department was 42.2 per cent of the total budget. I believe that the relevant Ministers have to be asked whether they are going to take any responsibility for looking into their departmental spending.

A similar situation exists in the Transport Department. The expenditure in the Transport Department for the last three months of 1985 was 44 per cent of the total budget. In other words, \$30.339m of a total budget expenditure of \$68.927m was spent in the final quarter.

In the 1986 financial year, 39.7 per cent of the total Transport budget of \$75.286m was spent in the final quarter. In the last financial year—the financial year ended June 1987—41.3 per cent of the total expenditure of the Transport Department of \$88.25m was spent in the final quarter.

I believe that the Transport Department is one department that should be seriously investigated if the Government is to ensure that the funds of that department are being spent properly.

The other department that I examined was the Department of Employment and Industrial Affairs. That department did tend to show a much more responsible level of expenditure over the whole year. In the September quarter, the first quarter in the 1985 financial year, 21.8 per cent of the total budget was spent. In the second quarter, 25.4 per cent was spent; in the third quarter, 22.6 per cent was spent; and in the final quarter, 30.1 per cent was spent. A marginal increase in final-year expenditure can be expected. In each of the three years 1985, 1986 and 1987, the expenditure was roughly the same. I believe that some departments should be investigated, and a public accounts committee would be able to do that.

One of the most unhealthy aspects of the whole Budget is the contempt shown by the Treasurer for the people of Queensland. Although he can indulge himself, engage in self-gratification and show a lack of restraint in his own department, he expects that restraint to be shown in other departments. The Government has become very secretive.

In the Premier's Department, under "Special Allocations", the *Enterprise Queensland* promotion, in respect of which \$2.53m was spent on blatant advertising and promotions, has now been deleted as a separate item. This item is now hidden under a new division of the Premier's Department known as the Public Relations and Media Office. When everyone else is showing restraint, the Premier's own department is showing a new division.

In 1986-87, expenditure for the Chief Office, the Public Relations and Media Office and the *Enterprise Queensland* promotion totalled \$13.1m. The estimated expenditure for 1987-88 is \$15.914m, which is an increase of 21 per cent.

Isn't it great that the Premier is able to show that kind of restraint! He is increasing expenditure in his own department by 21 per cent, while other departments, such as the Department of Education, have suffered very serious reductions in expenditure. On the one hand, the Premier's Department has a 21 per cent increase, and on the other the grant for aid to school libraries—books for our kids—is reduced from \$2.96m to \$2.5m which is a decrease of half a million dollars. Children should be put first before the Premier's indulgence.

Time expired.

Progress reported.

CHIROPRACTIC MANIPULATIVE THERAPISTS ACT AMENDMENT BILL

Hon. M. J. AHERN (Landsborough—Minister for Health and Environment) (10.08 p.m.), by leave, without notice: I move—

"That leave be granted to bring in a Bill to amend the Chiropractic Manipulative Therapists Act 1979-1987 in certain particulars."

Motion agreed to.

First Reading

Bill presented and, on motion of Mr Ahern, read a first time.

Second Reading

Hon. M. J. AHERN (Landsborough—Minister for Health and Environment) (10.09 p.m.): I move—

“That the Bill be now read a second time.”

The Chiropractic Manipulative Therapists Act 1979-1987 has been under review by my officers for some time with the objective of updating relevant areas to bring them into line with current-day requirements.

In response to current-day needs, the nomenclature of the Act's title, and other terminology relating to manipulative therapy, are now considered archaic and in need of change. There is also a need to accord appropriate recognition to osteopaths who form an important section of the profession.

Accordingly, amendments have been made throughout the existing legislation to mirror the wishes of the profession and also present the community with a more readily accepted terminology by which to describe persons appropriately qualified to practice this profession. With this objective in mind, the words “manipulative therapists” and their derivatives have been omitted from the Act whilst the word “chiropractic” and its derivatives have been retained. In addition, terminology relating to osteopathy is now included. As a result, the Act's title will be changed from its present form to be known in future as the Chiropractors and Osteopaths Act 1979-1987.

Turning now to those amendments, other than machinery changes—Section 18 is repealed and is replaced by a new section 18 to allow the Chiropractors and Osteopaths Board to establish a list of prescribed qualifications obtained in Australia and entitling a person to be registered. This new section will also remove the entitlement of persons previously able to be registered under a grandfather clause and which was included in the repealed section. For the information of the House, I point out that the grandfather clause, namely section 18 (1) (c), referred to a period covering five years prior to the introduction of the Act in 1979 and, as honourable members will appreciate, is no longer required to be retained in existing legislation.

Section 19, concerning conditional registration, has also been repealed and replaced by a new section 19 to further fine-tune existing legislation in the interests of both the profession and the community. The new section provides for registration for a period of 12 months of persons possessing overseas qualifications with full registration to be dependent on production of evidence of substantial practice in Queensland. This section further allows the board to require applicants with overseas qualifications to undertake an examination prior to registration.

A new section 19A has been added to the Act to provide the Chiropractors and Osteopaths Board with the power to impose conditions where considered necessary in respect of a grant of registration or conditional registration. In section 21, a new paragraph (c) has been added to allow for necessary correction of the register where a name has been entered as a result of administrative error.

Amendment to section 28 provides aggrieved persons under new registration provisions with similar appeal provisions to those under existing legislation.

Section 32 is repealed and replaced by a new section 32 with the objective of preventing medical practitioners and physiotherapists from advertising as chiropractors and osteopaths. In addition, the new section provides for students from other States to undertake supervised practice in Queensland but not to hold themselves out as chiropractors and osteopaths.

Further amendments to the Act are being discussed with the profession and others and will be presented when agreement is reached.

I commend the Bill to the House.

Debate, on motion of Mr Prest, adjourned.

SCARTWATER STATION TRUST EXTENSION ACT AMENDMENT BILL

Hon. W. H. GLASSON (Gregory—Minister for Lands, Forestry, Mapping and Surveying) (10.14 p.m.), by leave, without notice: I move—

“That leave be granted to bring in a Bill to amend the Scartwater Station Trust Extension Act Amendment Act 1960-1986 in a certain particular.”

Motion agreed to.

First Reading

Bill presented and, on motion of Mr Glasson, read a first time.

Second Reading

Hon. W. H. GLASSON (Gregory—Minister for Lands, Forestry, Mapping and Surveying) (10.15 p.m.): I move—

“That the Bill be now read a second time.”

This is a short Bill designed to extend the provisions of the Scartwater Station Trust Extension Act by enlarging the group of ex-servicemen who may be eligible for admission to the A.H.W. Cunningham Memorial Home in Bowen.

The Scartwater Trust was established by an indenture in October 1920. That indenture was ratified and extended by The Scartwater Station Trust Extension Act of 1941 and has since been modified by subsequent Acts.

One of the objects and purposes of the trust has been the establishment and running of the A.H.W. Cunningham Memorial Home. An approach has been made by Mr E. Cunningham of the A.H.W. Cunningham Memorial Home and the chairman of the managing trustees on behalf of those trustees to widen the residential conditions for admittance to the home.

Persons eligible for admission to the home are all ex-servicemen and women of the Commonwealth and United Nations who resided in the area prior to enlistment or who have resided in any part of Queensland north of the Tropic of Capricorn for a period of three years or more, who have attained the age of 60 years and who are in receipt of a war service pension.

The Bill extends the eligibility from those resident—

- in any part of Queensland north of the Tropic of Capricorn
- to those resident—
- in any part of Queensland.

Implementation of the amendment will open up the benefits of the home to a greater number of ex-servicemen.

The home does not receive any Government subsidies and is entirely self-supporting. Members of the trust are to be congratulated for their charitable and social work.

I commend the Bill to the House.

Debate, on motion of Mr Eaton, adjourned.

INDUSTRY AND COMMERCE TRAINING ACT AMENDMENT BILL (NO. 2)

Hon. V. P. LESTER (Peak Downs—Minister for Employment, Small Business and Industrial Affairs) (10.18 p.m.), by leave, without notice: I move—

“That leave be granted to bring in a Bill to amend the Industry and Commerce Training Act 1979-1987 in certain particulars.”

Motion agreed to.

First Reading

Bill presented and, on motion of Mr Lester, read a first time.

Second Reading

Hon. V. P. LESTER (Peak Downs—Minister for Employment, Small Business and Industrial Affairs) (10.19 p.m.): I move—

“That the Bill be now read a second time.”

Changes in technology and the economic environment highlight the need to provide apprenticeship training for industry that meets today's needs. The Industry and Commerce Training Act has provided an effective framework in which the apprenticeship system can supply industry's needs for tradespeople. Earlier this year I introduced a Bill to amend the Act, and those amendments were passed during this session.

To continue the approach of providing a system that is responsive to current demands, the review process has continued focusing on the requirements that are necessary to administer the various apprenticeship events such as applying to engage an apprentice, signing indentures, etc.

The amendments proposed in this Bill are a result of that review and will more effectively and quickly facilitate documentation and administration relating to apprenticeships. In framing these amendments, emphasis has been placed on reducing the administration requirements that are made on employers and apprentices and on making it easier for various apprenticeship events such as completion, transfer or cancellation to occur, particularly when all parties agree. A more realistic approach is being adopted that will result in a tradesman's certificate being issued when an apprentice has actually reached tradesperson status.

Increased emphasis is also being placed on the responsibility of parties in apprenticeship to each other under the guidance of the commissioner for training.

A number of minor amendments relating to machinery matters are also included. The Industry and Commerce Training Commission supports those amendments. The overall effect of the amendments is to increase the flexibility of the legislation in administering the apprenticeship system.

I commend the Bill to the House.

Debate, on motion of Mr Prest, adjourned.

The House adjourned at 10.21 p.m.