

**WEDNESDAY, 17 MARCH 1993**

Mr SPEAKER (Hon. J. Fouras, Ashgrove) read prayers and took the chair at 2.30 p.m.

**DISTINGUISHED VISITOR****Hon. M. B. Perron, MLA (Northern Territory)**

**Mr SPEAKER:** Honourable members, I wish to draw to your attention the visit by the Chief Minister of the Northern Territory, the Honourable Marshall Perron, MLA, who is now in the Chamber.

**Honourable members:** Hear, hear!

**ADDRESS IN REPLY****Presentation and Answer**

**Mr SPEAKER:** Honourable members, I have to inform the House that, accompanied by honourable members, I this day presented to Her Excellency the Governor the Address of the Legislative Assembly, adopted by this House on Thursday, 4 March, in reply to Her Excellency's Opening Speech, and that Her Excellency has been pleased to make the following reply—

"Mr Speaker and Members,

As the representative of Her Majesty the Queen, I tender to you and to the members of the Parliament of Queensland, my sincere thanks for the Address-in-Reply to the speech which I had the honour to deliver at the opening of the Forty-Seventh Parliament.

It will be my pleasant duty to convey to Her Majesty the Queen the expression of continued loyalty and affection to the throne and person of Her Majesty Queen Elizabeth II from the members of the legislature of Queensland in Parliament assembled.

The Queen is the unifying centre for the peoples of the Commonwealth of Nations, and a sign to the world of our faith in freedom.

I trust that your labours to promote the advancement and prosperity of this great State will meet with success in full measure.

I pray that the blessings of Almighty God may rest upon your counsels."

**ASSENT TO BILL**

**Mr SPEAKER:** Order! I inform honourable members that I have received from Her Excellency the Governor a letter in respect of assent to a Bill, the contents of which will be incorporated in the records of Parliament.

15 March, 1993

Dear Mr Speaker,

I hereby acquaint the Legislative Assembly that the following Bill, having been passed by the Legislative Assembly and having been presented for the Royal Assent, was assented to in the name of Her Majesty on 3rd March, 1993:

“A Bill for an Act to amend the *Electoral and Administrative Review Act 1989*”

I hereby transmit the Bill to the Legislative Assembly, to be numbered and forwarded to the proper Officer for enrolment, in the manner required by law.

Yours sincerely,

Sgd. Leneen Forde  
Governor

### PETITIONS

The Clerk announced the receipt of the following petitions—

#### Gondwana Rainforest Sanctuary

From **Mrs Sheldon** (2 087 signatories) praying for an immediate investigation into breaches of contractual arrangements between South Bank Corporation and Gondwana Rainforest Sanctuary and for steps to terminate receivership of Joffe Group Pty Ltd and the sanctuary.

#### Queensland University of Technology Campus, Nambour

From **Mr Turner** (2 056 signatories) praying that the new campus for the Queensland University of Technology be situated at Nambour and that funding be provided for the proposed university on that site.

#### Turbot, Edward and Ann Streets, Park

From **Mr J. Goss** (536 signatories) praying for action to be taken to create a park in the inner City of Brisbane on vacant land bounded by Turbot, Edward and Ann Streets.

#### High School, Victoria Point

From **Mr Budd** (765 signatories) praying that the Parliament of Queensland will provide for a high school at Victoria Point.

#### Child Molesters

From **Mr Livingstone** (39 signatories) praying that the parole period be removed when sentencing child molesters, that offenders are given and serve maximum sentences and that their names be released for publication.

Similar petitions were received from **Mr Slack** (629 signatories), **Mr Laming** (2 470 signatories), **Mr Littleproud** (282 signatories) and **Mrs Sheldon** (705 signatories).

Petitions received.

### PAPERS

The following papers were laid on the table of the House—

(a) Minister for Police and Emergency Services (Mr Braddy)—

National Crime Authority - Report for 1991-92

Ordered to be printed.

(b) Minister for Employment, Training and Industrial Relations (Mr Foley)—

Office of Vocational Education Training and Employment Commission—  
Discussion Paper concerning a proposed Social Justice Policy  
Ordered to be printed.

## MINISTERIAL STATEMENT

### Vocational Education, Training and Employment Commission Discussion Paper

**Hon. M. J. FOLEY** (Yeronga—Minister for Employment, Training and Industrial Relations) (2.35 p.m.), by leave: The advancement of social justice for all Queenslanders is a central role of good government. The discussion paper I have tabled today is an important step in the development of guidelines to ensure social justice will be achieved in the provision of vocational education, training and employment services. This is a discussion paper of VETEC, the Vocational Education, Training and Employment Commission, which is a body established under the Vocational Education, Training and Employment Act 1991. The commission has a statutory function—

“to advise the Minister on the development of frameworks for the State’s vocational education, training and employment services, which will ensure high quality services from both the public and private sectors.”

Put simply, this discussion paper is about ensuring a fair go for all Queenslanders in accessing training and jobs.

As background, the discussion paper presents some disturbing facts about groups, including Aborigines and Torres Strait Islanders, people with disabilities, women and people in remote areas. These people have been historically underrepresented in the vocational education, training and employment system. For whatever reason, they have been confronted with barriers which limit or deny access to vocational education, training and employment programs. Through the development of this discussion paper and resulting public input, the commission is seeking to identify strategies to overcome those barriers and give these people a fair go.

All Queenslanders are entitled to have access to opportunities to expand their skills and to pursue their own career and personal development goals. Providing those opportunities is not only a social responsibility of Governments and training providers; it is also an economic responsibility because, as a community, we cannot afford to waste valuable human resources. The publication of this discussion paper now offers the community and stakeholders in the vocational education, training and employment system the chance to have their say. Feedback from these groups will help shape the document which the commission will present to the Government for consideration. I am confident that the discussion paper will encourage debate and comment, and I encourage all interested parties to obtain a copy and to make a submission to the commission. Copies of the discussion paper will be available for perusal at public libraries and court houses throughout Queensland. Copies can also be obtained from the commission. Submissions should be lodged with the commission by 5 p.m. on Monday, 17 May.

## MINISTERIAL STATEMENT

### Report of Commission of Inquiry into Operation Trident

**Hon. D. M. WELLS** (Murrumba—Minister for Justice and Attorney-General and Minister for the Arts) (2.37 p.m.), by leave: I lay on the table of the House the Report of the Commission of Inquiry into Operation Trident 19 September 1989 to 2 April 1990. Honourable members would be aware that Commissioner Carter, QC, was appointed on Tuesday, 22 February 1992 under the Commissions of Inquiry Act 1950 to make full and careful inquiry into all the events, facts and circumstances surrounding and involved in the investigation codenamed Operation Trident conducted by the Queensland police. At present, the Director of Prosecutions has charge of seven indictments against

persons concerned with Operation Trident. There are a number of additional matters which may result in prosecutions on indictment but which have not yet proceeded to committal. In addition, I understand that disciplinary proceedings against serving police officers will be considered by the Commissioner of the Police Service.

In view of the ongoing proceedings and the advice that I have received from the Solicitor-General, I am tabling today an abridged version of Commissioner Carter's report. To do otherwise might seriously prejudice the prospects of a fair trial of those persons currently awaiting trial on indictment or who may be tried on indictment, as well as those serving police officers who might be subject to disciplinary proceedings. I will table the full version of the report in the House as soon as all prosecutions and disciplinary proceedings have been completed by the Director of Prosecutions and the Commissioner of the Police Service respectively.

Honourable members should note that the report that I am tabling today deals with, amongst other things, matters of compensation. In relation to compensation for those victims who had their vehicles stolen in Operation Trident—I have had discussions with my colleague the Honourable the Minister for Police and Emergency Services. After perusal and analysis of Commissioner Carter's recommendations on compensation, there will be a further announcement on the question of compensation by the Honourable the Minister for Police and Emergency Services. Also, the commissioner has recommended that, in the light of the Canadian experience, some additions and amendments be made to the indemnity guidelines which were adopted by the Director of Prosecutions and tabled by me in the House on 7 November 1990. That recommendation has been referred to the Director of Prosecutions, who will advise in due course. Finally, I move that the report be ordered to be printed.

Ordered to be printed.

## MINISTERIAL STATEMENT

### Appointment of Ms B. Mason as CJC Commissioner

**Hon. D. M. WELLS** (Murrumba—Minister for Justice and Attorney-General and Minister for the Arts) (2.40 p.m.), by leave: The honourable Leader of the Opposition has claimed that I have misled the House. Referring to yesterday's *Hansard*, when I was asked about Sir Walter Campbell, Mr Noel Newnham, Sir Lew Edwards and other eminent persons, I answered that—

“. . . they did not write a reference. I never said that they wrote a reference . . .”

An examination of the transcript of an extensive press conference of Wednesday, 10 March 1993, clearly shows that I did not refer to those individual letters as being references. Throughout the press conference, I consistently referred to the material provided by the full range of people mentioned by the Leader of the Opposition as “letters of commendation” or “reference material”.

**Mr Borbidge** interjected.

**Mr SPEAKER:** Order! The Leader of the Opposition!

**Mr WELLS:** Whenever I referred specifically to the letters written by many eminent people which were attached to the application, I referred to them as “letters of commendation”. I always, on the other hand, referred to my conversation with Commissioner Comrie as a reference. Last night's video replay featuring the term “references” was an extract from a longer comment as to the appointment process, all the material before me and information provided through an inquiry to one of Ms Mason's referees. The context is provided very clearly indeed by the very next sentence, which reads—

“I reported to the Parliamentary Criminal Justice Committee the contents of my interview with Commissioner Comrie.”

Commissioner Comrie, of course, was the first on the list of people whom the applicant suggested would provide references.

### QUESTIONS WITHOUT NOTICE

#### Appointment of Ms B. Mason as CJC Commissioner

**Mr BORBIDGE:** I ask the Attorney-General: did he or did he not advise the Premier that his recommended appointee as part-time commissioner of the CJC, Barbara Mason, held references from prominent citizens, including the former Governor and former Police Commissioner—"Yes" or "No"?

**Mr WELLS:** I refer the honourable member to the statement which I have just made.

#### Appointment of Ms B. Mason as CJC Commissioner

**Mr BORBIDGE:** I refer the Premier to his comments in several media interviews, including the *7.30 Report*, during which he said—

" . . . references or letters of commendation from a former Governor, Sir Llew Edwards and many other prominent people".

I also refer the Premier to a further extract from that interview, in which he said—

"The references were very impressive."

I ask: who advised the Premier that such references existed? Or did the Premier blatantly and deliberately misrepresent the truth to protect the Attorney-General?

**Mr W. K. GOSS:** Can I have "Yes" or "No", too? Here we have some pathetic bush lawyer nitpicking from somebody who does not have an issue. Members opposite came into this Chamber yesterday to target the Attorney-General and me on this issue. They asked the Attorney-General four questions and did not scrape one bit of paint off him, and they asked me one question about a leaking boat up in Cairns. That is targeting. This exposes a Leader of the Opposition without an issue and without a policy.

In relation to the comments that I made on the *7.30 Report* and elsewhere, I repeatedly made reference—there goes that word again—or I repeatedly spoke about "references or letters of commendation". The quote from the Leader of the Opposition makes my case more eloquently than I could myself. In other words, I said "references or letters of recommendation from the following people". The other point that members opposite need to understand about the *7.30 Report* is that they saw five minutes of a 45-minute interview.

**Mr FitzGerald:** Oh!

**Mr W. K. GOSS:** No. I am not complaining about the *7.30 Report* in the sense that the section that was broadcast accurately reflected the longer interview. The point is that if the honourable member had seen the longer interview, he would have seen repeated references to both the term "reference" and the term "letters of commendation". A lot of people would regard the terms in a colloquial sense as being interchangeable, and indeed they are interchangeable. What is a reference? A reference is generally regarded—

**Mr Johnson** interjected.

**Mr SPEAKER:** Order! The member for Gregory!

**Mr W. K. GOSS:** A reference is generally regarded as a document—as material—which commends a person, which reflects positively on a person. A letter of commendation does the same. The letter of commendation, of course, applied to the specific—

**Mr Santoro:** The former Governor does not say that.

**Mr W. K. GOSS:** Look, I am not going to pay any attention to the member for Clayfield until he and Everingham knock her off—okay? When the member for Clayfield and Everingham get rid of her, we will pay some attention to the member for Clayfield. The honourable member should go and talk to Paul about when he can take over.

A letter of commendation has a similar purpose, a similar effect, namely, it commends the person in a particular respect. In this case, the statutory criterion calls for involvement in community affairs. The letter of commendation does that.

**Mr Johnson** interjected.

**Mr SPEAKER:** Order! I warn the member for Gregory under Standing Order 123A.

**Mr Borbidge** interjected.

**Mr SPEAKER:** Order! I warn the Leader of the Opposition under Standing Order 123A, too.

**Mr W. K. GOSS:** The former Governor, Sir Walter Campbell, makes the distinction that he did not write a letter of commendation but rather he wrote a letter commending the individual. That is good enough. I think we are splitting hairs. It just underlines the fact that the Leader of the Opposition does not have anything of substance to raise in this Chamber.

### Brisbane Casino

**Mr PITT:** In directing a question to the Treasurer, I refer to recent statements by the Leader of the Liberal Party suggesting that there is a secret contract with the preferred applicant for the Brisbane Casino licence, Jupiters, that places responsibility for cost overruns on the Treasury casino project with the taxpayers, and I ask: is there any substance to this allegation?

**Mr De LACY:** I thank the honourable member for the question. The short answer is that there is no substance to the allegations. I must say that I wonder where the Leader of the Liberal Party gets her information. Does she simply make it up? Is it a figment of her imagination, or is somebody feeding her false information? If somebody is feeding her false information, I wonder who it is. A press release distributed last week by the Leader of the Liberal Party states—

“The Queensland taxpayer could be up for millions of dollars in hidden costs with the Brisbane casino under secret contract conditions, State Liberal Leader Joan Sheldon said today.

‘It is my understanding that, under the contract between the State Government and Jupiters, the Government would have to pick up any shortfalls in the development of the Old Treasury Building over and above the contract price.’”

What an absurd allegation! There is no contract; there is no secret deal—quite the contrary. Not only will we not be picking up any cost overruns, but we—that is, the State of Queensland, the taxpayers of Queensland—will be picking up something like \$139m in premium payments and \$40m a year in taxes. So there is going to be some payment, but it is that way, the way it ought to be and the way it has to be.

The press release of the Leader of the Liberal Party continues—

“I am calling on the Treasurer to table the contract in State Parliament so the people of Queensland can be assured that there is not another case of hidden costs for the taxpayer here.”

If the Leader of the Liberal Party read the casino legislation, she would know that when a contract is signed, it will be tabled in this House—it has to be tabled in this House—and it will become subordinate legislation and have the force of law. The

honourable member ought to know that. She can keep making up these stories and peddling them, but at the end of the day it is her credibility, not mine, that is at stake.

Before the honourable Leader of the Liberal Party gets herself into a frenzy, I would like to raise one other issue about the front page of today's *Gold Coast Bulletin*, which states "Heritage rolled by casino player". The *Gold Coast Bulletin* is alleging that there was correspondence between the Treasury Department and Jupiters during the preparation of the application to the Heritage Council. Well, surprise, surprise! Here we have Jupiters going to spend \$300m to develop a casino in the Treasury Building and it has the temerity to enter into correspondence with Treasury to talk to it! Jupiters is going to spend \$300m. It is only right that Jupiters foot the bill—in other words, that it employ or engage the heritage architects and all of the consulting architects. There has been any amount of communication between the Department of Administrative Services, the Department of Environment and Heritage and Treasury during that preparation phase. After all, it will be Jupiters' casino. Would the Leader of the Liberal Party expect that Jupiters should have no input at all?

In conclusion—it seems that some of these newspapers are spending a lot of money exercising their rights under the freedom of information legislation and when they finally get a letter, even though it means nothing, because they have spent \$30 and a lot of effort getting the letter, they feel almost obliged to make a headline out of it, even if it means absolutely nothing, which this story does.

### QEII Hospital

**Mr PITT:** In directing a question to the Minister for Health, I refer to the repeated claims by the member for Caloundra that the QEII Hospital will close, and I ask: is he aware of any material which would support such claims, and does any of this material affect his assertion that the hospital will not close?

**Mr HAYWARD:** As the Treasurer just pointed out, this is yet another unsubstantiated claim by the Deputy Leader of the Coalition. There is no documentation to support the claim that the QEII Hospital is to be closed. In fact, there is ample documentation to the contrary, most notably in *Hansard*, which reveals that this year I have stated five times that the QEII Hospital will not shut down. The Opposition appears to be convinced that it will shut down, so it keeps repeating that claim. The latest episode was only yesterday, when the Leader of the Liberal Party claimed that next Tuesday I would be making an announcement on the closure of the QEII Hospital. I am aware of some documentation which people could attempt to portray as proof that a decision has already been made that the QEII Hospital is to close, regardless of the outcome of the current proposal to relocate the Mater Children's Hospital. For the benefit of the Opposition, I repeat again that even if the Mater Children's does not relocate to Nathan, the QEII Hospital will not shut down. I seek leave to table two documents which refer to the QEII Hospital.

Leave granted.

**Mr HAYWARD:** The first document is the minutes of a meeting of the Logan Hospital executive, held on 7 January this year, which state—

"There is an indefinite total staff freeze until the QEII moves over."

The second document is a memo dated 14 January from the finance officer of the Brisbane South region. It is important that honourable members understand the import of that memo. It states—

"Still unresolved . . . are . . .

Funds of \$2.6m associated with the progressive transfer of facilities from QEII to Logan from March."

Both documents are internal working memos prepared by middle level officers outlining financial contingency plans in the event of the governing body of the Mater Hospital

accepting the proposal to relocate to the Nathan site. If the Mater Hospital agrees to the proposal, the transfer would need to be further considered by Cabinet. In the meantime, I would consider it to be prudent management for regional staff to examine the logistics and the financial implications of such a proposed transfer. The documents which I have tabled merely substantiate that those contingencies are being examined.

#### **Appointment of Ms B. Mason as CJC Commissioner**

**Mrs SHELDON:** I direct a question to the Attorney-General. In view of his decision to ignore the recommendations by the Chairman of the Criminal Justice Committee, Rob O'Regan, of seven suitable candidates for the position of CJC Assistant Commissioner, I ask: had the Attorney-General already made up his mind to appoint Ms Mason prior to the list of applicants being sent to the CJC and, if so, for what reason?

**Mr WELLS:** Part one—no. Part two—not applicable.

#### **Appointment of Ms B. Mason as CJC Commissioner**

**Mrs SHELDON:** In view of the Attorney-General's rejection of the seven names recommended as suitable for the position of CJC Assistant Commissioner by the Chairman of the CJC, Rob O'Regan, I ask: what qualifications did Ms Mason have which gave her special status over those on the short list put forward by the CJC?

**Mr WELLS:** I refer to the answer which I provided to honourable members yesterday relating to the statutory criteria for assessment of appointments to the Criminal Justice Commission. For her further information, the honourable member might like to consult Opposition members of the Parliamentary Committee for Criminal Justice, who are privy to that kind of matter and who are privy to the extensive consultations which are involved in such appointments.

#### **Appointment of School Principals**

**Mr LIVINGSTONE:** In directing a question to the Minister for Education, I refer him to reports in this morning's *Courier-Mail* regarding his intervention in the appointment of principals to primary and secondary schools throughout the State, and I ask: can he inform the House why he has taken this action? Can he assure school communities that the best people will still be selected for those important positions?

**Mr COMBEN:** For the benefit of all members, I table the letter which was sent by the director-general of my department to the general secretary of the Queensland Teachers Union notifying the general secretary of the department's intention to withdraw from the discussions that had continued for two years in regard to the policy on promotions or relocations. That policy was to be in place by 1 January this year. However, it was nowhere near being put into place. That policy was to further extend the influence of the Queensland Teachers Union in terms of nominating appointments to selection panels.

**Mr Quinn:** Why should they be involved in appointments?

**Mr COMBEN:** Precisely. Good question. The Government has withdrawn because of that sort of question. I am glad that the Opposition——

**Mr Quinn:** Why did you start it?

**Mr COMBEN:** It has been in place for 40 years—32 of those years under the previous Government.

**An Opposition member** interjected.

**Mr COMBEN:** I said "40 years".

**An Opposition member** interjected.

**Mr COMBEN:** I will answer the member's question. It has been in place for 20 years—I said "40 years"; I apologise—and for most of that time under the previous Government. A former Minister for Education, Lin Powell, withdrew from that agreement for a period of years. However, for most of those 20 years, the agreement was in place. The Queensland Teachers Union has nominated individuals to be on those panels. I point out that there is a distinction between a union nominating an appropriate teacher to serve in an independent fashion on a panel, as against a Queensland Teachers Union representative, and that has never been the case. However, in recent times, some people who have been nominated for the panels have considered themselves to be more a union representative giving a union line rather than being simply a nomination from the professional body. There is a huge distinction. That is one of the matters with which the Government did not agree.

The honourable member for Merrimac, who is the Opposition spokesman on Education, has asked how many vacancies exist. At present, 50 vacancies for principals exist. Appointments to those vacancies were being held up. At the beginning of this year, I should have started to fill those vacancies. However, because the policy was not in place, I was unable to fill them. It is time that the students and the school communities of this State had those principals in place. On that basis, and on the need to save costs, the difference between the policy that was being negotiated and the one that I will now put in place is a difference of something like \$3,000 or \$4,000 for each vacancy. The cost of filling each vacancy was about \$5,000, and I believe that I can now reduce it to between \$1,000 and \$1,500. The department will use video links and face-to-face interviews. However, if it is appropriate, it will also use a telephone hook-up, as is used by the Department of Defence and the Department of Foreign Affairs, and as is allowed by the PSMC guidelines. The union also forgets that across this State a wide range of assistance is available to job applicants, such as the PSMC guidelines, equal employment opportunity legislation, freedom of information, anti-discrimination legislation, and judicial review legislation. That means that every public servant in this State receives a fair go, and teachers will be in exactly the same situation. I make no apology for, firstly, saving time for those 50 appointments in areas often represented by members of the Opposition and, secondly, in saving money as well.

#### Fraser Island

**Mr LIVINGSTONE:** My second question is to the Minister for Environment and Heritage. I ask: given recent media reports regarding the action of environmentalist John Sinclair on Fraser Island and his claims that he removed more than 100 native trees because he believed that they were improperly planted in a natural sand blow, can the Minister outline what action she has taken in response to this?

**Ms ROBSON:** I thank the honourable member for his question. Unfortunately, in terms of Mr Sinclair's actions, this is a sad misunderstanding, which I will attempt to explain to the House. Staff from the Department of Environment and Heritage on Fraser Island advised me that Mr Sinclair had removed those 113 trees that were referred to by the honourable member, and also 113 protective bags and 339 stakes for the trees. The coastal dune management demonstration at Eurong was a joint project by my department and the Beach Protection Authority. The demonstration area covered approximately 200 square metres of land, which is presently subjected to considerable pressure from pedestrian and vehicle traffic and which has, in various places, been seriously degraded. Vehicles gain access to much of the dune system on this site, and this has had a negative impact over a period on the recreational values and the visual attractiveness of this part of the coastline. The project that I have outlined was aimed at implementing a scheme for the section of the dune area that I have described to ensure stability against wind action, improve the recreational potential of the site, and enhance and maintain the existing vegetative cover to preserve the character and natural attractiveness of the beach. The aim of that project is achieved through the installation

of appropriate dune protection structures and the adoption of proven techniques to promote the growth and establishment of dune species.

In December of last year, Mr Sinclair came to see me to tell me that he believed that the planting of those particular trees was inappropriate for the area, and was not in line with the nature of the vegetation that was common in that area. As a result of that meeting with Mr Sinclair, I undertook to look into the matter. Subsequently, research carried out by the Beach Protection Authority, using data from as far back as 1879, revealed that the area of the sand blow was originally known as the Fraser Island Run and was stocked with Clydesdale horses and cattle. In other words, a significant amount of degradation had occurred in the area. A plan dated about 1880 also described the area above what is now Eurong as being well vegetated. No reference was made to unstable dune areas in that location. I am advised that from that time on, the grazing of stock, the burning of dune vegetation and the use of those dune areas, particularly to support bullocks in the timber industry, as well as the drought years of 1902, 1922 and 1946, would have destabilised many dune areas in that pastoral lease.

The bottom line is that, fundamentally, we had a disagreement over the information that was provided to me by the Beach Protection Authority, my department and Mr Sinclair—whose family has lived on that island for the past 30 years—as to the original nature of that area. We were trying to plant appropriately, and Mr Sinclair disagreed with us. Mr Sinclair informed my officers of what he had done. Given the nature of this misunderstanding, we made the decision that this was a mistake; a misunderstanding between us. Mr Sinclair has since acknowledged that that could be the case. Given those circumstances, we have decided not to prosecute in this case. If this happens again, or any similar action happens in that area, we will have to consider prosecution.

As for Mr Sinclair—the department has communicated with him, and will continue to communicate with him to try to resolve this dispute. Members of this House would know that Mr Sinclair is a passionate defender of Fraser island. For a number of years, he has played a significant role in protecting that island from logging and other mining practices which he found unacceptable. The island is now a World Heritage area. It is our responsibility to protect it, and we will continue to do that.

#### **Parliamentary Criminal Justice Committee**

**Mr BEANLAND:** My first question is to the Minister for Justice and Attorney-General. I refer him to his inappropriate answer to a question asked earlier today by the Deputy Leader of the Coalition, in which he referred her to members of the Parliamentary Criminal Justice Committee. In terms of the Act, would the Minister not agree that this is in contempt of Parliament and in breach of the Act?

**Mr WELLS:** If I recall correctly, what I said was something like this: as to the complicated process of consultation which is involved in this matter, I refer the Deputy Leader of the Coalition to members of her backbench parliamentary committee. The process of consultation which is involved in the appointment of a CJC commissioner is complex. If the Deputy Leader of the Coalition does not understand that, I suggest that she discuss the process with her backbench members.

#### **Appointment of Ms B. Mason as CJC Commissioner**

**Mr BEANLAND:** In directing a question to the Premier, I refer to his answer today to the Leader of the Opposition in which he admitted that he misled the people of Queensland the other evening on the *7.30 Report* in relation to the term “references”. I also refer to a statement made by the Premier on the Channel 7 news. Mr Goss stated—

“If you’ve got references from the Police Commissioner, Noel Newnham, the Police Commissioner of Victoria, letters of commendation from the ex-Governor. . .

In relation to those statements, I ask: would the Premier not agree that he was indicating clearly to the people of Queensland that he had clear references from those people in order to prop up the position of the Attorney-General?

**Mr W. K. GOSS:** No. That is the short answer.

**Opposition members** interjected.

**Mr W. K. GOSS:** Because Opposition members have interjected and provoked me, I will give a longer answer to supplement my short answer. As I said before, the terms are colloquially interchangeable. What is the material? What is the letter? As far as I am concerned, I am quite happy for all the documents to be referred to as references. One is a reference for a job application. The other is a reference or a letter of commendation—or if Sir Walter Campbell wants to call it a letter commending—for the person's involvement in community affairs, which is a statutory criterion. It can legitimately be described as such. The member is splitting hairs. Both the Attorney-General and I have made repeated references to "reference" and/or "letters of commendation".

Once again, this exposes the paucity of the contribution that members opposite have to make to the Chamber. But I must say that if this exposes anybody, it exposes Mr Beanland's leader. I am very curious to see that the debate that now occurs within the Queensland Liberal Party mirrors that which goes on in Canberra at the moment. The Liberal Party's problem is that, while its members know that they have to get a new leader—and they have a replacement leader in the member for Clayfield—the only problem is that nobody will vote for the member for Clayfield. So they are now considering the Howard option, that is, back to Beanland.

**Mr CONNOR:** I rise to a point of order. Under Standing Order 70, the Minister's answer should relate to the question. I do not believe that this answer relates to the question.

**Mr SPEAKER:** Order! I call the member for Bulimba to ask his questions.

#### **Job Creation and Industry Development**

**Mr PURCELL:** I ask the Minister for Business, Industry and Regional Development: as my electorate has a strong manufacturing base, can he outline to the House the state of manufacturing industries in Queensland, especially with regard to the creation of new jobs and the development of industry?

**Mr Foley:** Good question.

**Mr ELDER:** I heard someone say "good question". It certainly is. The member for Bulimba has had a long-term, keen interest in developing industry opportunities within his electorate. The Goss Government is about broadening, and continuing to broaden, its economic base. Unlike members opposite, we do not just harvest it or mine it; we have been encouraging value-added industries in Queensland. When we came to office three years ago, 135 000 people were employed in the manufacturing sector. At present, there are 170 000 people employed in that sector, representing an increase during that period of some 25 per cent. In the past 12 months, that figure has increased by 10 per cent. In the December quarter, there were 8 000 new jobs in manufacturing in Queensland. But more particularly, there was a rise of 14 per cent in production.

**Mr Connor:** Why don't you answer the question?

**Mr ELDER:** The last person who should be interjecting on me today is the member for Nerang. I am sure that members on both sides of the House would agree that he has had enough to say about the performance of Liberal Party people. According to an article in the *Courier-Mail*, the member for Nerang had something relevant to say about the Liberal Party and those who represent it in Parliament. He said—

"By not having the numbers in the branches it allows not always the best people to rise to positions of significance."

**Mr SPEAKER:** Order! The Minister will get back to answering the question.

**A Government member:** It's the first time he's ever been right.

**Mr ELDER:** I take that interjection. It is the first time that the member for Nerang has been right. As to increasing production in the manufacturing sector—there has been a production increase in export-oriented products. Under our Government, exports of manufactured products have risen from \$4 billion to \$5.2 billion. That represents an increase of 40 per cent. When one compares that with the performance of what we call the Asian tigers—those Asian economies such as Singapore, South Korea and Taiwan—namely, 24 per cent, 26 per cent and 21 per cent respectively, one sees that we have done exceptionally well at developing those manufacturing industries during an international recession. One of the quickest-growing industries is processed foods. In the November quarter of last year, there was an increase of 23 per cent in the production of processed foods. That increase was important, because it represented a significant increase on the 9 per cent decrease during the previous year. As a Government, we have worked at developing a strategy—

**Mr Connor** interjected.

**Mr ELDER:** I do not believe that the member for Nerang would like to go a second round with me. This Government has worked at developing a strategy with that industry to ensure that, in the long term, it becomes a productive sector and an important job sector for Queensland. Another important industry is information technology. Three years ago, there were five information technology companies. Today, there are 40. If members had read a recent article in the *Business Review Weekly*—and I know that many members do read that publication—they would know that three of the fastest-growing companies of the 20 companies that were noted by *Business Review Weekly* were three information technology companies in Queensland. We have a strategy in place to work with the private sector to enhance opportunities and business growth in that sector. The member for Bulimba is aware of Fututech, an innovation in the building of abattoirs in his electorate, which I visited recently. This enables the building of abattoirs that can cut production costs by 30 per cent. In Queensland, we are seeing innovation which has resulted in a cut of 30 per cent in production costs.

**Dr Watson** interjected.

**Mr ELDER:** Does the honourable member knock someone's ability to put a process in place that can assist beef producers and industry in this State? He does not. That is what this Government is about—encouraging value-added industries, encouraging the manufacturing sector. It does not accept that this State is just a mine, a quarry or a farm.

### Youth Employment Coordinators

**Mr PURCELL:** I direct my second question to the Minister for Employment, Training and Industrial Relations, who will provide another intelligent answer. I ask: what is the progress of the State Government's election commitment to the appointment of 20 extra employment coordinators around the State of Queensland?

**Mr FOLEY:** I thank the honourable member for Bulimba for the question. I note his commitment to the issue of addressing the unemployment problem and, in particular, his considerable efforts in trying to assist unemployed youth. The commitment regarding youth employment coordinators was part of a \$7m youth employment element of the Goss Government's \$150m Jobs Plan. The proposal that was put before the Queensland people was for an increase in the number of youth employment coordinators based on the success of the existing team of 40 youth employment coordinators. They helped 3 200 young people Statewide in 1991-92 through liaison with colleges of TAFE, the Commonwealth Employment Service and community groups. The extra 20 coordinators who were promised are in the process of being delivered to the people of Queensland, with particular emphasis on assisting unemployed youth.

Indeed, 17 of the 20 coordinators are already on the job assisting young unemployed people throughout Queensland to find employment. Three of those positions have been readvertised and are soon to be filled.

The work of those youth employment coordinators was graphically illustrated last week when I had the opportunity to visit Mount Isa and to see a package put in place by the local youth employment coordinator, who is working with local community groups to design training programs to assist unemployed people to gain skills both in rural industry and in the hospitality industry. The significance of that is that a locally based youth employment coordinator has the ability to tap into the resources of community groups. It has been part of the \$150m Jobs Plan, and it is being delivered to the people of Queensland in accordance with the election promise of the Goss Labor Government.

#### **Appointment of Ms B. Mason as CJC Commissioner**

**Mr LINGARD:** In directing a question to the Attorney-General, I table a copy of a farewell letter from the former Governor, Sir Walter Campbell, which, it is understood, typified the nature of his "goodbye" notes to organisations with which he had come in contact during his term. The letter, which is addressed to the Australian American Association, states—

"Dear Miss Mason,

As you would know, my extended term of office ends on 29th July, 1992 and it follows, therefore, that my grant of Vice-Regal patronage to the Australian American Association (Queensland Division) Inc. ceases on that date.

I am writing in order to thank you and your organization for giving me the opportunity to have supported, where possible, the excellent work which you do and for the courtesies which you have extended to me and to my wife.

While I will miss our association, I shall retain an abiding interest in your further achievement, and I ask that you convey to your members my best wishes for the future.

Yours sincerely,  
Sir Walter Campbell."

I ask: given Sir Walter's outraged reaction to the Minister's misrepresentation of such correspondence, how does he explain his interpretation of it as either a reference or a letter of commendation—especially in light of the Premier's comments this morning?

**Mr WELLS:** I refer to my answer to honourable members opposite yesterday in which I referred them to section 2.3 (2) (b) of the Criminal Justice Act by which the phrase "to thank you and your organisation for the excellent work which you do" is made statutorily relevant to the selection procedure for the Criminal Justice Commission. Further to that, I refer the honourable member to my previous statement this morning.

#### **Appointment of Ms B. Mason as CJC Commissioner**

**Mr LINGARD:** In directing a second question to the Attorney-General, I refer to the fact that Ms Barbara Mason's name was not on the list of seven forwarded by the CJC Chairman, Mr Rob O'Regan, QC, for his consideration. I ask: is he aware of any links between Ms Mason and any member of his personal staff? Were any overtures made by him or any member of his staff to Ms Mason prior to the closing date for applications suggesting that she should apply?

**Mr WELLS:** No. No.

### **Regional Economic Development**

**Mr DAVIES:** I ask the Minister for Business, Industry and Regional Development: can he advise the House of the progress of the Government's policies for regional economic development and of any positive results from that?

**Mr ELDER:** I thank the honourable member for the question. I know that he has an ongoing commitment to enhancing industry development opportunities in his electorate. Recently, in Townsville, I announced that a \$35m agglomerated stone manufacturing plant employing some 40 people would be built on the Bohle industrial estate. The project is a direct result of our regional economic development programs and policies. In late 1991, the proponents of the project approached the Queensland Government seeking assistance with a feasibility study to look at the development of that industry in that area. The Government supported that study with a grant of \$50,000 from the Regional Economic Development Grants Program. The study revealed that the project would be extremely viable, and the proponents used that study to get support and obtain finance for that development. The result is another 40 jobs for Townsville and, with the multiplier effect, more work for Townsville builders, local small businesses, transport companies and, in particular, the port. The study found that this unique rock product from north Queensland was very desirable in block form in South East Asia, the United States and Europe. The benefits of having that value-added project move ahead in Townsville will certainly be many. It is a good example of the role that Government should play in this type of economic development.

The company came to us with the project. We were able to help it get the project started through that feasibility study report. We have been able to encourage the company to use a natural resource to build a value-added industry and, in the long-term, help the future of Townsville and stimulate job opportunities. The company, Seastone, has worked hard to get that plant up and running, and we have been very pleased to be able to help it in that process. This illustrates the difference between those on the other side of the House and the Government when it comes to regionalisation and enhancing business and industry opportunities in regional Queensland. Prior to the Government's coming to office, there were five regional offices throughout Queensland and only 8 per cent of my departmental offices outside Brisbane. That is, 5 offices with some 12 staff. At present—and the Minister for Lands should be commended on this, because he took the initiative and the policy is being continued—we have 13 regional offices with some 25 per cent—

**Mr Borbidge:** What are they doing?

**Mr ELDER:** I have just explained what they are doing. The honourable member will have his chance to speak in a minute. He was the Minister in charge of this portfolio when there were 5 regional offices and 12 people supposedly looking after his constituency of rural Queensland. It was a sham. He had no regard for those people at all. Establishing regional offices has been the policy of this Government, and it has worked. I have just explained that in terms of the project in Townsville. Regionalisation is continuing, and our next office will be opened by the Premier next week in the electorate of Surfers Paradise. Since he was formerly in charge of this portfolio, I will invite the Leader of the Opposition to that opening. The difference is: under his Government, people had to ring Brisbane; under this Government, they will have the opportunity to access Government support in their region. The Leader of the Opposition is to regionalisation what the GST was to the Liberal Party.

### Jobs Plan

**Mr DAVIES:** In directing a question to the Minister for Employment, Training and Industrial Relations, I note his recent activity around the State in distributing employment and training funds to community groups, and I ask: what has been the progress of the implementation of the Goss Government's \$150m Jobs Plan within his own portfolio?

**Mr FOLEY:** I thank the honourable member for the question. My department has primary responsibility for implementing three elements of the Goss Government's \$150m Jobs Plan: firstly, the \$7m Youth Jobs Plan; secondly, the \$8m Community Jobs Plan; and, thirdly, the \$19m Jobs Through TAFE Plan. I turn, firstly, to the issue of the Youth Jobs Plan, and I refer to the answer that I gave previously in which I indicated that 17 of the 20 extra youth employment consultants have already been appointed, joining the 40 youth employment consultants who are doing a very good job in the community. There are a range of extra public sector traineeships and apprenticeships and, up until the end of last year, 263 traineeships had been secured in the State public sector. That included 31 in my department, with another 59 to follow this year. In total, some 500 appointments will be made across the public sector. Significantly, within the Youth Jobs Plan, there has been a change to the State Purchasing Policy administered by the Honourable the Deputy Premier requiring—this is a very significant development—10 per cent of the work force on major Government contracts to be apprentices, trainees or cadets. That policy was implemented from 1 February 1993 when advertisements were put in place so as to provide a stimulus for the employment of young people.

Secondly, I turn to the Community Jobs Plan. Additional training and placement projects have been made available to various community groups to the sum of \$1.1m, and a further \$700,000 is to be allocated to applicants for second-round funding. Additional enterprise centres have been pursued. Feasibility studies have been carried out in Caboolture, Rockhampton, Mackay and Townsville, and those four projects have received considerable community support. To date, the indications are that those projects are likely to eventuate. Additional funds have been made available to the self-employment venture scheme. That program, which was criticised quite unfairly by the shadow Minister for Industrial Relations, has been successful. The funding of \$900,000 that was provided in the State Budget has been exhausted, with grants to 69 projects since October and a further 21 projects under assessment at present.

**Mr Littleproud** interjected.

**Mr SPEAKER:** Order! The member for Western Downs!

**Mr FOLEY:** The first of the additional \$1.15m additional loan funds are to be drawn on business planning workshops, and TAFE courses for successful ventures have been doubled in Brisbane due to interest generated under the Jobs Plan.

Thirdly, the Jobs Through TAFE Plan is also administered through my department. That involves the appointment altogether of 500 additional tutors in TAFE colleges. Already, 215 appointments have been made. A further 52 appointments are imminent, and some 240 appointments are at various stages of the process. Job placement officers have been placed in TAFE colleges in order to assist in implementing the Jobs Through TAFE Plan. Officers have already been appointed to 16 of those 26 and a half positions. They play a very important and vital role, not only in assisting young people and TAFE students to get jobs upon graduation, but also in giving feedback to the TAFE colleges to ensure that those colleges know what the job market is in their local community so that they can ensure that the courses being offered in vocational education and training are relevant so as to assist those students to get jobs.

#### **Appointment of Ms B. Mason as CJC Commissioner**

**Mr SANTORO:** In directing a question to the Minister for Justice and Attorney-General, and in noting today's unprecedented and disgraceful situation of a Minister not answering the last six questions put to him, I ask: can he explain to the House the difference between the term "reference" and the term "reference material"? Is it not reasonable for people who need to have only an average knowledge of the English language to assume that material relating to references is material made up of references?

**Mr WELLS:** I refer the honourable member to my ministerial statement. On Saturday, the Opposition parties failed in politics. This week, they have failed in semantics.

#### **Appointment of Ms B. Mason as CJC Commissioner**

**Mr SANTORO:** In directing a question to the Minister for Justice and Attorney-General, and in noting today's unprecedented and disgraceful situation of a Minister not answering the last seven questions put to him, I ask: yesterday in this House, he said of the so-called referees on which he based his decision to appoint Ms Barbara Mason as a CJC commissioner—

**Mr Gibbs** interjected.

**Mr SPEAKER:** Order! The Minister for Tourism!

**Mr SANTORO:** He does not bother me, Mr Speaker.

**Mr Gibbs:** He can count, but he can't get the numbers.

**Mr SANTORO:** The Minister does not bother me. As I was saying, in this House yesterday the Attorney-General said, "I never said that they wrote a reference", and in a media interview last week, in commenting on the basis of his decision to appoint Ms Mason, he said that that decision was taken after a process which involved "the examination of references"—and I emphasise "references". Given that he has misrepresented prominent citizens and misled this Parliament, will he now do the only honourable thing to salvage any credibility and resign from Cabinet?

**Mr WELLS:** All of those allegations were answered in my ministerial statement which I made earlier today. Honourable members opposite should know that if they ask the same silly question seven times, they will get the same answer seven times.

#### **Public Meeting, Rockhampton**

**Mr PEARCE:** I ask the Minister for Family Services and Aboriginal and Islander Affairs: is she aware of a public meeting which took place in Rockhampton on Wednesday, 3 March, and the subsequent print media coverage of that meeting in the Rockhampton *Morning Bulletin* on 4 and 5 March? If so, will she inform the House who attended the meeting, the purpose of the meeting, and what the Government has done to address the issues raised at that meeting?

**Ms WARNER:** I thank the honourable member for his question. The meeting to which he refers was called by the member for Keppel, Mr Vince Lester, and was attended by some 200 people who live in the Rockhampton area.

**Mr Littleproud:** Did you go?

**Ms WARNER:** I will inform members of the House who attended that meeting. They were senior departmental staff from my department, the police and members of the CJC. At the meeting, as reported in the Rockhampton *Morning Bulletin*, the police outlined the real statistics in relation to crime in the Rockhampton area. Indeed, I believe that Mr Lester is in receipt of a letter from the Assistant Commissioner which has informed him of the actual degree of reported crime, which is not as great as the honourable member had assumed in the queries he has raised. According to the reports in the Rockhampton *Morning Bulletin*, police also warned the residents who were at the meeting against their threats to take matters into their own hands, suggested to them that it was not appropriate for the police to act merely on the basis of hearsay, and that every member of our community is entitled to the due process of law.

Putting that matter to one side, I inform the House that for some time, there has been an ongoing issue about the alleged behaviour of two children which has caused community concern. I am concerned to ensure that, as a society, we do not react in a knee-jerk or ill-considered manner in responding to community concerns and that we

deal with these matters in a constructive manner which seeks solutions, rather than retribution. I refer the member for Keppel to the actions of his colleague the member for Callide, Mrs Di McCauley, who, at a similar meeting in Biloela, set up a consultative community process which is both conciliatory and constructive in terms of bringing the community together to be able to jointly address issues that are of concern. This action provided a much more positive, rather than negative, approach to the issues of crime.

**Mr Lester:** You're talking a lot of rubbish. You're talking through your hat.

**Mr SPEAKER:** Order!

**Ms WARNER:** I am trying to avoid the obvious traps that the member for Keppel falls into not just when he walks backwards but quite often thinks backwards. While I remain committed to avoidance of talking about individual cases of my department's clients, I will discuss and canvass the general issues of juvenile justice and ways in which the community may become involved in the Youth and Combined Community Action Program that my department has set up, with \$45,000 allocated to the Capricorn community to deal with community concerns and to try to come up with some constructive suggestions that will provide real protection rather than just making people talk about retribution and other matters which do not deal with the issue at all. I urge the honourable member opposite to look at the real issues and not to fan those community fears; to behave in a constructive manner; to deal with those issues; and to try to reduce the level of crime in his area, rather than just responding in a knee-jerk and ill-considered manner.

### Aboriginal Youth Unemployment

**Mr PEARCE:** In directing a question to the Minister for Employment, Training and Industrial Relations—

**Mr Lester:** Not again!

**Mr SPEAKER:** Order!

**Mr PEARCE:** I cannot help it if the member for Keppel is a little bit sensitive. Mr Speaker, I will repeat my question.

**Mr SPEAKER:** Good idea. I mention to honourable members that I will get extremely annoyed with members who interject while a question is being asked. I think the House is entitled to hear the question.

**Mr PEARCE:** Thank you for your protection, Mr Speaker. The community of Mount Morgan within the electorate of Fitzroy has a significant Aboriginal population. I ask: what action has the State Government taken to alleviate youth unemployment within this group?

**Mr FOLEY:** I thank the honourable member for the question, and again I compliment the honourable member for taking an active concern with the issue of unemployment and with positive efforts by Government and local community groups to try to do something positive in relation to it. Mount Morgan is a small regional community with limited employment opportunities. That is why it is important to tap into local knowledge and resources. In order to do that, the State Government has provided funding of \$26,200 to the Mount Morgan Aboriginal Corporation. Those funds have gone into a construction industry training program for 12 young Aboriginal people. That program ties in with the Aboriginal and Torres Strait Islander Commission's economic development and employment strategy in Mount Morgan. The ATSIC strategy is to upgrade housing in Mount Morgan.

Those course participants—the 12 young Aboriginal people—will learn practical building and maintenance skills, landscaping and occupational health and safety. The course starts at the end of March, and I am informed that the participants are likely to get jobs after the course with the ATSIC housing development program. That is why it is important that there be coordination in those strategies between employment training

on the one hand and economic development on the other. Those course participants will have construction skills and practical experience to gain jobs in the building industry.

That grant is part of the total of \$5.9m to be spent on community-based jobs and training programs in Queensland this year. That includes \$2.6m from the State Budget and another \$3.3m from the Goss Government's \$150m Jobs Plan. Of course, that \$150m Jobs Plan formed such an important plank upon which the Goss Government was returned, and this is part of the Goss Government honouring its promise to deliver positive action on the unemployment problem.

### State Tax Rates

**Ms POWER:** In directing a question to the Treasurer, I refer to his repeated commitments to maintain Queensland's status as the low-tax State, and I ask: has any independent evidence been produced that confirms that the Goss Government has given Queensland the lowest State tax regime of all the States?

**Mr De LACY:** Yes, I am in possession of a document, once again, published by the New South Wales Treasury, which compares the tax rates in the different States of Australia. It states—and this is no surprise to anybody—that Queenslanders pay the lowest taxes and charges of any State. The document goes on to point out what we all know: there is no fuel tax in Queensland; there is no FID in Queensland. Then the Treasury refers to payroll tax and says that Queensland has the lowest payroll tax of any State in Australia. Harking back to what Mrs Sheldon said yesterday in her call for business incentives in this State, I refer to that document, which states that on a \$1m payroll in Queensland, an employer would pay \$23,000 per annum. On the same payroll in New South Wales and Victoria, the employer would pay \$34,000 per annum; in other words, almost half as much again.

I put it to honourable members that that is the small-business sector—companies with about 30 employees—that the Government has been targeting over the years and for which the Goss Labor Government in Queensland is providing the incentives, unlike the Liberal/National Party Governments of New South Wales, Victoria and, if you like, Tasmania. Tasmania has the highest State taxes in Australia; second is New South Wales; third is Victoria; and, of course, Queensland has the lowest State taxes in Australia.

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

### MATTER OF SPECIAL PUBLIC IMPORTANCE

#### Contribution of Tourism Industry to Queensland Economy

**Mr SPEAKER:** Order! I advise the House that I have received a proposal for a Special Public Importance debate pursuant to the Sessional Order agreed to by the House on 5 November 1992. The proposal submitted by the honourable member for Everton is for a debate on the following matter—

“This House congratulates the tourism industry on its continued strong growth and positive contribution to the Queensland economy.”

I now call the member for Everton to speak to the proposal.

**Mr WELFORD** (Everton) (3.43 p.m.): I put the proposal before the House because there is no question that tourism is the fastest growing industry in Queensland, and it is appropriate that, in the wake of a Federal election, an alternative result of which would have caused massive damage to Queensland's tourism industry, we place on record in our Parliament the importance of and the contribution made by Queensland's tourism industry to our regional economy. Let me give some details about what tourism does for

Queensland and, importantly, congratulate those major participants in Queensland's tourism industry on the contribution that they make to our State.

In recent times, various estimates have been made of the contribution that tourism makes to Queensland. For example, research conducted by the Bureau of Tourism Research established that 126 300 jobs in Queensland exist directly or indirectly as a result of the tourism industry. That represents approximately 10 per cent of the total labour force of our State. The Queensland Tourist and Travel Corporation estimated that, in 1991-92, approximately \$2,500m was contributed to Queensland's gross State product as a result of the tourism industry. That is 5 per cent of all industry and State income. In terms of State revenue—tourism contributes something like 13 per cent. A much larger figure was established in research conducted by the Bureau of Tourism Research a couple of years ago when it established that, of an Australiawide total of income to the tourism industry of approximately \$16,700m, Queensland accounted for \$4.5 billion, or \$4,500m, of that revenue.

Accommodation revenue is probably the key indicator of the extent of Queensland's growth in that area. In the five years prior to last year, the bed places in Queensland had grown in the vicinity of 60 per cent. In the five years prior to 1990, there was a 57 per cent growth in bed places in Queensland. In the last 12 months, accommodation revenue also increased by 11.6 per cent. There is no other industry in Australia that shows that sort of significant growth. That growth was on top of the 5 per cent growth in accommodation revenue in Queensland in the previous year.

I turn now to the market segmentation between international tourists coming to Queensland and domestic tourists. In 1987, approximately 18.6 per cent of all tourists coming to Australia were coming to Queensland. By 1990, that had increased to 22.6 per cent, and it is now estimated to be as high as 23 per cent. That shows that the tourism industry in Queensland, more than in any other place in Australia, is fundamental to underpinning Queensland's economic growth. The Bureau of Tourism Research showed that, of international visitors, something like 43 per cent had indicated that they spent at least one night in Queensland. The 1992 annual report of the Queensland Tourist and Travel Corporation also shows that, in 1990-91, approximately 975 000 international visitors spent nights in Queensland, and there were over one billion international visitor nights in Queensland in 1991-92. That represents an increase from 47 per cent of international tourists in 1990-92 to 50 per cent of all international tourists who visited Queensland in 1991-92. That illustrates how enormous the Queensland tourism industry is. As the Prime Minister said prior to the election, when pointing out the devastation that the Opposition's policies would have on the Australian tourism industry, nowhere would those policies have a more devastating impact than in Queensland, because in Queensland, more than in any other State in Australia, tourism is our most significant growth industry.

Of all the international visitors coming to Queensland, 21 per cent of them actually visit Brisbane, and 17 per cent of them visit the Gold Coast. So between Brisbane and the Gold Coast, the south-east corner of Queensland contributes to 38 per cent of the total number of international visitors coming to Australia, which is a massive proportion.

**Mr Ardill** interjected.

**Mr WELFORD:** Yes, it is interesting, as the member for Archerfield points out, that Brisbane does pip the Gold Coast in terms of the number of people who actually stay at least one night. It is important that we recognise the contribution that tourism makes to Queensland's economy. Let me refer now to some of the sources of tourists. North America and England used to be our major sources of international visitors. In recent years, they have been overtaken by Japan. Since 1987, the number of Japanese visitors to Queensland has increased by approximately 300 per cent. That shows how important it is for Queensland and Australia to take their place as part of the Pacific Rim and how important tourism is in the Pacific Rim list of industries. In terms of the commitment of Queensland and Australia to being part of Asia, tourism has an important role to play, and Queensland is positioned uniquely in terms of Australia's capability of

keying into that international market to take advantage of it. Japan, with its massively and rapidly growing economy, as it has been doing over the last decade, has the capacity to provide an important share of all Queensland's tourism growth. That has been evidenced by the massive growth in tourists from Japan coming to Queensland. In particular, of those international visitors who do come to Queensland, we now know that approximately 38 per cent are from Japan.

The domestic tourism market is just as important. Let us not forget that by far the largest share of tourism in Queensland and, for that matter in Australia, is in fact domestic tourism. Although we talk in glowing terms about the enormous increases in foreign tourist investment in Australia, the fact is that, by and large, it is domestic tourism that maintains our tourist industry. When I speak of domestic tourism, I do not mean only intrastate tourists, that is, nights spent away from home by Queenslanders on holidays in Queensland, but people from other States as well. In 1991-92, the QTTC estimated that 11.1 million visitor nights were spent in Queensland by domestic tourists. That is approximately 20.3 per cent of the Australian total. For one State out of six States and two Territories to have one-fifth of the aggregate of Australian visitor nights is no mean feat. We must pay credit to the work that the Queensland tourism industry has done over the last couple of years under the guidance, I must say, of our Minister and in particular the Queensland Tourist and Travel Corporation which, in its revamped format, is doing much to increase the potential for tourism growth in Queensland.

The QTTC's Vision 2000 goals are, of course, ambitious to say the least, but it is clear that the figures for the last couple of years confirm that the growth is there, that the potential is there, and there is no reason why in the long term, as we build the momentum of tourism growth in Queensland according to the plan laid down by the QTTC, those ambitious aims and goals in terms of tourism growth should not be achieved. When we already have 20 per cent of the total Australian domestic tourist market in Queensland, when we already have 10 per cent of our total Queensland labour force involved in tourism, and something like 125 000 jobs and additional jobs being created every week in our tourism industry, it goes without saying that as a Parliament—each and every one of us, no matter what our politics—we have to pay tribute to the work being done by those who are part of the tourism industry in Queensland. I spend much of my time outside Brisbane, on the Sunshine Coast and the Gold Coast. I appreciate the work that is being done. Over the years, I have witnessed the growth in those areas. It is something of which this Parliament should be proud.

**Mr VEIVERS** (Southport) (3.53 p.m.): I welcome the opportunity to participate in this debate.

**Mr T. B. Sullivan:** Tell us how good it is.

**Mr VEIVERS:** I will. I join with other honourable members in congratulating the tourism industry on its strong growth and on its positive contribution to the Queensland economy. I bet that has shocked the honourable member! Now he should go back in his box and shut up. Members of the coalition are strong and active supporters of the tourist industry in Queensland. During the late seventies and eighties, the National and Liberal Parties in coalition built a tourism industry in this State which contributed to healthy job growth and prosperity. Government members cannot dispute that fact. In 1980, the coalition Government established the Queensland Tourist and Travel Corporation to market and promote Queensland tourism around the world. Queensland was the first State to participate in that type of promotion. The other States followed its trend. Throughout the eighties, the National Party brought to Queensland major tourism events such as Expo and the Commonwealth Games. At the time, there was much kerfuffle from the then Labor Opposition that such events would not be successful. Now, Labor members are taking the credit for such events and are saying how marvellous they were. Those events continue to remind those overseas of what the people of Queensland can really achieve.

The coalition Government put in place the economic conditions which encouraged investment in tourist infrastructure. Queensland's desirability as an investment

opportunity was not created by Labor. It was certainly not created by Wayne Goss and Keith De Lacy; it was created by a strong and effective private-enterprise Government. While all this development in and support for the tourism industry was occurring, the Labor Opposition provided only a constant barrage of knocking and criticism for the entrepreneurs who had the foresight to invest in Queensland tourism and to create and nurture this State's current stock of tourist infrastructure. That investment is now paying dividends for the tourism industry from Coolangatta to Cairns and beyond. A moment ago, the member for Everton declared his support for that growth in tourism. Entrepreneurs such as Christopher Skase and Mike Gore—who seem to be hated by Government members—are long gone, but their legacy to the Queensland tourism industry remains.

**Mr T. B. Sullivan:** Is Skase coming back? Is he going to come back?

**Mr VEIVERS:** The honourable member should not knock such people. They created facilities at which the honourable member has probably stayed at the taxpayers' expense. They created facilities which cannot be beaten in too many parts of the world and for which Government members take credit. God blimey, even the Minister stays at those facilities! They are not bad, are they? In the future, those facilities will continue to generate jobs and incomes for Queensland. I remind Labor members of the energy they expended in the eighties on knocking those entrepreneurs and their projects. The same Labor members now want to hook their trailers to the vision that those people had for tourism in this State. Labor members want people to believe that they have always been supporters of the magnificent tourism infrastructure that coalition policies promoted and encouraged. Labor members are happy to claim the credit for the increasing numbers of tourists visiting Queensland. What hypocrisy!

It is true that Queensland's tourism industry is growing solidly. No-one can deny that. Intrastate, interstate and overseas tourism numbers are growing. Another thing is apparent to anyone who takes an honest view of these matters: that growth has occurred despite, and not because of, the policies of the Goss Government. In fact, the policies of the Goss and Keating Governments, to a large extent, compromise the future of the Queensland tourism industry. I sound a warning note about a dangerous lack of new investment occurring in tourism infrastructure. That lack of investment has come about not only from Keating's recession but also directly from the policies and investment climate created by the Goss Government—or perhaps we should say the "disinvestment" climate.

A recent Rider Hunt Queensland development report contained a very strong warning about the lack of infrastructure investment occurring in this State. Under the heading "Japanese Tourists and Australia's Prospects", the January 1993 report stated that the basic impediment to tourism growth was a lack of infrastructure, which means a lack of places to stay. The report stated that, with the opening of the new Kansai airport in Osaka, an increased demand will be placed on our motel and airport facilities. The report further stated—

"If we had a program to produce more hotels, it would be no problem, but currently, there is not a single hotel room under construction in the whole of Queensland, the preferred destination, and only 352 rooms are currently on the drawing board."

That is a worry to the Opposition, as it should be to the Government. This lack of infrastructure development is at a time when occupancies in Cairns are consistently above 80 per cent in winter and, during summer, Gold Coast occupancy rates are not far behind. Quite clearly, this problem requires urgent Government action and attention. The prize for being the preferred tourism destination will count for little if we do not have enough beds to accommodate the expected demand, and that is a likely occurrence.

The net effect will be turning away jobs and export revenue and losing the impetus built up during the eighties. We cannot afford that scenario. Tourism is the one industry which has the ability to get people back to work. It is the one industry which has the

capacity to take up the slack from economic restructuring which has built structural unemployment into our economy. For too long, tourism has been taken for granted. For too long, in forecasting the jobs and growth accruing from tourism, Governments at all levels and of all colours—and perhaps the coalition Government was guilty of this—have considered only one side of the equation. They simply project forward tourism demand and, without thought, expect that it will flow through. If the infrastructure is not there, it cannot and it will not flow through. If present trends continue, I am concerned that the infrastructure will not be there. What we need from Government is a comprehensive statement dealing with tourism infrastructure. That statement must deal with incentives and inducements for those with a desire to participate in tourism investment. In Thailand, if a person is building a motel or any other type of tourism infrastructure, that person does not pay tax.

**Mr Beattie:** You would like that. You would not want to pay tax, would you?

**Mr VEIVERS:** I have paid tax all my life. I am trying to explain to the member for Brisbane Central that it would be a good idea if such people did not have to pay tax so that more investment would be encouraged. Nobody is building hotels. Certainly, since the honourable member bought his Saab, he would not be able to invest in anything remotely like a hotel. We must set out our conditions for investment in tourism projects. People must be given some sort of incentive, instead of being slugged all the time. To date, the Goss Government's record has been anything but spectacular. During the early 1990s, investors were turned off by the Government's inability to come to grips with its foreign investment policies. Government members would remember that. They hated Asians; they did not want them to come to Queensland. I remember Mr De Lacy saying, "We have to stop them." He is now bending down and saying to them, "Hello. How are you? Come into Cairns." Fair dinkum, it is pathetic. People have to be careful, whether they are overseas or in Australia, about what they say, because it can come back to bite them. During the early 1990s, foreign investment fluctuated between 0 per cent, 50 per cent and, in some cases, 100 per cent. The creation of Labor's 140 committees, commissions and think-tanks has done little to inspire tourism investment. I must admit that I am one of those people who did not mind the "Yo" campaign. In actual fact, I thought that parts of the advertisement should have been retained—they were rather attention grabbing. However, those parts were deleted.

**Mr Gibbs:** There were those who actually thought they were your buttocks in the ad.

**Mr VEIVERS:** I thank the Minister for that. However, there is no chance of him ever having a look at mine. Tourism is not about committees and commissions, it is about setting down the ground rules and letting the private sector get on with the job. Of course, Keating's recession has also contributed to the lack of development in tourism. The challenge facing the Government is to turn it around and, in this instance, to turn it around largely without the help of foreign capital. The Japanese economy has declined, and Queensland must do it by itself. The next wave of investment from Japan is at least five years away. Given that it takes approximately seven years to plan, build and develop most tourism infrastructures, it will be too late. People should think about that. The Government should remember that two elements exist—the need for new facilities to allow for growth and the need to allow for the replacement of infrastructure that was constructed a long time ago and is nearing the end of its economic life. Many such buildings exist on the Gold Coast. They will have to be demolished and new buildings constructed in their place. Queensland does not even have the money to demolish those buildings, let alone construct new ones.

Time expired.

**Mrs BIRD (Whitsunday)** (4.03 p.m.) Although the tourist industry is second only to the sugar industry in my electorate, it is by far the fastest growing job-creating industry.

**Mr FitzGerald:** Marijuana isn't No. 2?

**Ms BIRD:** Not in my electorate. It is expected that before the turn of the century, tourism will pass sugar and coal to become the greatest employer, particularly in my electorate. And why not? Where else in the world would one find in one 200 kilometre stretch an almost untouched coastline dotted to the east by no fewer than 70 magical tropical islands, fringed by the seventh wonder of the world, the Great Barrier Reef? Surrounding the coastline are the Dryander, Conway and Eungella national parks, with melaleuca and redwood forests. Where else in the world would one find a population boasting Kanaka, Pacific Island, Maltese, Italian and, of course, Irish descendants? Where else in the world would one find sugar and coal industries, which are steeped in history and tradition? Is it any wonder that the Whitsunday electorate has a large tourist industry? The Green movement in the Whitsunday region is not viewed as a lunatic fringe—as it is in some other areas—but rather as a community advisory group which offers a public relations service for new awareness in ecotourism. The knowledge possessed by the Green movement of flora, fauna and marine life plays a significant role in not only attracting tourists but also ensuring that the environment is not overloved and subjected to people abuse, such as has occurred in other countries. It is on those exceptional foundations that the Whitsunday region bases its tourist industries.

To appreciate the recent growth in tourism in my area, it is important to remind honourable members of the poor base point that was the result of, firstly, Expo, then the pilots dispute, and, lastly, two exceptionally wet Christmas tourist seasons that created a poor tourist perception of our region. The industry was on its knees. The local Whitsunday tourism association promotion and development bodies united, and local and State Governments recognised the need to investigate where they were, what was happening and where they needed to go. The investigations led to triggers that were required for what was seen as a languid tourist industry. Sir Frank Moore was asked to conduct a study, the results of which played a large part in setting the direction for local bodies and State and local governments. The Whitsunday Tourism Association developed its business plan, which represented the vision for carefully researched objectives backed by its own strategies. Towards the end of last year, in association with the Whitsunday charter boat operators and the tourism association, a \$750,000 cooperative promotion and sales campaign was announced by the Whitsunday Tourism Association and launched by Minister Bob Gibbs. It was funded by the tourist industry, and the Queensland Tourist and Travel Corporation. Branded Whitsunday 400, it focused attention on the campaign's objectives of attracting 400 000 visitors to the region. Last year, some of the objectives of the campaign were realised, with visitors in the Whitsunday region staying in commercial accommodation increasing by 5.6 per cent, and visitor nights, which were previously in decline, increasing by 16.9 per cent. Figures from local tourism establishments revealed a significant increase in road tourism of 70 per cent. Further, island accommodation, including Hamilton Island, for much of the season showed peak figures with full accommodation. It must be recognised that further growth in the industry in Whitsunday makes future development projects essential. I wish to take up a point that was made by the previous speaker about projects and the need for recycling existing accommodation. Of course, a need to recycle accommodation exists and, of course, a need for development exists. However, it must be at the behest of the locals. It must be at their demand; not at the demand of an outside organisation.

Club Med's Lindeman Island has boosted growth, and the trickle-down trade to local commercial business has been substantial. Laguna Quays also boasts huge increases, particularly in golfing tourism. The expectations are for larger numbers of overseas tourists as the Proserpine Airport is upgraded by mid-1993. Confidence in the industry has led this Government to focus its TAFE centre at Cannonvale on quality training for the hospitality industries. Cannonvale TAFE boasts the best training establishment outside the metropolitan area. Cannonvale graduates are in demand by island and mainland establishments for the increasing numbers of jobs within the tourist industry.

Shute Harbour is the second-busiest passenger port after Circular Quay in Sydney. So fast growing is our boating industry in terms of luxury craft from Australia and overseas and local commercial industrial craft, that an entirely new transit terminal has to be built. It is expected to be constructed through 1993 and early 1994. During the 1980s, visitor arrivals growth in the far north exceeded that of most other areas in Australia. It is clear from wide-ranging information that the region will continue to develop as one of the most dynamic and significant tourist destinations in the country. Cairns occupies a key position for attracting the tourist markets. The city is positioned for the major northern hemisphere markets, the north Australian and nearby island markets, and the south Australian and New Zealand markets. Let me consider the tourist numbers for those markets. In 1991, over 390 000 international tourists visited the Cairns region. This figure represented 17.8 per cent of the total number of international visitors to Australia. Far-north Queensland is doing particularly well in respect to Japanese visitors. The region increased its share of Japanese visitor nights from 3 per cent in 1986 to 11 per cent in 1991. During 1990-91, over 930 000 domestic tourists visited the Cairns region. From 1985 to 1989, domestic visits to the far north grew by over 600 000.

Tourism growth factors include increased world tourism. As incomes have risen throughout the world, tourism has become a global growth industry. Development in transport is the second factor. Air transport in particular has been vitally important for tourism growth. For this reason, the far north showed strong growth in domestic tourist arrivals while Compass Mark II was in service. In the December quarter, Townsville recorded a growth in arrivals of 35 per cent. Quality tourist attractions, which are the third tourism growth factor, include reef trips, the Kuranda railway, and coach and four-wheel-drive tours. From 1990 to 1992, tourism contributed \$600m to the economy of far-north Queensland. This represented over 30 per cent of the total value of production for the far-north region. As a result, tourism is the highest earner of any sector in the region, taking over from those traditional industries such as mining and sugar.

The Far North Queensland Promotion Bureau estimates that over one-third of the jobs in that region depend directly or indirectly on tourism. This equates to approximately 28 000 persons employed directly or indirectly by the tourist industry, supporting 24 000 households. The QTTC's Queensland visitor survey estimates that the total spending by visitors staying in commercial accommodation in the Cairns region for 1990-91 was \$780.3m. The impact of tourists on the retail sector is difficult to determine. However, the Far North Queensland Promotion Bureau estimates it to be very much in excess of \$100m per annum. Construction in the region has received a significant boost from the very rapid growth of tourism, especially in the late 1980s. Building approvals for hotels and motels peaked at \$173.2m in 1988-89, which represented some 54 per cent of all non-residential building approved for that year. It is quite obvious that tourism is an extremely important industry not only for Queensland and Australia but on a regional basis as well. The Queensland economy is heavily reliant on revenue from the tourist industry, and this Government recognises that fact. As a consequence, the Goss Government intends to maintain its commitment to tourism in this State.

**Mr SANTORO** (Clayfield—Deputy Leader of the Liberal Party) (4.13 p.m.): It is understandable that the Government and Minister Gibbs want to tell the world that the tourist industry in Queensland is booming, that it is a very bright light on Queensland's economic horizon, and that the growth of the industry is assured. In its contribution to this debate today, the Opposition does not wish to be alarmist, negative or destructive of any confidence factor that exists within what may be generally referred to as the tourist and hospitality industry. However, the Opposition wishes to use the opportunity of this debate to put forward some views, facts and figures that prove clearly that it is not as rosy as the Government may want us to believe that it is. In fact, we can easily prove that the Government is not doing all that it can to boost the prospects of the industry.

Before doing so, however, I again restate that the Opposition acknowledges the magnificent current contribution to the Queensland economy of the tourism industry

and, equally importantly, acknowledges its potential contribution to the future economic wellbeing of this State. The tourism and hospitality industry is a hard one to define precisely, but clearly in all of its component parts it is a fundamental component of the State's economy. The two previous Government speakers have tried to paint a picture that all is well within the industry and that the Labor Government and Minister Gibbs have done all that they can to look after its interests. However, a close examination of the facts shows that the Government's performance has been found to be somewhat wanting. To underline this point, one need not look beyond the contents of a key Queensland Treasury document titled *Queensland Economic Review*, December 1992, which some members opposite will appreciate is the latest edition of that publication. This document highlights the economic performance of industry sectors. The entry under the heading "Tourism" is very interesting indeed. It states—

"The accompanying chart shows the percentage point contribution to the State's real economic growth by 'net exports' of tourism. Key points from the latest *Queensland State Accounts* are (nsa):

Net exports of tourism related goods and services detracted 0.5% points from the State's overall economic growth over the year to September quarter 1992.

Net interstate tourism detracted 0.2% points from economic growth over the year, following a 0.1% point deduction in the June quarter. This occurred largely due to a fall in exports of interstate tourism services.

Net overseas tourism detracted 0.3% points from the State's annual economic growth rate (flat in the June quarter). This outcome was attributable to a fall in the contribution of overseas tourism exports (0.2% points), combined with a rise of 0.1% points in imports of overseas tourism services (e.g. airline/shipping and travel overseas).

Net tourism exports have detracted from State economic growth for the last two consecutive quarters following positive contributions in the six preceding quarters."

I underline the point made by the honourable member for Southport, who stated that the industry today is still enjoying the benefits of the sound administration by previous Governments. The document continues—

"The September quarter results follow a revision of primary data sources of tourism activity used in the *Queensland State Accounts*. The revisions involve major adjustments by the Queensland Tourist and Travel Corporation to the composition of overseas and interstate visitors in the Queensland Visitors Survey."

Those are the words and the opinions of Treasury controlled by a Labor Treasurer—so I hope that members opposite clearly acknowledge their validity. I table the relevant page of the document from which I have quoted.

Another indicator of the level of relative economic wellbeing is the level of employment and unemployment within the economy. Again, the facts and figures here clearly point to a rapidly deteriorating situation. Members opposite would, I am sure, also agree with me that in the past the tourist and hospitality industry has provided hundreds of thousands of jobs for our young people. Young people are employed in milk bars, restaurants, hotels, resorts and in other establishments which generally cater for the tourist and hospitality trade. In fact, the tourist and hospitality industry has done much to assist hundreds of thousands of young people fund their way through their post secondary school studies or has given them their first break in the work force. Unfortunately, today the statistics tell us that the opposite trend has taken hold. For youth unemployment has skyrocketed since the Labor Government came to power, clearly indicating the inability of an economy and a tourist industry to take on young people at the rate which used to be the case.

Today, the youth unemployment rate is 34.1 per cent, and 26 600 young Queenslanders are unemployed—clearly showing that all industries, including the Queensland tourism industry, are finding it devilishly difficult to employ young people. I take the interjection which was not very audible from the Minister that what I am saying is rubbish. What I am saying is true, and it has been proven by the statisticians' figures. The Labor Party in this place keeps on pointing to increased occupancy rates and an increasing number of overseas visitors to our State. That, of course, is true, but it needs to be considered in juxtaposition to the increasing inability of Australians to travel not only overseas but, more importantly, within their own State and country because so many of them are either unemployed or fear becoming unemployed. It is so expensive to take holidays in Australia because of the high cost of air travel, petrol and accommodation. Hundreds of thousands of small businesspeople are afraid to leave their businesses because most of them are running at a loss as a result of the devastating high tax, high regulation policies of Labor Party Governments—and, even if they could afford to go away on holidays, many businesspeople would not do so because they fear that their establishments would be burgled and plundered as a result of this Government's soft attitude on crime. Thus, we must rely on overseas tourists who can buy our heavily devalued Australian dollar for a pittance—a situation again brought about by Labor's economic vandalism.

Most members within this place would be aware that I represent the electorate within which the domestic and so-called international airports are situated. Those airports are intrinsically tied in with the tourist industry of the State generally, but specifically with tourist endeavours within Brisbane and south-east Queensland. As a result of that, I wish to bring to the attention of the House and the Minister several issues relating to the airports which have implications on the good standing of the tourist industry. The most sorry indictment on the State Labor Government's performance in relation to the international airport is its inability to convince its Federal counterparts that action on the new airport is needed urgently so as to take up the potential growth opportunities within the industry. I suppose a few paragraphs in an article which appeared in the *Courier-Mail* last Friday, 12 March, say it all, and I quote—

“The Queensland Government and the tourist industry have failed in their bid to have the new international terminal at Brisbane airport open by 1995.

The much-needed international terminal will not open until January 1996.

...

Mr Gibbs' optimistic forecast of a 1995 opening was made in March last year in the wake of Prime Minister Paul Keating's One Nation pledge that the development would be fast-tracked.”

Another broken promise by Keating—a story which I am sure we will see repeated time after time during the next three years.

I also wish to raise the issue of the roads to and from the Brisbane airports. It is fair to say that some beautification work has been carried out on Kingsford Smith Drive and on the stretch of road immediately leading to the airport, including Nudgee Road. However, it cannot be denied that large stretches of Nudgee Road and Kingsford Smith Drive could use a facelift and the immediate implementation of a beautification program which would make the approaches to and from the airport more pleasant not only for foreign and interstate tourists but also for the local residents and businesses which have had to, with the passing of time, endure increasing airport traffic and the loss of residential and workplace amenity previously enjoyed. I urge the Minister for Tourism and the Minister for Transport to take up this suggestion not only for the sake of my local constituents but for the dignity of the tourism industry as a whole.

And, of course, we have a myriad of taxes and charges which clearly inhibit the attractiveness and growth of tourism in this State. I challenge the Minister to fight to abolish the recent amendment to the Sales Tax Act which has seen the imposition of one of Keating's hidden taxes, the sales tax, at a rate of 20 per cent on tourist

information booklets and magazines, which were previously exempt. That occurred as from January this year. I have not heard the Minister or the Government stand up for the tourism and hospitality industry in this instance. All brochures such as *Brisbane Style*, *Wining and Dining* and the *Dining Out and Entertainment Guide* for the Gold Coast and Brisbane will be slugged 20 per cent. So much for helping the hospitality, entertainment and tourism industries! As well, the Minister can take up the issue of the FAC charges which was recently raised during a Prices Surveillance Authority inquiry into airport fees. Clearly, the tourism and hospitality industry is doing well, but it could do a lot better if the dead hand of Labor Governments was removed from its shoulder, thus allowing it to get on with business and growth.

Time expired.

**Mrs ROSE:** (Currumbin) (4.23 p.m.): As a member representing a constituency that relies so heavily on the tourism industry for its wellbeing, it gives me great pleasure to inform all honourable members that the continued and promising growth in Queensland's tourism industry is the source of much optimism on the Gold Coast.

In the period 1991 to 1992, over 1.6 million tourists visited the Gold Coast region. That figure accounts for 25 per cent of the total visitors to Queensland. In 1990, Coolangatta Airport handled some 876 000 people. This is forecast to more than double to 1.79 million by the year 2000. About 80 per cent of visitors to the Gold Coast are domestic visitors. That mix is forecast to change to 45 per cent international visitors by the year 2000 as visitor numbers increase. The Gold Coast Visitors and Convention Bureau expects to attract 200 000 international convention delegates this year alone. On average, each tourist stayed a total of 6.3 days and spent \$95 per day in our major hotels on the Gold Coast, which have experienced occupancy rates in the high 80 per cent range. The three theme parks have recorded some of their best trading ever.

The local economy in the Currumbin electorate will leave the recession behind it as the tourism industry continues to grow. The resurgence in tourism is a boon to Queensland's economy. Tourism operators must be congratulated and encouraged for their considerable progress in steering the industry along the road to economic recovery. A growing tourism industry indicates, among other things, a general improvement and confidence in spending nationally, which represents an upturn in the economy. An interstate or intrastate holiday is the last form of expenditure most families will consider during a recessionary period. Recent increases in the number of families holidaying in places such as the Gold Coast suggests that we have left behind the worst of the recession. Once again, Queensland is leading the way.

A recent study undertaken by the National Centre for Studies in Travel and Tourism has forecast that the tourism industry in south-east Queensland is just around the corner from a significant upturn. The Queensland Tourist and Travel Corporation has predicted that growth of the magnitude forecast in the study undertaken by the National Centre for Studies in Travel and Tourism will mean that more than 20 000 new hotel beds will have to be provided on the Gold Coast and in Brisbane by the year 2000.

Observing visitation in the December/January school holiday period is the most effective method of judging whether the tourism industry is in decline or recovery. Over the 1992-1993 Christmas and New Year period, tourism operators on the Gold Coast reported significant increases in numbers. In early January this year, the Sea World theme park and tourist attraction reported between a 12 per cent and 13 per cent increase in attendances over the Christmas 1992 period from the corresponding period in the previous year. The December 1992 attendance figures for Sea World were the best for approximately 21 years. Another theme park and major tourist attraction—Dreamworld—displayed attendance figures up 20 per cent from the previous year, giving the park its best trading figures since Expo. A third—and certainly the

newest—theme park on the Gold Coast is Movie World. As Movie World neared the peak of the holiday period, it boasted between 4 000 and 8 000 visitors per day. At the peak in December, it was recording 12 000-plus visitors per day and had to employ an extra 500 staff to cope with the rush. Those figures are quite remarkable and signify a dramatic upturn in tourism on the Gold Coast.

The healthy increase in the number of people visiting the Gold Coast's theme parks in the December 1992 period represents far more than first meets the eye. A large proportion of the visitors who frequented the theme parks bought accommodation on the Gold Coast, ate at the many restaurants, caught taxis, purchased souvenirs, hired cars, used the local supermarkets and department stores and utilised hotels and other entertainment venues. Through all of that, they provided a general boost to most sectors of the local economy. The Gold Coast relies on that substantial seasonal injection of wealth, and it was very encouraging to see that the December 1992 period provided greater benefits than the corresponding period in recent past years.

The introduction of poker machines into hotels and clubs in Queensland's prime destinations has seen further seasonal increases in tourism-related revenue. Most clubs with poker machines in the Gold Coast region have shown promising increases since the machines were introduced. The result has been more jobs. For instance, the Palm Beach/Currumbin RSL reported in December 1992 that it had increased staff by 20 per cent, whilst the Palm Beach Bowls Club had employed an extra two staff and expects to spend \$50,000 remodelling the club this year.

A report in the *Gold Coast Bulletin* on 29 December 1992 stated—

“The hospitality industry is generating jobs and prosperity throughout Queensland's economy . . .”

On 1 January 1993, the same newspaper stated that theme parks on the Gold Coast “reported a resurgence of people flocking to the coast”. More recently, the QTTC reported that sales of Sunlover holiday packages to Queensland sold through travel agencies in Queensland Government travel centres around Australia had increased by 23.75 per cent in December 1992 in comparison with the same period in 1991. The news was better on the Gold Coast for which the QTTC had sold 25.17 per cent more Sunlover holiday packages for the December 1992 period than in the previous year. It has been generally accepted that the Yo! Way to Go campaign contributed significantly to the increase in the number of Sunlover holiday packages sold. These kinds of results are not lost on the New South Wales Tourism Minister, Bruce Baird, who has conceded the effectiveness of the Yo! campaign and its contribution to the flop of a \$1.6m campaign to lure tourists to that State. New South Wales tourism figures are down 4 per cent as visitors defect to Queensland.

It has not simply been the existence of white sandy beaches which has induced a steady flow of interstate and overseas visitors to this State. World-class attractions and special events have also made a contribution to tourist numbers. The Gold Coast Indy is the only Indy race held outside the United States and is expected to attract an influx of spectators from around the world. Added to this is the fact that millions of people around the world will watch the race on TV, providing the Gold Coast with what would otherwise be impossibly expensive advertising. Local tourism operators on the Gold Coast should also be complimented for their consistent and extremely high quality marketing campaigns which have been successful in attracting comparatively many more tourists to the Gold Coast region in the last peak season. The standard of service offered by the local hospitality and tourism industry is almost beyond compare. Most tourism operators and their staff take extreme pride in the area and in its attractiveness to tourists. The courtesy extended to visitors by all participants in the tourism

industry—from taxidrivers to hotel managers—is crucial in maintaining the Gold Coast region's amenity to tourists.

While on the subject of tourism amenities on the Gold Coast, I take this opportunity to congratulate and thank the Federal Government for a major contribution to the local tourism industry. A new \$15m federally funded terminal at the Coolangatta Airport is expected to be operational by December 1994. By improving and expanding the facilities at the Coolangatta Airport, the Federal Government is investing in the future of the tourism industry on the Gold Coast and helping to optimise the benefits of a growing number of tourists as we climb out of the recession. The resurgence of the tourism industry along with a 25.7 per cent increase in home building approvals from February 1992 to February 1993 and a marginal reduction in the seasonally adjusted unemployment rate in Queensland lead me to say that we have turned around recessionary trends in Queensland and are now on the way to economic recovery. Economic recovery on the Gold Coast relies on substantial net improvements in the tourism industry. The evidence that the tourism industry is currently in a period of recovery is undeniable, as are the subsequent benefits to the local economy in the Currumbin electorate and on the whole Gold Coast. It is the responsibility of every representative in this House to promote our successes and gains. It seems as though the tourism industry will lead this State out of the recession. Let us promote that fact.

Time expired.

**Mr ELLIOTT** (Cunningham) (4.33 p.m.): I am pleased to be able to take part in this debate as it is an interesting topic. Perhaps honourable members opposite thought that we were about to have a run at Compass-bashing. If they did, they will be disappointed. I wholeheartedly agree with the sentiments addressed to today's topic as I have long understood the value of the tourism industry to Queensland's economy. As the Minister for Tourism, National Parks, Sport and The Arts from 1980 to 1983, I saw the tourism industry grow and flourish. I suggest that during that time, there was not only a growth in coastal tourism but also, in marked contrast to the current Government's position, a very real increase in inland tourism.

**Mr Ardill:** Come off it! What about the Matilda Highway?

**Mr ELLIOTT:** I personally undertook a car safari accompanied by approximately 28 journalists involved in tourism and travel. We travelled right throughout western Queensland and back through central Queensland, visiting all different parts of this State along the way. Obviously, the big section of the tourism market is the coastal attractions and Queensland's tropical north, but an aspect of tourism that is in danger of being overlooked if the Government is not careful is the inland areas that have a tremendous potential for creating jobs for young people in those areas. The Government should provide assistance to individuals who are prepared to get off their backsides and perform well in various locations to enhance the potential of tourism and create jobs that are needed more now than they ever have been before.

It should be remembered that 85 per cent of tourists who visit Queensland travel from interstate and intrastate in their own motor vehicles. We cannot afford to overlook this section of the market. At times, all of us are guilty of looking at the high-flying end of the tourism industry. We should look instead at the infrastructure needs of the entire industry, including caravan parks, boat ramps, jetties and roads. Those facilities are just as important to the tourism industry as are hotel and motel accommodation in the medium and high-price bracket. I know that my colleagues and a number of other people who live in the far-northern region of this State are concerned about the effects of World Heritage listing of the Wet Tropics. At the time the decision was made, a promise to provide enormous assistance was given not just to the people of Ravenshoe, who

obviously suffered the most as a result of the decision, but also to the people who live in areas throughout the whole region that was listed. There was a promise to provide tremendous input into that area to ensure that something constructive was done. Places such as Cardwell have an extreme need for boat harbours and so on. It is not good enough for us to rest on our laurels and say, "Look at our coastal tourism and our overall results. This is terrific! We are achieving all that we need to achieve." Believe me, a lot more can be achieved if we are prepared to put in the effort and work hard towards achieving our goals.

I want to take up the point made by my colleague the shadow Minister for Tourism in his argument on the infrastructure. If we accept Peter Laurance's vision, that is, *Vision 2000*, and if we accept what would appear on paper to be reasonably extravagant claims and say that those figures are achievable, I put to honourable members that Queensland has no chance of supplying accommodation to the projected numbers of visitors under *Vision 2000*. If Queensland is not in a position to do that, what will we do with those people? Will we turn them back at the airports or will we put them under canvas? Surely, Queensland is not about to become the Bedouin tourism State of Australia. That, to me, is unthinkable. There is the potential for that to happen. Or will the Government have a change of heart about the undersupply that we will have in three years' time? In three years' time, if that problem is not addressed and if incentives are not put in place to assist people, the Government will not have the infrastructure that it needs to accommodate people, particularly overseas visitors, who will come to Queensland. As the world recovery takes place, those people will come to Australia and we will get the benefits of it. The first part of that recovery will be a tourism-led recovery in this State. Queensland will receive the first and the best benefits of that recovery. If it is well promoted, that recovery will happen in the north first. A lot more effort needs to be put into that.

I turn to research. It was a huge mistake to close down the research unit of the QTTC. That unit did a tremendous amount of work, particularly for the inland areas which form the 17 small regions in this State. Each and every one of those regions has a role to play. I know that people in the electorate of my colleague from the Gold Coast, the shadow Minister, do not have a problem with research. Businesses in that region are big enough to do their own research and to put together their own promotional packages with the assistance of the QTTC. Unfortunately, the same cannot be said for many of the smaller regions. They needed that back-up, assistance and research that was done by the QTTC. We are in danger of going back to the old ad hoc days prior to 1980, when every region did its own marketing. A region would say, "We think that this is the way to go. We will promote koalas this week or something else next week." The regions did their own thing. A lot of that promotion was completely and utterly a waste of time, money and effort because it was not well thought out and it was not researched. When the QTTC established its research unit, all of those people could draw on that research and benefit from it. Closing down the research unit was a very retrograde step, which has affected the ability of those regions throughout the State to promote tourism utilising well thought out research.

I do not want to be a knocker, by any means. I support the tourism industry wholeheartedly. Anyone who has been in the industry for 10 years or more knows only too well what my position has always been. Having been a Minister, I have promoted tourism at every level. I have been to every conceivable travel operation—shows and all of those sorts of events—both in Australia and overseas. Do not let anyone suggest that members of the Opposition are not interested in the tourism industry and that we are knockers of it. We are tremendous supporters of tourism. We have the runs on the board. In the 1980-83 period, tourism was a huge growth industry. It really started to

take off. As the shadow Minister so rightly said, Queensland held events such as Expo and the Commonwealth Games. Those events were tremendous. However, we must also be aware and understand that those events drew a lot of money out of the community.

**Mr Ardill:** Brisbane.

**Mr ELLIOTT:** Yes, particularly Brisbane. At Expo, many people bought goods on bankcard. It was unbelievable. We all enjoyed Expo. If people who went to Expo did not enjoy it, they would have to be mad. Expo was a fantastic event. People could try different cuisines at different restaurants and talk to many people. Although Expo was a marvellous event, it sapped a lot of money from the Brisbane economy. At the time, the economy was booming, but we fell into a hole afterwards because no-one had foreseen what would happen after both Expo and, to a much lesser degree, the Commonwealth Games. When Queensland conducts any of those exercises in the future, it is important that the Government realises the effects on the economy and that it plans strategically to put measures in place for an artificial impetus to follow such an event and to overcome that problem.

**Mr SPEAKER:** Order! The time allotted for the debate has now expired.

### AUDIT LEGISLATION AMENDMENT BILL

#### Second Reading

Debate resumed from 11 November 1992 (see p. 476).

**Mrs SHELDON** (Caloundra—Leader of the Liberal Party) (4.44 p.m.): I rise today to speak to one of the most important pieces of legislation to come before the House. The EARC recommendations on public sector auditing in this State recognise that importance. Unfortunately, as we have seen in the past, the Labor Government has still to come to grips with some of those fundamental recommendations. The excesses of Labor Governments in Victoria, South Australia and Western Australia over the past 10 years have been front-page news across the country for many months. The true scale of the economic losses to those States as a result of Labor's mismanagement has still not been established and may never see the light of day. With the Victorian Government facing a \$60 billion debt, the State Bank debacle in South Australia showing the inability of that Government to properly manage its own financial institutions and the criminal excesses in Western Australia, the need for strict auditing legislation has been well and truly canvassed on the national scale.

EARC's report on the establishment of guidelines to properly protect the taxpayers against Government incompetence or just plain thievery points out the need for some form of watchdog on Government spending. In its recommendations, EARC states—

“If the recommendations of this report are implemented, the Queensland Auditor-General has the potential to be a powerful accountability watchdog with the widest mandate of any Auditor-General in Australia. In particular, a wide regularity and performance function across State and local government bodies.”

More importantly, the report also states—

“The recommendations in the report also enhance the Auditor-General's independence from the Executive.”

The important word in the first of those two extracts is “If”—“If the recommendations of this report are implemented”. Unfortunately, the State Government has once again been selective in which recommendations it will pick and which it will throw away.

As will be shown by me today, the Government's meddling with the EARC recommendations means the Queensland Auditor-General does not have the widest mandate in Australia. This legislation has, disappointingly, gone only part of the way to giving the Queensland Auditor-General a mandate to be a true watchdog of Government

departments and statutory bodies. The message from the southern rust belt States has been clear. State Governments which fail to have proper auditing practices, management systems, performance auditing and reporting practices have suffered financial disaster. Another major contributing factor in the rust belt State debacles was the unchecked power of Executive Government. Yet some basic recommendations from EARC have been ignored or only implemented in part.

One of the recommendations of EARC, that the Public Accounts Committee take a much greater role in the monitoring of the Auditor-General and the appointment of new Auditors-General, has been sidestepped by this Government. In his second-reading speech, the Minister stated that the PAC would be consulted about the appointment of a new Auditor-General. We have seen the Premier's ideas of consultation in the past, particularly with the position of the CJC Chairman. By merely consulting the PAC and not giving it the opportunity to interview nominees, it becomes nothing more than another of Labor's rubber-stamping exercises.

EARC recommended that a majority of members from both the Government and the Opposition make the decision on the new Auditor-General, who should be appointed by Parliament, not the Executive. We have already seen an example of the Government's actions in appointing a new Auditor-General. The post was vacant for 10 months—

**Mr T. B. Sullivan:** Is that the way the Tories used to run it, Joan? Is that the system you're used to?

**Mrs SHELDON:** Mr Deputy Speaker, do you think you could evict him? He certainly does not add to this House at all. The post was vacant for 10 months before an appointment only in December last year. This is a ridiculous length of time for one of the State's top Government positions to be vacant and indicative of how this Government can dither and sit on its hands when it comes to making decisions. The Government has also ignored the EARC recommendation on internal audits. The Minister states—

“The Government accepts the value of internal audit and has legislated through the Parliament to make internal audit mandatory for all departments and for any statutory bodies where the appropriate Minister so directs.”

He goes on—

“But we do not accept EARC's recommendation that internal audit should be compulsory for all public sector entities. Quite simply, many statutory bodies and local authorities are too small to justify the expense of an internal audit.”

So once again the decision will be left with the Minister on which departments and statutory bodies must comply with internal audits and which ones are allowed to miss out. While the Minister says some local authorities and statutory bodies are too small for audits, there is nothing to stop him or any of his colleagues preventing internal audits on larger bodies and departments. This brings me to one of the most serious deficiencies in this legislation.

In his second-reading speech, the Minister states—

“EARC considered that the Auditor-General should be required to review and report on program performance—as occurs in some other jurisdictions. However, this recommendation did not take sufficient account of the existing responsibilities of departments and statutory bodies in Queensland to review and report on their performance.”

The Minister goes on to say that the Auditor-General will investigate the management systems, but not the performance systems, of departments and statutory bodies. This seems a ridiculous omission by the Labor Government. While it is all well and good to audit the systems in place in each department, surely regular audits on the performance of those departments are essential for efficient government. This smacks of a case of *Yes Minister* to me as the public servants tell their Labor lords and masters that performance audits are not necessary. That way, they will be able to draw up, possibly,

beautiful management systems but perform in the same tired old ways. This Labor Government should make a commitment to ensuring that performance is not only audited but is a priority among Government departments and statutory bodies.

**Mr T. B. Sullivan** interjected.

**Mrs SHELDON:** It is performance which dictates how well departments handle their budgets and how well they fulfil their service to the public. It is performance auditing which ensures that departments and statutory bodies are not getting themselves into trouble, as we have seen in the Labor States of Victoria, South Australia and Western Australia. Performance auditing is what dictates whether the people of Queensland are getting value for money from their Government. I think it would do Mr Sullivan well to listen. He obviously does not have the faintest idea what we are talking about.

**Mr T. B. Sullivan** interjected.

**Mrs SHELDON:** Performance auditing is how we determine how efficiently the Government is running.

**Mr DEPUTY SPEAKER** (Mr Palaszczuk): Order! I would remind all honourable members in this House that if they intend to interject, they do so by calling other honourable members by their correct titles. Also, I would warn the person speaking, when answering interjections, to also refer to honourable members by their correct titles.

**Mrs SHELDON:** Yet for some inexplicable reason, this Labor Government has decided not to include performance auditing among the Auditor-General's duties. This seriously affects the operation of the Auditor-General and puts paid to the Treasurer's claim that Queensland's Auditor-General will have the widest mandate in Australia. Without performance auditing, the Treasurer's claim is just another hollow untruth.

The Institute of Internal Auditors summed up the situation in a statement released in July last year. Institute President, Bob McDonald, said—

"The responsibilities of the Auditor-General appear not to have changed. This leaves Queensland as the only State with an Auditor-General who is not responsible for reporting to Parliament on the Government's accountability for performance."

So we see that this Government has singularly failed to address one of the vital areas of concern for the business and finance industries in regard to the Auditor-General's duties. Mr McDonald went on to say—

"The Queensland Auditor-General had been left with the traditional private sector role of attesting to how much money was spent and for what purpose, and was not required to report on where the money had been well spent."

He said that incompetence could cost more than dishonesty. Mr McDonald's statements follow those made on 22 June by the Australian Society of Certified Practising Accountants. Queensland's CPA President, Len Scanlan, stated—

"As far as the role of Auditor-General is concerned, it seems that almost nothing has changed."

He further stated—

"As an effective watchdog over public moneys, the Auditor-General continues to be held on a very short leash."

On 10 August, Mr Scanlan again highlighted the problem, when he stated—

"The Auditor-General still seems to be denied the authority to identify any wasteful or inefficient spending, and so protect the value of taxpayers' money."

Mr Scanlan was also disappointed with the Treasurer's decision not to follow EARC's recommendations on the method of appointment for the new Auditor-General. He stated—

“The society believes it is inappropriate for the Executive Government, its Ministers or senior public servants to be involved in selecting the Auditor-General, who is an officer of Parliament. Ideally, the appointment would have the support of the majority of the members of the Parliamentary Accounts Committee and this majority would include all three political parties.”

Mr Deputy Speaker, there you have it. Once again, the State Government has failed to deliver the goods. After an expensive and comprehensive EARC report, which had support throughout the community for its recommendations, the Government still cannot make the right decision. Is it a case—as it so often is with this Government—of incompetence, or is it something more sinister?

**Mr Hollis:** Why don't you finish Mr Scanlan's quote?

**Mrs SHELDON:** I ask the member for Redcliffe: does the State Labor Government fear proper scrutiny of its departments and statutory bodies? Has the Treasurer been led by the nose by Government bureaucrats who are eager to prevent the introduction of reforms which would allow the Auditor-General to assess the performance of Government departments and statutory bodies? What is wrong with the Government departments' accounting being reviewed by the Auditor-General to assess their performance? The people of Queensland have a right to expect value for money from their Government and from their Government-owned enterprises. The public servants must have been laughing all the way back to their offices after convincing Cabinet that there was no need to have someone independently judge their departments' performances. What is the point in having the best management systems in the world if there is no assessment of how they work in the field? It is a ridiculous scenario and one of which the Government should be ashamed.

These problems are not just some smear by the Opposition, as the Government may try to have the people think. They are the deep concerns of well-respected groups throughout the community. The Society of CPAs is Australia's largest professional body and is one of the major accounting organisations in Australia. The Institute of Internal Auditors is the representative body for internal auditors in this State, and it is the voice of authority on this Act. Both have roundly criticised the State Government's bungling on this issue. I know that the thin-skinned warriors on the other side of this House never respond well to criticism, but this is constructive criticism by people who know what they are talking about. Perhaps in its arrogance this Government no longer listens to anyone outside the kitchen Cabinet, but it is time that it started realising that genuine concerns are held in the community about the direction in which this Labor Government is heading.

The hijacking of funds from Metway Bank; the attempted manipulation of the selection of the head of the CJC; the Treasurer's woeful display over the Casino Act; and now this ham-fisted attempt by Mr De Lacy to dress up a sow's ear like a silk purse with this Audit Legislation Amendment Bill are all sending out signals to the people of Queensland. This is the real Labor Government starting to come through. As I stated earlier, the financial disasters of Labor's rustbelt States in the south and west were caused by the Parliament being kept in the dark over the actions of Government departments and quangos. These Governments ran riot attempting to be financially adventurous with taxpayers' funds and without any checks and balances through the Auditor-General.

The report of the royal commission into the commercial activities of the Western Australian Government, which was brought down in Perth earlier this month, highlights some of the dangers involved if the Auditor-General does not have sufficient powers. Large sections of the report deal with recommendations for greater power for the Auditor-General in that State. The report points out in no uncertain terms that the Western Australian Government's departments and agencies had handed out guarantees—there is that word, “guarantees”—indemnities and sureties to all and sundry without any internal or external auditing procedure to guard against misuse. The fact

that misuse occurred on a grand scale is now history, although the Western Australian taxpayers are paying dearly for their Government's lack of accountability.

**Mr Beattie:** What's this got to do with Queensland?

**Mrs SHELDON:** If the honourable member listens, he will find out. I inform Mr Beattie that the Opposition does not want this State to follow the way of Western Australia, and I would not have thought that he would want it to, either. The key word here is "accountability". Although the Government has made a show of implementing reforms in this legislation, it is just another case of Mr De Lacy's sleight of hand. Under this Labor Government "accountability" seems to mean little. This Government talks long and often about its reform program, but then ignores or throws out any recommendation from the EARC or the CJC that it does not like. Although I can understand but certainly do not condone the Government's decision not to increase Opposition resources, because it wanted to make life as tough as possible for us, I cannot understand the reasoning behind the Government's failure to implement EARC's recommendations on the Auditor-General's position. This Government persists in giving lip-service to reform, but always falls short of actually achieving it.

**Mr Hollis** interjected.

**Mrs SHELDON:** In three years, this Labor Government has adopted the arrogant view that it can do what it likes. Well, it cannot. "Accountability" means full accountability, so that the people of Queensland can be confident that what Labor has done in Melbourne, Adelaide and Perth will not happen here. Mr Hollis, I thought that you, too, would not want to see that happen. Obviously not!

**Mr Hollis:** How were your numbers on Saturday? How was your Fightback? Tell us about your GST.

**Mrs SHELDON:** Unfortunately, this Labor Government does nothing to inspire such confidence. I cannot believe that Mr Hollis, who is the Chairman of the Parliamentary Committee of Public Accounts, would make those inane comments and not listen to exactly what I am saying.

**Mr DEPUTY SPEAKER** (Mr Palaszczuk): Order! I intend to enforce the rule about referring to members by their correct titles. If the Deputy Leader of the Coalition cannot remember the correct title of a member, she should not refer to that member. If she insists on referring to members by their incorrect titles, I will warn her.

**Mrs SHELDON:** The member for Redcliffe.

**A Government member:** The "honourable" member for Redcliffe.

**Mrs SHELDON:** Just the "member" for Redcliffe. Unfortunately, this Labor Government does nothing to inspire such confidence. Mr De Lacy has shown with the casino deal that, if he thinks he can get away with it, he is willing to duck and weave rather than to stand up and be counted.

The need for an independent Auditor-General, who has the power and the parliamentary support to make Government in this State truly accountable, is without question. The Western Australian report recommended—and this is what happened to the mates of the member for Redcliffe over in Western Australia—that the Auditor-General be given wide powers to investigate Government guarantees, indemnities and sureties, and that the Treasury have the details of such activities of all Government departments and statutory bodies. Consequently, while other Australian Governments are taking steps to tighten up financial accountability by giving the Auditor-General real powers, the Queensland Government ducks the issue yet again—and, it seems, so does the Chairman of the Public Accounts Committee—not only with the ability for the Auditor-General to access performance but also by dodging EARC's reforms on the appointment of the Auditor-General.

This Bill requires the Premier to arrange a five-year review of the Auditor-General's office, yet there is no requirement for the Auditor-General to review all the operations of Government departments. It is feasible that some Government departments will go

without performance audits indefinitely. Under this reformist Government and this botched up Bill, there is nothing to make the Auditor-General actually audit any particular department or statutory body. If the Auditor-General and a Minister decided over a beer one night that the Minister's department would be better off left alone, that could happen. Therefore—of course, in a hypothetical situation—collusion between a Minister and the Auditor-General could lead to reviews being deferred inevitably, with the more wasteful departments being left to run free without scrutiny.

**A Government member:** I would rather trust the Auditor-General than your mob.

**Mrs SHELDON:** Certainly, the honourable member is quite right. Indeed, I would rather trust the Auditor-General. This Bill is deficient because there is nothing to make the Auditor-General audit any particular department or Government body. It seems a basic stipulation to at least have every department and statutory body audited every five years to prevent institutionalised problems and/or corruption. Ideally, it should happen more often, but to not place any provision for regular auditing in the legislation is, at best, a major oversight and, at worst, another example of this Government's ineptness. The Treasurer has made a mess of this legislation and should go back to the drawing board. In what is becoming a regular occurrence, this Government has picked out the bits in the EARC recommendations that it liked—which is rather familiar—and left all other EARC recommendations to rot. Of course, in doing so, the Government has botched up the legislation completely. It fails to set in place proper procedures for appointing the new Auditor-General; it fails to give the Auditor-General the ability to assess the performance of Government departments, and it lacks any provision for the regular auditing of departments and statutory bodies. This Government's general lack of direction and lack of backbone is again highlighted in this Bill. I ask the Treasurer to go back and to keep going back until he gets it right.

During the Committee stage, I will move some amendments. Those amendments include an amendment to an amendment by the Treasurer, which he will be introducing during the Committee stage. At this point, I say to the Treasurer: as the Opposition's amendments are so fundamental to this Bill, it will certainly not oppose the Bill if he accepts them. If he does not accept the Opposition's amendments, it has no choice but to oppose the second reading of the Bill.

**Mr FENLON** (Greenslopes) (5.04 p.m.): It gives me great pleasure to rise in support of this Bill before the House. The speech that was made by the member for Caloundra has given honourable members another occasion to gauge fully how moribund politically and ideologically the Opposition parties are. Her speech indicated that the opposition parties have really nothing to offer in terms of a constructive approach to public administration in this State. This Bill is central to the future management strategies of the State's financial organisations and other Government bodies, yet the member for Caloundra referred to the royal commission into the State Bank in Western Australia. Obviously, the member has not even read that report, because if she had, she would be aware that it is far more complex than her banal approach of knocking the Government.

**Mrs Sheldon:** You knocked EARC, too, and PEARC.

**Mr FENLON:** If the honourable member would listen to what I have to say, she would learn that quite a few players—as the royal commission calls them—should receive an apportionment of blame. The system in that State was inherited over a very long period, and players from both within and outside the Government should come under the spotlight of scrutiny.

The consideration of this Bill today will be a very important part of Queensland's history because under the spotlight is not only this form of administration but also the accounting profession. That profession was very much a part of the events—which are now very well known—that precipitated the failure of the State Bank in Western Australia, and one of its great failures was its system of auditing. As we debate this Bill and the future administration that it will provide, we will look closely at the way in which auditing is conducted in future, its principles and the fundamental development of the

accounting profession. The spotlight on the accounting profession is very significant to members of this Legislative Assembly because, last Monday, we had the opportunity to attend a seminar which was conducted by members of the Australian Society of Certified Practising Accountants. They are commonly known as the CPAs. I understand that some Opposition members who did not attend that meeting but were seen in the corridors outside were fearful and nervous because some of them thought that "CPA" stood for the Communist Party of Australia. It has been explained to them that that was not the case. So I excuse them for not attending.

The seminar was very useful, because it brought members of this Legislative Assembly closer to modern accounting practices and to some of the precepts that are being developed, implemented and relied upon throughout the public sector. Those precepts relate to fundamental accounting processes, the processes of management, program administration, and so on. In focusing on this subject, I am reminded of the now famous debating proposition of why accounting is not boring. Although it is a fairly dry subject, when the implications of accounting concepts, their day-to-day application and their very broad implications for Government are translated into the prospect of Government bodies or organisations making vast sums of money, accounting becomes more interesting.

The Bill before the House is very detailed in that it amends five pieces of legislation, namely, the Financial Administration and Audit Act of 1977, the City of Brisbane Act 1924, the Local Government Act of 1936, the Public Accounts Committee Act of 1988, and the Financial Administration and Audit Act of 1991. This Bill is part of the ever-relentless reform process that evolved from the Fitzgerald commission of inquiry. Various recommendations from EARC and the Public Accounts Committee have been implemented by virtue of this legislation. Some members opposite would be unfamiliar with this process because, for many years, they were against the establishment of a Public Accounts Committee. They were not very interested in this subject, and it is doubtful whether their interest has increased. For their benefit, I should read Recommendation 1 of the Parliamentary Public Accounts Committee report titled "Accountability of Government Companies", which states—

“. . . that the Auditor-General be required to audit the accounts of all government companies

...

that the Auditor-General be empowered to engage at his discretion qualified private practitioners to perform 'government company' audits on his behalf; and

...

that the Auditor-General be required to report to Parliament upon the activities of 'government companies'."

This is very important legislation, because we are moving towards corporatisation and an era of very creative methods and mixtures of Government administration whereby Government and private enterprise are mixed very closely and Government is working with and assisting specific private ventures, whether they be in research or some other field. In the broader sweep of history, this is no surprise. We are moving towards far more creative approaches to infrastructural development for this great State of ours. One hundred years ago, when we were in a very different mode of infrastructural development, we thought about simple issues such as railroad development. Now, heading towards the year 2000, we are in a very different phase in which the major infrastructural concerns relate to a broader range of issues such as information technology or the development of companies that will fulfil major infrastructural needs. By working with other organisations, we are adopting a very different approach to infrastructural development. Our public administration practices must keep up with the times.

This Bill arose from the very important moves towards reform in this State. In his second-reading speech, the Minister outlined a number of themes in public

administration and other jurisdictions from which this legislation also arose. One of those important areas of accountability relates to reporting on financial management and program performance to the Parliament. For so long in this State, members opposite sat here with the "don't you worry about that" attitude on reporting to the people of Queensland. It is the height of hypocrisy that they sit on the other side of the Chamber today whingeing about some fine tuning that they would like to see—it is probably irrelevant, because they have not read the legislation properly—when they sat in here for so many years with the fundamental tenet of reporting to the public of Queensland being "don't you worry about that". Things have changed, yet the hypocrites opposite do not seem to feel any pain by virtue of the great shift that is occurring.

The other current in public administration to which this Bill responds is in the sphere of public sector audit standards which are being applied to statutory bodies and Government-controlled companies. That is very important in terms of providing a unified set of standards that cater for every detail and every scenario in terms of public administration in this State. Thirdly, there is a current in terms of providing for and ensuring adequate resources to review the performance of Government agencies and, further, to reinforce audit performance by providing a greater role for the Parliament in the oversight of the audit function. That function has been sadly lacking in this State for many years.

**Mr Veivers:** You'd take away the Parliament's function.

**Mr FENLON:** I hear Mr Veivers mumbling. He was in this place for all those years. Because he is not sitting in his usual place, I am having difficulty in identifying him by the name of his electorate. However, he could remind us of the speeches that he made during those years in support of reform. I notice that he has gone silent. It is clear that the member for Southport cannot justify those years of silence under the "don't you worry about that" ethos.

Specific modifications have been made to the original recommendations that came out of the reform process. They are sound modifications, consistent with the overall principles of reform and directed at ensuring consistency in the financial management and harmonisation of the overall philosophies, which I will touch upon in a moment. The principal reforms of the Bill are, firstly, to ensure that the Auditor-General's mandate will be extended to cover all Government-controlled companies. That is important in today's climate because of the sheer diversity of companies involved with the Government not only in terms of the types of businesses but also in terms of the different legal and corporate structures that are being adopted. A broad net needs to be cast to ensure that the various trusts, partnerships and joint ventures, as well as the various loadings of share ownership arrangements, are contemplated by the Bill. Most importantly—this goes back to the recommendation I read earlier—the Bill requires all companies and other subsidiaries controlled by public sector entities to be audited by the Auditor-General, which will ensure that the public have a direct outlook on how taxpayers' funds are being allocated and combined with various forms of private capital.

Secondly, under this legislation, direct responsibility for the audit of all local authorities will be vested in the Auditor-General. Local authorities in this State account for an enormous amount of money and numerous activities. It is estimated that, each year, local authorities account for over \$2 billion worth of receipts and expenditure. Therefore, it is most important that we have consistency in the application of those standards throughout all areas of Government. As well, we have a constitutional responsibility, ultimately, in that the local authorities extend from our own State Constitution.

The third general area of power that is contemplated in the Bill is that the Auditor-General's traditional financial and compliance auditing role will be expanded to allow for audits of performance management systems. One area of amendment allows for agencies which have a primary audit function of their performance to have that system audited rather than have the full performance of the organisation audited by the Auditor-General. It is very important for us to consider the South Australian experience, and in

the brief time that I have left I want to refer to that. The South Australian experience was a very complex one. Earlier, I referred to the fact that the accounting profession has a lot to answer for because, on studying the South Australian example, we find that the external auditors did not provide any qualified reports within the period prior to the final collapse of that company. They are the same auditors who deal with accounts in Queensland and throughout Australia. We must ensure that the audit practices and standards have changed throughout Australia and that, in future, they can contemplate this type of problem. The audit standards need to be adaptable to a broad range of situations today. I am confident that the Bill before the House will ensure that the Auditor-General, under the new audit office of Queensland—

Time expired.

**Mr STONEMAN** (Burdekin) (5.24 p.m.): I rise to support the remarks and propositions advanced by the shadow Treasurer and Deputy Leader of the Coalition. I do so with some understanding of the processes that have led to the preparation of the EARC report and, originally, the report of the parliamentary committee, which was unanimous in its recommendations. As the member for Lockyer indicated, I will certainly speak about those reports and, in particular, about the report by the Parliamentary Electoral and Administrative Review Committee.

It is interesting to note that the committee was chaired by the present Minister for Employment, Training and Industrial Relations and that one of the members of that committee was the present Minister for Environment and Heritage. There is a continuing thread that leads right through from the preparation of those early reports to much of the study into Executive Government, yet some of the most fundamental recommendations made by the Chairman of EARC, Mr Sherman, and the parliamentary committee have been totally neglected in the Bill that honourable members are debating tonight. That issue must be considered in some detail.

In raising the point that I was the deputy chairman of the committee at the time that the unanimous report was presented to the Parliament, I note that the committee undertook a great deal of study and put a great deal of time into looking at the proposals for changes in the office of the Auditor-General and the recommendations of the commission. We travelled throughout Queensland and, more particularly, throughout Australia and New Zealand to talk with Auditors-General and other people involved in the public sector auditing processes. That led us to the same conclusion—with some minor amendments—as that arrived at by Mr Sherman. It is a great shame that this Government has chosen to ignore some of the fundamental recommendations. I will refer to those in a moment.

Just a few moments ago, I heard a member from the Government benches—the member for Greenslopes—say that the Opposition has nothing to offer in the amendments that have been circulated. That makes me wonder in which direction public accountability in this State is heading. It is a remarkable statement because, for the most part, those amendments follow word for word the recommendations of Mr Sherman that were endorsed by the parliamentary committee. They are word for word, yet that Government member had the audacity to say that the Opposition has nothing substantial to offer. Either he has been living under a rock for the last three or four years, or he is part of the deceitful campaign by the Government to wave the flag of accountability in the public domain. I am not suggesting that the Bill is totally without relevance. I suggest that the Bill ignores three or four fundamental areas, as recommended by Mr Sherman, that follow directly from the report of Commissioner Fitzgerald. They are absolutely fundamental to the process.

In this State we have three major watchdogs. One of those watchdogs, EARC, will soon be drawing to a close but could well be replaced by a series of other groups. Already, we have seen the Commissioner for Local Government arise out of that. We have the Criminal Justice Commission which, as honourable members are aware, oversees the processes of law and order in the State. EARC has been scrutinising a whole range of public arenas, including public audits. We also have the Auditor-General,

whose role is to be ongoing. I know that the Government is not suggesting that the role of the Auditor-General should not be ongoing.

**Mr Beattie:** Just throw a furphy in.

**Mr STONEMAN:** I take the honourable member's interjection. The amendments that have been proposed cause one to wonder what the Government is really up to. There is no doubt that the Government is determined to screw down the operations of the Auditor-General in terms of funding and in terms of the capacity to scrutinise various areas. Let us consider in particular the relevance of the CJC, EARC and the Auditor-General appointment processes. The Auditor-General should be, and was, recommended to be appointed along exactly the same lines as the chairman and members of the CJC and EARC. That was fundamental because it gave members of this Parliament—elected representatives of the people of this State—an opportunity to put a covenant, if you like, over the appointment and provide for unanimity of agreement and the ability to disagree with or veto the appointment. It is quite clear that what has been included is a wishy-washy clause which states that the Premier or the Minister must consult with the Parliamentary Committee of Public Accounts, but there is no other requirement.

As we all know, under the Goss Government, consultation is a very wishy-washy, if-they-can-be-bothered affair. Let me cite the examples of the casino tendering process and the recent debacle surrounding the appointment of a CJC commissioner. Let us examine the selection and recommendation process. Let us go right back through the processes adopted by this Government, such as the original formation of EARC which was done without Parliament having a say. This Government seeks to take away from the elected members of this Parliament the right to scrutinise and maintain scrutiny of expenditure of public funds—funds that are raised by law and for which we have the ultimate responsibility to ensure that they are expended appropriately and in the correct manner. This principle is fundamental to the whole argument. The Government has taken away the Opposition's capacity for scrutiny and has ignored the unanimous recommendation of EARC and the Parliamentary Committee of Public Accounts. In other words, it has thrown the baby out with the bathwater.

Responsibility for ensuring the proper use of public money is borne by members of this Parliament. It is not the responsibility of other people such as departmental officers to account to the public. It is our responsibility to ensure that the ultimate extent of scrutiny and focus is concentrated on funds that are provided by law, and the law should require that our continuing focus draws its relevance from the thread of responsibility that runs through the committee system. Members of Parliament are the ultimate arbiters—

**Mr Beattie:** The ultimate what?

**Mr STONEMAN:** Members of Parliament are the ultimate arbiters of whether or not public funds have been judiciously used and whether program processes of various departments and Government-owned businesses are appropriately directed. In this State, there is no question about the level of concern in the community over the public service becoming more and more politicised daily.

**Government members** interjected.

**Mr DEPUTY SPEAKER** (Mr Palaszczuk): Order! The House will come to order.

**Mr STONEMAN:** There is absolutely no doubt that the public service is being used as a vehicle to push through politically motivated programs, which is increasingly bringing into contempt the once great public service that Queensland had and the vast majority of public servants who still take pride in their work but are being compromised by this Government. This Bill does not in any way address the problem of politicisation of the public service. It is vital that the Government and this Parliament send a signal that will promote confidence in the community and a message to the business sector that we are capable of scrutinising the use of public money by doing more than merely checking columns to ensure that they add up. We have to let people know that this

State has the maximum extent of consultation and scrutiny in this Parliament. After all, we are elected as the people's representatives. Why should this Chamber not have the capacity to maintain the much-needed scrutiny? Confidence in government and investment will deteriorate unless that message is sent out. Unless the type of scrutiny that I am advocating is part and parcel of the processes of this Parliament, the politicisation process will continue unabated. I am not saying that politicisation applies only to this Government. I am saying that Governments of all persuasions and political colours would do well to adopt a higher standard. I am sure some of my colleagues will deal with this matter in debate at a later stage.

I am absolutely certain that auditing the use of public funds in this State should be beyond question. It is appropriate for me to examine some of the important aspects of this legislation, including the Auditor-General's salary. It was clearly agreed by the Parliamentary Committee for Electoral and Administrative Review that—

“ . . . legislation should not require the Auditor-General's salary to be tied to that of Public Service CEOs. However, to ensure protection for the Auditor-General, and to provide appropriate input from Parliament into the salary determination process, legislation should require the Public Accounts Committee to be consulted before any determination is made by the Governor in Council in relation to the Auditor-General's salary.”

In spite of that, one of the clauses of the Bill specifically ties the Auditor-General's salary to the public service. This point is of fundamental importance. I have already referred to the fundamental principle involved in the appointment of the Auditor-General. At this point, I place on record that I am in no way suggesting that the current Auditor-General's appointment was inappropriate or that he is not the right person. What I am saying is that the processes that are now being put in place will apply six years hence to the next Auditor-General—because the Auditor-General's appointment is for seven years maximum—when this particular aspect of the Bill will come into play.

**Mr FitzGerald:** We'll be in power then.

**Mr STONEMAN:** We will be in power then, and I will be able to guarantee Government members one thing: if they like, they can revisit the past, but members of the coalition sincerely believe in the recommendations made by EARC and the Parliamentary Committee of Public Accounts, and they will be implemented, as no doubt the Deputy Leader of the Coalition will propose as time passes. Let us look further. The report states—

“The Auditor-General notes:

The role of the Parliamentary Service Commission is one of responsibility for managing the day to day functions of the Parliamentary Service. EARC has seen no reason to involve the Parliamentary Service Commission in any other aspect of public service auditing issues raised in its report and neither do I.”

That was said by the previous Auditor-General. The Auditor-General is the person whom Government members are trying to suggest that the Opposition does not support. The Opposition supports the present Auditor-General. I am sure that the Auditor-General would agree with the statement that there is no need for the Parliamentary Service Commission to be involved in anything other than management processes. The parliamentary committee endorsed that recommendation.

Increasingly, many Government-owned business enterprises are the focus of attention. Very often, the Treasurer tells us how efficient they will be. It is interesting that those Government-owned entities can be excluded from the Auditor-General's scrutiny at the whim of the Governor in Council or the Treasurer. They can be excluded from full scrutiny—not from any scrutiny—and, more particularly, scrutiny that locks Government-owned enterprises into the same accountability that is demanded of ordinary commercial companies. Those entities can be shoved under the carpet, with the door closed, the shutters slammed down and the processes not applied in the fullest sense. It is all very well for Government members to talk about all the processes of

absolute accountability and to say that Government-owned enterprises will be made commercial. Why then do the rules and regulations of the Companies Code not apply to those enterprises? I am sure that some of my colleagues will take up that point when we have more time.

Let us consider the problem of separate appropriation. The Treasurer and the public service have the capacity to screw down the ability of the Auditor-General to properly fulfil his or her job. Under the departmental Vote processes that are contained within the legislation, the Parliament and the Public Accounts Committee do not have the ability to follow the recommended process as endorsed by the parliamentary committee—which comprises elected representatives of this House—and as endorsed by the Electoral and Administrative Review Commission. Let me read for the record the recommendation of the commission, which was endorsed by the parliamentary committee—

“The commission recommends that:

- (a) the annual estimates of the proposed Queensland Audit Office should be laid before Parliament in a separate Appropriation Bill; and
- (b) legislation should require the annual estimates of the Office to be forwarded by the Auditor-General to the Public Accounts Committee. The Committee would be required to consider the estimates and, in so doing, to take account of any views conveyed by the Treasurer. The Committee would then forward the estimates together with its recommendations to the Treasurer for formal inclusion in a separate Appropriation Bill.”

It could be argued—and I am sure that the Treasurer will argue—that the recommendation gives the Audit Office an open cheque. It does not, because the Government of the day still has the numbers on the Parliamentary Committee of Public Accounts and it still has the numbers in this House. That recommendation provides a capacity for the Auditor-General to appear before the Public Accounts Committee and to be questioned about the effectiveness of funding priorities, and for them to be put into the public domain so that, after the consultative process takes place, the Estimates go back to the Treasurer and a separate Appropriation Bill is brought forward. Those processes, recommendations and concerns can then be exposed in the public domain by the people's representatives—the 89 members of this House. However, the amending Bill does not allow that to happen. It allows that to happen only coincidentally, because the amount of money that the Auditor-General is to be given is totally at the whim of the Treasurer of the day. It becomes a part of an Estimate, but not a separate Appropriation Bill. There is no requirement that the Auditor-General appear before the Public Accounts Committee of this Parliament and his Estimates go back to the Treasurer, and no requirement that the Bill then be debated independently of all other Bills and appropriations that come before the House. That is absolutely fundamental.

The final point that I make is in respect of performance auditing. Again, the parliamentary committee was unanimous in its support of the proposal that it should be a matter of not only adding up the columns but also auditing the processes of those programs to establish whether or not they are effective, whether or not they are complying with the requirements of the Government, whether or not they are complying with the proposals that the Government put forward to the people, and whether or not the money that is extracted from the community by law is used for the purpose for which it was stated that it would be used. The problem is that, again, the Treasurer or a Minister can pull down the shutters on that fine scrutiny and take away from the House the capacity to ensure that the expenditure is appropriate and that Queensland does not suffer from the problem that has developed in other Labor States.

One must wonder about the actions of the Labor Government, which was so intent on talking about reform and taking up the Fitzgerald processes. The Premier said, “What Mr Fitzgerald said is what you will get.” It is very convenient for that to be forgotten in the appointment, management, operation and funding of the most important office in this

State, the Auditor-General's Department, which has the absolute and last say over the use of public moneys.

**Mr CAMPBELL** (Bundaberg) (5.44 p.m.): I am appalled at the contribution made by the member for Burdekin, and I believe that all Government members are appalled. The insinuations that the Auditor-General could in any way not be independent are something of which we should be ashamed. When the National Party appointed an Auditor-General, did it go to the Public Accounts Committee? No. Did it come to see any members of the Opposition to give them any say? No. The appointment was made totally by the members of the Government. Under the Bill, some say is being given in the appointment of the Auditor-General. In the end, we must have accountability, and that accountability must come back to the accountable Minister. It cannot be done by the Public Accounts Committee. It cannot be done by any other organisation. It has to come back to the accountable Minister. It was appalling to suggest that the independence of the Auditor-General was not paramount to this Government. In actual fact, by setting up a Queensland Audit Office we are doing just that; we are making certain that the Auditor-General and his officers are totally independent and are not influenced by the Government of the day. It is important that we remember that.

I am concerned—and this is what has happened—that auditing has become the end rather than the means. In other words, auditing has become the end in itself rather than a means, a tool of management. I believe that this Bill allows performance auditing and allows us to look at whether money is being spent appropriately. I will cite many practical examples tonight—and some of them will shock members in this Chamber—of inappropriate auditing and accountability factors that result in a great deal of waste. According to the annual report of the Parliamentary Service Commission, out of every dollar that members get to spend on their constituency, 73c is spent on administration. The system that allows us to spend 73c on administration—

**Mrs Sheldon:** Take it up with Mr Hayward.

**Mr CAMPBELL:** I will take it up now. I will take it up for all members. When members opposite were in Government, their Government did not do anything about this. The type of system that is approved by the Premier's Department, approved by Treasury, approved by an accountable officer and approved by the auditor is supposedly an appropriate system, but under it 73c of every dollar we get to spend on our constituency is spent just on administration and making certain that every piece of paper is signed properly. That is not what it is all about. Do honourable members realise that if we were able to get the administration costs down to a reasonable level of 25 per cent of our operating outgoings, that would save \$84,000 per member?

**Mrs Sheldon:** Tell Mr Hayward.

**Mr CAMPBELL:** The honourable member had her chance. She had 60 minutes in which to speak, and she could go for no more than 20 minutes. She could not even speak for her allotted time. Do honourable members realise that if we reduced the administration costs to 25 per cent, with auditing allowances, \$56,000 could go back into constituencies, extra services—

**Mr Beattie:** Extra staff.

**Mr CAMPBELL:** And extra staff members. But that has not been happening because there was no acknowledgement of the fact that auditing should be a tool of management rather than an end. This legislation changes that because it allows the auditor to look at performance auditing. I really am appalled to think that we are part of a system that allows that kind of inefficiency to be accepted at all levels of government. That is something that we have to look at. Do honourable members remember the taxi voucher system? I will go through it again. It is a system that is accepted and acknowledged by the Auditor-General as an appropriate system. I think it is appalling and a waste of money. Hansard is responsible for the reporting of Parliament. Hansard has reduced its costs from \$87.19 per page in 1991 to \$37.50 per page in 1992. Yet

external consultants have been appointed to determine whether that system should change. That is an example of efficiency, yet another inquiry is being conducted into it.

In contrast, we have a taxi voucher system which is very wasteful. I sign a taxi voucher for \$3.30. This is what follows. That voucher then comes back to this building; it is handled by the sorting office; it is then sent to the accounts section; the accounts section then sends it to the appropriate officer and that officer then photocopies that voucher. Then all of the vouchers that I may have signed for that month are stapled together with a special piece of paper and they go into an envelope—so they have to be sorted—a stamp is put on the envelope; it goes to dispatch and it is sent up to my office. When it arrives at my office, my secretary then opens it and she says to me, “Yes, you have got to sign the voucher.” So it then goes into my in-tray. I then pick it up, sign the voucher and put it in my out-tray. The secretary then picks it up out of my out-tray, determines that it has to be returned, puts it in an envelope with a stamp on it and sends it back to Parliament House. It comes into the postal room here and is then sorted to go to the accounts section. It goes to that section and then goes to the accountable officer. The appropriate officer then finds the original sheet to make certain that everything is all right. It is then passed for payment. It then all comes together; it goes to the other officer; two signatures then go on it for payment—

**Mr Welford:** How much?

**Mr CAMPBELL:** It is for \$3.30. It then goes to the accountable officer and a cheque is written out. The cheque is then put in an envelope and it goes to the taxi company. Do honourable members realise that that is where 73c out of every dollar that we get to spend on our constituency goes? This Bill is about performance auditing. It is about putting in accountable systems that work and are efficient. Although the example I have just cited is only a very basic one, it is an example of what is going on throughout the public service and throughout the Parliament, and it is a waste. It annoys me when I hear all the accountants and all the rational economists in here saying that we have to do this, we have to do that and that we have to go down the privatisation road, when we are wasting money because of ineffective auditing systems. We have to get back to systems that are efficient and cost effective. That is what it is all about. This Bill allows the auditor to introduce systems that can become cost effective.

I believe that we have got off the track and lost the way because of EARC. In his second-reading speech, the Minister said that EARC was set up to look at minimising corruption and maximising accountability. Maximum accountability costs money. We must have accountability and we must cut out corruption. However, we must also have value for money. It is time to put Fitzgerald behind us and to aim to achieve value for money for Queenslanders. Auditing is not an end in itself; it is a management tool. Another issue that I want to raise—

**Mr FitzGerald:** We just need better management, don't we?

**Mr CAMPBELL:** Better management is one feature, but a system that allows better management is vital. We all want to be part of an efficient, effective system. However, people are not allowed to be part of it, and that is very annoying. If money were saved in the way in which I have just outlined—and I believe that the necessary checks could still be carried out—honourable members could employ an extra staff member in their electorate offices without spending another cent. Do honourable members realise that they are no longer allowed to use alternative travel? Even if they want to use their car to travel, they are bound to travel by plane. It is more expensive to travel by plane than it is to use one's car, yet one has no choice but to use the former method. In that sense, the system is wrong. It is not allowing people to be efficient; it is not allowing people to save money. That is not happening just in Government; one sees evidence of it everywhere. That is why performance auditing is necessary.

This State is shifting from a cash-only recording system to an accrual system. That reform is important. The one area in which accounting has not really worked is asset replacement. If a cash-only system is used, asset replacement cannot be recorded appropriately. The infrastructure of New York has broken down because that city had

no effective asset replacement system. This State has such a system, and it affects Government policy. At a certain time, a policy may be adopted whereby much money will be spent in a certain area—whether it be schools, roads, ports or some other area.

**Mrs Sheldon:** Or health.

**Mr CAMPBELL:** This Government spends much more on health than the former Government ever did.

**An honourable member:** And it is getting better value.

**Mr CAMPBELL:** It is achieving better value, better performance and is delivering a better service than the former Government ever did.

**Honourable members** interjected.

**Mr CAMPBELL:** While honourable members are having their conversations, I will refer to a useful booklet titled *Accounting Concepts for Management Accountability in Local Government*.

**Mr DEPUTY SPEAKER** (Mr Palaszczuk): Order! The House will come to order.

**Mr CAMPBELL:** That booklet refers to asset replacement. I believe that is one area which is often forgotten. If Governments do not properly coordinate their expenditure on assets, they will find that many assets will have to be replaced at the same time. For instance, a Government may decide to spend a large amount of its Budget on assets that have a 15-year lifespan. However, five years later, that Government may change its policy and spend its Budget on assets that have only a 10-year lifespan. Fifteen years later, because of that poor planning, all of those assets will have to be replaced at huge expense. Asset replacement must be considered carefully.

The member for Burdekin claimed that the Government is reducing the powers of the Auditor-General. I wonder whether the member for Burdekin realises that this Bill encourages the Auditor-General to report more frequently to Parliament; it encourages the Auditor-General to make separate reports where separate reporting is required to deal with urgent matters; and it requires the Auditor-General to report on action taken by management to remedy significant deficiencies noted in previous audit reports. How can anyone claim that this legislation requires less from the Auditor-General? This legislation gives more flexibility to the Auditor-General and contains more requirements so that he or she reports more effectively to the Parliament. One of the areas in which the Auditor-General will play a more effective role is performance auditing. As I stated earlier, we are moving from a cash-only recording system to an accrual system. That is an important step which will take account of asset replacement and will recognise the requirements of public organisations.

I want to raise another area which I believe has been neglected in the past. I refer to the need to consider both sides of the balance sheet. People often refer to the national debt. However, no-one ever refers to the other side of the balance sheet—the additional national assets that have been provided. That must be a consideration. People claim that the expenditure of money is a liability. However, they do not consider the fact that the items on which that money is spent may be assets. If hospitals costing \$1.5 billion are constructed, surely that is an asset for this State and they should be recognised as such.

**Mr FitzGerald:** Is an empty ward an asset?

**Mr CAMPBELL:** It is—just as an empty motel is an asset; just as an empty private hospital is an asset. Recurrent expenditure decides whether services are being provided. The policy of this Government of providing recurrent expenditure from taxes and of not borrowing on recurrent expenditure will ensure that the correct balance is maintained.

I congratulate the Treasurer and the Premier for introducing this Bill. It makes public auditing a management role, and that is necessary. Perhaps it will abolish some of the ineffective systems that are in operation. I highlighted one of those ineffective

systems—the administration costs of all honourable members. I invite the Auditor-General to attempt to reduce the administration costs of members of Parliament to 25 per cent. However, the money that is saved should be returned to honourable members so that they can spend it on their constituents. In that way, honourable members can broaden the scope of the auditing undertaken to ensure that—

**Mr De Lacy** interjected.

**Mr CAMPBELL:** I inform the Treasurer that my performance is all right. Members of Parliament are subjected to an audit on accountability to which no other person is subjected. Every three years, they are audited by the public. For the past four terms, I have had a clean bill of health.

Sitting suspended from 6 to 7.30 p.m.

**Mr SLACK** (Burnett) (7.30 p.m.): Before the dinner recess, we listened to a very interesting speech by the member for Bundaberg. I am not quite sure whether he was commending the Government or condemning it, because much of his speech addressed problems that have occurred under this Government, such as the present system which allows taxi vouchers to go through the system three or four times. In common with many other members of the Opposition, I could not agree with him more when he stated that there is an inordinate amount of scrutiny, double-checking and triple checking.

**Mr De Lacy:** You are supporting more tonight. You want more.

**Mr SLACK:** The Treasurer should listen to what I am saying before he interjects. He will have his opportunity to speak later. Quite some time ago, the member for Bundaberg raised the point—quite validly—about how ridiculous that scrutiny is. However, I cannot understand for one moment how this Bill will solve that problem. We must look at the management of the accounting system and the reasons why such scrutiny occurs. For that reason, it was even more interesting to hear the member for Bundaberg raise that point. Undoubtedly, the substance of this Bill has been changed considerably—in a subtle way—from the recommendations that were agreed to unanimously by EARC and by the Parliamentary EARC Committee. The legislation reinforces substantially the power of the Executive, and I am very disappointed, and Government members should be disappointed, about that. I am surprised that the member for Bundaberg, who espouses high morals within the Parliament and condemns the Opposition, supports something that EARC and PEARC did not recommend. He is taking the high moral ground and condemning Opposition members for their contributions, when he did not have the guts to get up in his own party room to try to curtail—

**Mr Fenlon:** Where were you during the Joh years?

**Mr SLACK:** I say to the member for Greenslopes that that has absolutely nothing whatsoever to do with this legislation. If the honourable member remembers the Joh years, he should compare those years with the years when Labor was in power in Victoria, South Australia and Western Australia. In which States were there failures in the accounting? In which States were there failures in State banks? In which State was the failure of Tricontinental? Which State had WA Inc? Those failures did not take place in Queensland. Government members should answer those questions honestly. They should stand up in this House and try to defend the allegations that they are making. They benefited directly from the National Party Government. This Government's Treasurer benefited from the fact that the National Party Government managed Queensland's economy well. Under a National Party Government, Government institutions did not fail as they have done in other States that have a Labor Party administration. Yet every second day Government members crow in this Parliament about how good Queensland's economy is running. The only real reason that Queensland's economy is running so well is that the Labor Government did not inherit the debts that Governments in other States inherited. The Labor Government was in the fortunate position that it did not have to pay redemptions on loans. It did not have to

pay for the failure of an accounting system in Queensland. However, the member for Bundaberg gets up in this House—

**Mr De Lacy:** We have paid off one and a half billion of your debt.

**Mr SLACK:** Queensland had very little debt. The member for Bundaberg gets up in this House and talks about overseas debts. He cited a hospital debt of \$1.5 billion, and he said that Queensland's assets are not considered. I could give him a lesson about the Commonwealth's overseas debt. This country has a \$168 billion debt, which is approaching 40 per cent of the gross domestic product. The Treasurer would know that the higher that debt becomes, the bigger percentage of the gross domestic product it takes, and the more difficult it is to service the debt. If a person has a \$300,000 housing loan but is earning only \$300 a week, he cannot service it. That is the problem that this country is facing. The Treasurer should think about what I have said. In just 10 years, Australia's overseas debt increased from \$23 billion to \$168 billion net, yet the member for Bundaberg tries to defend the Government.

However, I will return to the Bill that is before the House. I support the shadow Treasurer in what she said. Her speech was well delivered, and it covered the points very adequately. She highlighted the fact, as did the member for Burdekin, that despite all the Government's pious claims, despite its big moral stand, it has departed from the unanimous EARC recommendations. In his reply, I would like the Treasurer to explain why he delivered a second-reading speech. It was a very nice second-reading speech and, in the interests of brevity, he tabled it. I commend him for that. I do not know whether the Treasurer's colleagues have read the speech, but the Opposition has read it. It is not what is contained in the speech that worries the Opposition, but what it omits. It did not outline the reasons for making those crucial changes to the EARC recommendations. In essence, the EARC recommendations are very different from what is contained in this Bill, and the Opposition's amendments will rectify that. Obviously, the Treasurer has the choice to accept those recommendations or not accept them, but if he is genuine in his approach to upholding what EARC and his own Parliamentary EARC Committee have recommended, he will accept those amendments.

The member for Bundaberg queried whether management should expand its role in relation to auditing. I see nothing in this Bill that refers to coping with competence or whatever. Certainly it fulfils the traditional role of audit management, but nothing in this Bill allows for performance audits as such. If the Minister can show me where that is, I will be pleased. In a recent newspaper article, Peter Morley quoted some of our leading bodies, such as the Society of Certified Practising Accountants—

“. . . which said the auditor-general should be the supreme auditing authority and argued his powers should be widened to allow performance auditing of the efficiency of the public service.”

The article stated further—

“No reference though, and none since in relation to the call by the society, now backed up by Queensland's major auditing body, the Institute of Internal Auditors, that there be performance auditing—a power given to attorneys-general federally and in most states.

The Certified Practising Accountants argue that the auditor-general should be free to investigate and report on any waste, extravagance, inefficiency and lack of effectiveness in the public service, if taxpayers are to be assured they are getting value for money.”

At the end of this debate, I would be interested to hear the Treasurer explain why he has not allowed for that situation in the Bill.

I recognise that some steps have been taken in this Bill to improve the situation of the Auditor-General. Many of EARC's recommendations and those of the parliamentary EARC committee have been accepted. But, by the same token, there are significant differences. For example, why is the power resting with the Treasurer, through

Executive Council, to appoint the Auditor-General? Why has the Treasurer changed or diminished the role of the Public Accounts Committee in that process, when EARC recommended a particular course of action? The Treasurer has seen fit to change it. He cannot blame Opposition members, the general public or the Society of Certified Practising Accountants for being suspicious about these sorts of things. If he wants to put forward a case whereby he believes that he is beyond reproach and wants to be seen to be beyond reproach, why change it? When Government members rise to defend this Bill, why do they not explain why it has been changed, rather than saying that the member for Burdekin made a terrible contribution? Why knock the Opposition spokesperson on Treasury, when she quite validly raised issues that have been brought to her attention by practising auditors and accountants?

Government members want to be seen to be doing the right thing in this State. They also claim that they want to see the State's economy prosper and do well. There is nothing wrong with selecting the Auditor-General in the way recommended by EARC. Sure, the mechanics for resolving impasses must be put in place. But they were thought out by the EARC committee and provided for in the recommendations for the Bill from which the Government saw fit to depart. It is no wonder that Opposition members are suspicious about this Bill. As to the Government's performance in relation to the casino and the Heritage Council's role—promises were made, but they were not adhered to.

**Mr De Lacy:** No promises.

**Mr SLACK:** The Treasurer should listen to this. The Treasurer said in this Parliament that everything will be done according to the Burra Charter. Article 6 of the Burra Charter states quite clearly that the proper investigations, studies, reports or whatever should be done on a heritage listed building before a decision is taken for an alternative usage.

**Mr De Lacy:** All been done.

**Mr SLACK:** The Treasurer should table the document.

**Mr De Lacy:** All before the Heritage Council.

**Mr SLACK:** The Treasurer can say that, but I will not believe him unless the document is tabled. Why did not the Heritage Council not approve or—

**Mr DEPUTY SPEAKER** (Mr Bredhauer): Order! I remind the member and the Treasurer that this is not a heritage Bill.

**Mr SLACK:** I take your point, Mr Deputy Speaker. I am talking about the responsibility of the Treasurer in this instance. If we are to have a truly independent Auditor-General—

**Mr De Lacy:** Can I say something? Trust me.

**Mr SLACK:** Great! Trust me in the morning, too! If we are to have a truly independent, above-reproach system of selecting the Auditor-General, the matter should be taken out of the Treasurer's hands, because he has a vested interest in what the Auditor-General does.

**Mr De Lacy:** Are you criticising the Auditor-General?

**Mr SLACK:** The Treasurer should not have introduced this Bill into the Parliament. It should have been introduced by the Premier.

**Mr De Lacy:** I agree with you.

**Mr SLACK:** It should be completely out of the Treasurer's hands. He likes all the control to come back to him. That is why we get a bit suspicious. I do not blame him; I would like that control, too, but there is a responsibility on the Treasurer's office and this Government to do the correct and proper thing. It is irrelevant to talk about what happened under Bjelke-Petersen, although, as I have explained, Queensland did not experience problems similar to those that developed in the other Labor States. However, that is irrelevant. We are now talking post-Fitzgerald—reforms which we supported. We are now talking after the advent of the Public Works Committee and the

Public Accounts Committee, which have special roles. It is not good enough to say that, although the Auditor-General may have a particular role to play, there can also be internal audits within GOEs, which will be corporatised, and all these sorts of things. Internal audits do not mean much at all. In some instances, they do, but in other instances, past experience has shown that they have been quite judiciously swept under the carpet, forgotten about and not brought out into the public arena.

Recently, an AQIS report—a secret report—was tabled. It did not become available to the public until it was tabled. The excuse given for that was that another internal investigation was under way, and that there was no substantial evidence on which to level accusations at the people concerned. By the same token, when those charges were made against those people through the original report tabled in this Parliament, there was no public scrutiny. That is the type of situation we are up against. We need a completely independent, non-political Auditor-General.

**Mr De Lacy:** You are not suggesting that the Auditor-General is a political appointment?

**Mr SLACK:** The Treasurer is deliberately misinterpreting what I am saying. I am saying that the appointee must be seen to be non-political. In the Joh era, Labor members complained about the Executive Council appointing people without the agreement of a body such as the Public Accounts Committee. Under this legislation, the Public Accounts Committee will be consulted, but no agreement is required. It is purely an Executive Council appointment. I would assume, because the Treasurer is consulting with the Public Accounts Committee, that the appointment is made on his recommendation. He will have the ultimate say. The Treasurer is the person who will determine the Auditor-General's salary and the charges that he can impose.

**Mr De Lacy:** Dead wrong. Why don't you read it?

**Mr SLACK:** I have. The Treasurer will have an opportunity to point out where I am wrong.

**Mr De Lacy:** It says that his salary is the same as the Chief Executive's.

**Mr SLACK:** I do not think I said "salary". If I said "salary", I retract that statement. The Treasurer will determine the charges that the Auditor-General can impose on bodies that he investigates. Pressure could be applied to the Auditor-General. Let us face it, we are not all above the quirks of human nature; we all have our strengths and our weaknesses. The longer a Government is in power and the longer the Executive is in power, the greater is the temptation to try to maintain that power. The Executive could be tempted to try to maintain that power. When the Government departs from the EARC recommendations, that is one of the accusations that can be made. I will be interested to hear why the Government has departed from the EARC recommendation, which was made by responsible Government members. I cannot see any reason why the Government would depart from it. As well, I cannot understand why Government members defend that action in this Chamber without advancing a justifiable reason. The decision should be subject to parliamentary control. The Government still has the numbers in the Parliament. I do not know what the big worry is.

**Mr Nunn:** We are not worried.

**Mr SLACK:** The Treasurer has not thought the legislation through. This Bill enables the Government to appoint the Auditor-General for seven years. It could turn out that the Labor Party will not even be in Government in seven years. We will be in Government and will have the ability to use this legislation in the same way in which the Labor Party did. The appointment of the Auditor-General should be a non-political matter. Not only should it be seen to be a non-political appointment; it should also be a non-political appointment. In the eyes of the public, the accountants and everybody else, it should be seen to be above reproach.

**Mr HOLLIS (Redcliffe) (7.49 p.m.):** It is a pleasure to rise to speak to the Audit Legislation Amendment Bill. However, I should not let the remarks of the Deputy Leader

of the Coalition pass without making some comment. Earlier, she spoke about the EARC recommendations and the CPA's requirements of the role of the Auditor-General. That indicates the paucity of the Opposition's policies. They are completely devoid of any policies or ideas and they had to turn to the CPA to be able to oppose this Bill. All Opposition members have ever done in this House for the last three and a half years has been to knock, knock, knock. Even when the Government puts forward legislation which will provide greater independence for the Auditor-General—this Bill is an advancement on the previous legislation—we still get that knock, knock, knock. We never hear from the Opposition any congratulations.

In today's *Redcliffe Herald*, an article appeared about the wonderful election win that the Labor Party had last week in Petrie. One would have thought the Liberal opponent, Alan Sherlock, who is a former member of this place, would have congratulated his opponent. But what did he say? The headline read, "Sherlock blames ALP lies." There was not one word of congratulations for the man who defeated him. Unfortunately, that is the culture of the Opposition in this place. The Leader of the Liberal Party in this Chamber has an abysmal lack of understanding of the actions of the Government. It is no wonder. She leads eight people in this Chamber and none of them know what it is like to be in Government. They only know how to knock, and they keep knocking and knocking. I will commence by dealing with one aspect of the appointment of the Auditor-General. His appointment was a very important one for the State of Queensland.

**Mr Davies:** A very fine appointment.

**Mr HOLLIS:** I agree with the honourable member for Mundingburra. Opposition members have asserted that it was a political appointment. What a lot of rot! I will inform honourable members of the procedure. On becoming Chairman of the Public Accounts Committee, I was also appointed as chairman of the selection panel. That selection panel was not political. It comprised Erik Finger, the Director-General of the Premier's Department; Eric Robson, a former Auditor-General from New South Wales; Professor Ken Wiltshire; and me. The Government did not have the numbers on that committee. An independent committee interviewed the applicants. I took that recommendation to the Public Accounts Committee, which had no objections to the appointment of Mr Barrie Rollason to the position of Auditor-General. I want to place on record my congratulations—something that the members opposite never do—to Mr Barrie Rollason, the new Auditor-General of Queensland.

**Mr SLACK:** I rise to a point of order. The member is misleading the House. We have not cast any aspersions against the Auditor-General, nor have we made any statement that his was a political appointment.

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

**Mr HOLLIS:** Mr Barrie Rollason is now the Auditor-General of Queensland. I will read into *Hansard* some of the achievements of this gentleman. He spent some 41 years in the office of the Auditor-General. He started there on 26 November 1951, and proceeded through a number of positions, in fact, practically every position—clerk on probation, clerk, audit clerk, inspector of accounts, senior inspector of accounts, audit manager, Assistant Auditor-General (Policy and Planning), moving to the position of Deputy Auditor-General and then Acting Auditor-General from 11 February 1992 until his appointment this year. This man has such great experience.

I want to say a few things about him. He is a career public servant in the true sense of the word, with continuous service to the Crown. During this service, he has performed most of the audits falling within the Auditor-General's mandate, including the public accounts of the State as well as conducting a number of investigations of considerable complexity and sensitivity involving fraud and alleged malpractice. He spent some time overseas, and has studied financial administration and audit matters in the offices of the Auditor-General of Canada, and the Comptroller-General of the United States.

Mr Rollason is a man who believes firmly that the audit role and that of the Public Accounts Committee complement each other, and that the Public Accounts Committee completes the loop of accountability in that the work of the committee is to consider audit findings and recommend possible action to eliminate the kind of problems reported by the Auditor-General. Mr Rollason believes that it is then up to the Government to respond to the committee's recommendations on those issues. He has worked closely with EARC and he has acquired a clear understanding of the nature of the reforms proposed for both external and internal audit.

The Opposition has again lost track of the role of the internal audit. It is a responsibility of every department to conduct an internal audit. However, it is the responsibility of management to conduct internal audits so that when the Auditor-General or his representative come to do their audits, at least the groundwork has been carried out. I think that the Opposition has lost track of the objectives of an audit. The objective of an audit is, firstly, to get one's own house in order and, secondly, to allow the Auditor-General to see that it is, in fact, in order.

**Mr Connor:** What about operational audits?

**Mr HOLLIS:** I am talking about internal audits. Mr Rollason has followed closely the course of proposed reforms and their degree of acceptance by the Government for incorporation in the Bill, which is now before the Parliament. The proposed amendments include a widening of the Auditor-General's mandate to encompass audits of performance management systems, audits of all Queensland public sector entities and strengthening of the Auditor-General's independence through the establishment of a new organisation, the Queensland Audit Office, which will be permanently constituted in law by this Bill. His appointment has been welcomed by the Government and by the people in the Audit Office. Today, the member for Caloundra forgot to include in her references to the CPA the full text of its message. The full text of its message was—

**Mr Ardill:** They are selective.

**Mr HOLLIS:** They are very selective. Again, the congratulations are in the press release from which the member quoted. I will read the part that she did not quote. The CPA—

“ . . . welcomed the appointment of Mr Barrie Rollason, a Fellow of the Society of CPAs, to the position.”

It continues—

“CPA Queensland President, Mr Len Scanlan, said Mr Rollason, FCPA was a highly respected and active member of the Society and had been an effective Acting Auditor-General during a difficult period.

‘Mr Rollason's standing as a career auditor was reflected last year when he was appointed Chairman of the International Accountants in Government Convention on the Gold Coast, attended by about 1 000 delegates,’ Mr Scanlan said.”

It is a pity that in her speech the member for Caloundra did not add the congratulations that the CPA had for Mr Rollason's appointment.

**Mrs SHELDON:** I rise to a point of order. The member is deliberately misrepresenting what I said in my speech.

**Mr DEPUTY SPEAKER (Mr Bredhauer):** Order! There is no point of order.

**Mr HOLLIS:** I repeat—there were no congratulations from the Opposition on this very fine appointment at any stage. It is a shame that the people opposite come into the House and adopt such an attitude. Executive Government will no longer have the authority to suspend an Auditor-General except when the Legislative Assembly is out of session. If the Auditor-General is suspended when the Legislative Assembly is out of session, the amendments in the Bill provide that the Legislative Assembly must be notified of the suspension within three sitting days. The suspension automatically lapses

unless the Legislative Assembly moves to suspend or remove the Auditor-General from office.

The Public Accounts Committee must agree by majority, other than a majority of solely Government members, to any parliamentary motion for the Auditor-General's suspension or dismissal. Other amendments ensure the independence of the Audit Office. The Public Sector Management Commission, an agency of the Executive Government, will no longer have the authority to review the Audit Office unless invited to do so by the Auditor-General. The Premier will appoint an independent person to undertake a strategic review of the Audit office at least once every five years. As a check and balance on this process, the amendments allow for the Public Accounts Committee and the Auditor-General to be consulted on the terms of reference and the person appointed to the review. Further, the amendments allow for the Public Accounts Committee to report to the Parliament on the outcome of such a review if it chooses to do so. In due course, it is expected that the new Audit Office will become self-funding through audit charges. It is intended that fees will be set by the Treasurer in consultation with the Auditor-General. In the meantime, the amendments provide that the Treasurer will consult with the Public Accounts Committee in the development of the Queensland Audit Office budget Estimates. This allows for parliamentary input into the financing of the new Queensland Audit Office. This amending legislation also states that the Auditor-General is required to provide a register of his or her pecuniary interests. The information that is required to be provided is the same as is required from members of Parliament, and the list of pecuniary interests is to be presented to the Speaker. What more independence could be possible than to have an Auditor-General who is free from any financial taint?

The Opposition has taken delight in the fact that this Government has not accepted every EARC recommendation. In this case, EARC recommended that the list of pecuniary interests be presented to the Chair of the Public Accounts Committee. If that were to happen, it would be a problem because the Chair of the Public Accounts Committee would be equally obliged to receive from members allegations of non-compliance with registration requirements, and this would potentially involve the Public Accounts Committee in disciplinary proceedings, which would be regarded as an inappropriate role for the committee. This Bill brings about many changes that will improve the role of the Auditor-General. The Bill provides for the independence of the Auditor-General to be maintained; for independence as an element of the appointment process; and expanded powers of the Auditor-General. For example, the Auditor-General's powers and those of authorised auditors to obtain necessary information have been redrafted to provide for additional checks and balances in relation to self-incrimination, and the penalties for refusing to provide information or for the deliberate provision of misleading information have been increased. The amendments also provide for greater independence from the Executive in the selection, suspension or removal from office of the Auditor-General. Further independence of the Auditor-General is assured by the removal of the proposed new Audit Office from review by agents of the Executive. With these provisions in place, the Auditor-General has greater freedom and independence to pursue his or her mandate on behalf of the Parliament.

These recent changes also prescribe important roles for the Public Accounts Committee in ensuring the independence of the Auditor-General. Amendments that were mentioned previously removed the secrecy provisions of the Public Accounts Committee Act and the Financial Administration and Audit Act, thus ensuring greater cooperation between these two arms of parliamentary scrutiny and public sector financial management. That is very important because before the section was removed from the Public Accounts Committee Act and section 69 was removed from the Financial Administration and Audit Act, a report could be tabled in Parliament which contained qualified accounts, but members were not able to find out why the Auditor-General had qualified them. He was not able to tell us; he was not allowed to give us the background to any of the issues that were qualified. By virtue of the amendments presently before the House, members will be allowed to talk to the Auditor-General and seek information

on the reasons why he has qualified the accounts. I am sure that this will lead to greater efficiency for the Parliamentary Committee of Public Accounts.

**Mr Fenlon:** They wouldn't have had that during the Joh era when those people on the opposite side of the House were in Government.

**Mr HOLLIS:** The member for Greenslopes is quite right. Under the previous Government, members of the Public Accounts Committee would not have had that power. Now, members of the Public Accounts Committee have an opportunity to talk to the Auditor-General, thereby saving the time of the committee. If the accounts have been qualified because of a mistake that has since been corrected, it is easier to leave that matter until the next Auditor-General's report instead of persisting and wasting the time of the committee.

The Auditor-General's mandate has been expanded to include all public sector entities. His role now includes all entities such as departments, statutory authorities and local authorities. It is important to remember that in the past members of Parliament were not able to scrutinise the accounts of local authorities, but the position now is that the Auditor-General can present that information in a report to this Parliament, thereby bringing about greater accountability in local government. I do not believe there would be many people in this House who would believe that it is a disadvantage to have the Parliamentary Committee of Public Accounts look into those matters. The Auditor-General's mandate also gives him privacy in terms of reporting to the Parliamentary Committee of Public Accounts. He can talk to members of the committee and the matter can remain private so as not to affect adversely the trading of the entity, departmental body or statutory body on which he is reporting. There are many aspects of this Bill which look not only at the expanded role of the Auditor-General but also at what he can do in performing his role and in conjunction with the Parliamentary Committee of Public Accounts. I believe it is important to have that expanded role.

The Auditor-General has commented previously that he perceives a loop of accountability which links the Auditor-General to the Parliamentary Committee of Public Accounts, and it is very important to maintain cohesion and accountability between those two bodies. In summary, this Bill enhances the ability of the Auditor-General in maintaining the integrity of the Queensland public sector's financial management by providing for greater independence of the Auditor-General; by incorporating independence into the selection process which pertains to the position, to which I referred earlier; the freedom from review by the Executive, which is very important; the provision of Budget Estimates in the short term under review by the PAC to the Treasurer and ultimately full cost recovery, which means that the Audit Office will now be self-funding—something that any sensible person would agree is a great advantage because we do not bear a burden for providing a service but actually get money back for that service, which is all part of good government; the Auditor-General will have a more frequent and broader reporting responsibility to Parliament, with an element of review of public sector entities and previous reports, which means that he can refer to previous reports and report back to the Parliament; a more frequent and broader reporting ability by the Auditor-General to the Parliament will be possible, with an element of review of public sector entities against previous reports, which means that he will be able to look at previous reports and report back to the Parliament until the problems are rectified; he will look at system-based performance auditing, which means he will be able to examine the systems.

It is easy for members of the Opposition to say that the Auditor-General should be carrying out performance auditing, but that costs money and takes a lot of work. The performance levels of any department or statutory body should be monitored by line management to ensure that staff are performing well. If the systems are in place and the job is being carried out properly, surely the Auditor-General will be able to look at those systems and analyse them to decide whether that is the way to go and, if there is a problem, to correct it. By asking the Auditor-General to carry out every single aspect of performance auditing, we are really asking him to count the money. There will be closer

links between the Parliamentary Committee of Public Accounts and the Auditor-General while at the same time—very importantly—maintaining the independence of the two bodies. With those few words, I conclude my speech by congratulating the Auditor-General, Mr Barrie Rollason, on his appointment to that very high position. I wish him every success during his term.

**Hon. V. P. LESTER** (Keppel) (8.08 p.m.): I, too, congratulate Mr Barrie Rollason on his appointment as Auditor-General. I have no doubt that he is a very credible person, and I am sure that I reflect the view of members of the Opposition when I say that we will certainly work with him. I would like to take up a couple of points, and I will do it in a totally non-political fashion. When members hear what I have to say, they will understand what I am talking about. I was very, very taken and did some soul-searching when I heard Mr Campbell indicate that 73 per cent of the costs of members' entitlements are taken up with administration. We need to consider that seriously and try to make the whole business much more efficient because, in the end, our constituents miss out. We appear to be going absolutely mad. A group, whoever it is, seems to be taking to members' entitlements. Almost every week or so, a new rule is made that restricts members in some further way from being able to do their job. Members do not hear about it until they see an amendment to the entitlement book or receive a letter.

I would like commonsense to be exercised in drawing up those entitlements to allow members to do their job in a sensible way. We should be able to maximise the use of our entitlements. Nobody is suggesting that members do anything wrong, or anything like that. However, a number of restrictions are being imposed. That is being done by some faceless people who have no concept of the way in which a member of Parliament does his or her job. Those people do not seem to understand the practicalities of it. They seem to think that they will get marks on the board for chipping off a particular entitlement in some way.

All of that crosschecking that is going on and all of the changing of the rules means that commonsense is going out the door entirely. We in the Parliament seem to be losing our soul. We are not setting the agenda. I would have thought that it would have been the members of Parliament who would say what happens with their entitlements and their capacity to do the job as members of Parliament. However, that does not appear to be happening. Irrespective of our political beliefs, we as members of Parliament must start to put the people first and bring back some commonsense. The MPs are starting to be treated by that faceless group, whoever they are, as nincompoops, or idiots. Perhaps they are right; I do not know. Nevertheless, 23 000 to 25 000 people have chosen to vote for us as their representatives. There are 89 of us in this House and we are virtually the executive of the State. Yet, for goodness' sake, members are being stood on by someone who is making their job particularly difficult.

Things have changed from the way that they used to be years and years ago. Many years ago in the electorates of Peak Downs, Belyando and Barcoo, we had a good old Labor member called Hughie O'Donnell. In those days, members did not have electorate offices. He lived in Brisbane and, about three or four times a year, he would come to the electorate to go to the show or to sit outside my bakery. I would give him a cup of tea or whatever, if necessary.

**Mr McElligott:** And a bun.

**Mr LESTER:** Yes. That did not hurt him. He was all right. He would take a few notes, return to Brisbane, process them and do the job properly. He was always voted in with an increased majority. In those days, there was not such pressure on members of Parliament. Then the pressure started to build up and agitation came for members to have an electorate office and secretary.

**Mr DEPUTY SPEAKER** (Mr Bredhauer): Order! I have allowed the member some latitude. I remind him that we are dealing with an audit Bill. Although he is giving an interesting anecdote, I would like the member to weave the audit legislation into it, if he would not mind.

**Mr LESTER:** I suggest that members' entitlements are very much to do with the audit because, if we do not keep those entitlements right, we are in trouble.

**Mr DEPUTY SPEAKER:** Order! This is not a Bill about members' salaries and entitlements; it is an audit Bill. I have allowed the member quite some latitude, and I ask him to come back to the Bill.

**Mr LESTER:** It amazes me when we find all sorts of public servants using mobile phones here in the Parliament, which members are unable to use. In trying to keep up with all of our requirements, audit-wise and otherwise, members need additional help in their electorate offices. All members of Parliament, irrespective of their party, are saying that to me. As far as the Audit Legislation Amendment Bill is concerned—I audit myself at the end of every day to see whether or not I have done my job as well as I should have. On most occasions, I have not, because members do not have the capacity to do the job as well as they would like to do it. I emphasise that, if it can be arranged as a matter of urgency, members need that \$10,000 or so to get part-time help.

**Mr DEPUTY SPEAKER:** Order! I would like the honourable member to tell me about the Bill before the House. This is the second time. I ask the honourable member now to come back to the Bill before the House.

**Mr LESTER:** The Auditor-General is watching with great interest the behaviour of members of Parliament. It is very, very clear that we obviously need the facilities to do our job properly. Mr Deputy Speaker, in order to try to accede to your concerns and to try to raise the concerns of members of all political parties, I will finish up on this note, if that will help, and if you can bear with me for a moment. Members of Parliament do need that money for additional help to do our job properly. There is a need for mobile phones.

**Ms Spence:** I agree.

**Mr LESTER:** As an example of that, I point out that recently in Rockhampton I had to stop at public telephones in order to make phone calls. Two of the three public telephones were not working. That is the point I am making. I want to point out a matter of concern—and this is relevant to the Bill—that has arisen in recent times. Sometimes, members from the north travel to Brisbane using their own vehicle. Now there is some mad rule that if a plane is going to Brisbane on the same day from the same destination as the member is leaving, the member is not permitted to claim a car allowance, even though it would be less than the cost of the plane fare. That is a ridiculous situation. You, too, Mr Deputy Speaker, would be affected by that.

**Mrs Bird** interjected.

**Mr LESTER:** If the member for Whitsunday has not got enough brains to listen when somebody is trying to do something to help the rest of the members, she is a mug—an absolute mug. There is always somebody who will want to crawl, cringe and carry on when somebody is saying something to try to help the group as a whole. The honourable member has made it very clear to me what she is. Other members in this House tonight have at least given me the courtesy of hearing me out. I am not being vindictive in any shape or form, I am putting forward a case to solve what is a problem for every member in this House—it is the Parliament's problem. Simply, I ask nicely: can we look at these difficulties and see if there is some way that we can get around them? I do not care whether it is a Labor person or not, an effort should be made to give us a bit more so that we can be more efficient and keep the Auditor-General happy.

**Mr CONNOR (Nerang) (8.18 p.m.):** I rise to speak to this extremely important Bill.

**Mr Szczerbanik:** You only need four more.

**Mr CONNOR:** The honourable member should leave his thongs at home. Financial mismanagement has brought down most Labor Governments in most of the other States, especially in Western Australia and Victoria.

**Mr Fenlon:** Give us a leadership update.

**Mr CONNOR:** I do not believe that even the member for Greenslopes wants to see Queensland go down the same path as Victoria or Western Australia.

**Mr Fenlon:** That is why we have this responsible legislation.

**Mr CONNOR:** I congratulate the Treasurer on moving generally in the right direction, but not far enough. I do wonder why he did not go as far as the EARC recommendations said he should go. I want to talk particularly about the accountability of GBEs—Government business enterprises—and the supposed new corporate bodies or bodies corporate—or whatever they are called in the proposed new corporations Bill. Unfortunately, the corporations Bill is not before the House. As I see it, the corporations Bill should have been in place before we dealt with the Audit Legislation Amendment Bill so that we could see how this Bill would impact upon the new corporate bodies, especially when there may be areas in which the corporations Bill exempts these new bodies corporate from the Federal Companies and Securities Code. I will go into that issue in detail later. I think it is important to look at what happened in some of the other States as a result of financial mismanagement, and the importance of the Auditor-General's position in coming to grips with those problems, especially in Victoria, because it was the Auditor-General—

**Mr Palaszczuk:** New South Wales, too.

**Mr CONNOR:** It was in Victoria that the Auditor-General came up with many of the problems—for instance, with Tricontinental. The losses could have been a great deal greater if it had not been for the actions of the Auditor-General. I do not believe that the Labor members would like to squander the financial legacy that was handed down to this Government. I will deal now with the Victorian situation. Clause 3.2 of the Auditor-General's report as at 30 June 1992 states—

“The aggregate cost to the Victorian taxpayer as a result of the financial failures remains substantially unchanged at 30 June 1992 compared with the position of 30 June 1991 and amounts to \$4 billion. Of this amount, approximately 50 per cent is yet to be funded, the majority of which is likely to remain a burden on Victorian taxpayers well into the next century. Table 3A provides a break-up of this cost.”

The table sets out the following information: State Bank, \$756m; Tricontinental, \$2,485m; the Farrow Group—which included the building societies that collapsed—\$540m; the VEDC—the Victorian Economic Development Corporation, \$102m; and the VIC—the Victorian Investment Corporation, \$78m; making a total of \$3,961m—almost \$4 billion. Clause 3.9 of the report states—

“As mentioned previously, the arrangements relating to the sale of the State Bank provided for the retention of Tricontinental by the State. At the date of sale, Tricontinental had a net deficiency of \$1.7 billion.”

I think it is important to realise that it is an Auditor-General's job to make sure that the public is aware of the level of financial management in a State. Obviously, in Victoria, it had reached a level that was unsustainable. It was important that the public was aware of the extent of the problem.

I want to refer to the report of the Western Australia Inc royal commission. I think it is important that the Treasurer take heed of some of the revelations made public by that royal commission. The matters highlighted by the royal commission had been flagged previously by the Auditor-General. The WA Inc matter again illustrates the importance of the role played by an Auditor-General. The section to which I will refer pointed out the relationship between the State Government Insurance Corporation—the SGIC; the Gas Board—the GESB; and the Government.

13.6.1 states—

“It is clear that in the 1987-88 SGIC and GESB were regarded in certain quarters as financial arms of the Government. Mr Edwards put this at its highest. He said SGIC was a creature of Government and was solely under its control, the

responsible Minister having an unfettered power of direction. In his evidence to Mr McCusker, to which he adhered before the Commission, he said both GESB and SGIC, and its predecessor, the Motor Vehicle Insurance Trust

‘ . . . historically have been used by governments from time immemorial for purposes of balance sheet funding and meeting governmental requirements in avoidance of loan council [constraints] . . . ’

Indeed, he said, SGIC had been established in such a way that the objective could be continued. He said the ‘tradition’, as he described it, involved both instrumentalities. He gave examples, including the fact that SGIC had provided liquidity to the Teachers Credit Society in the course of its rescue. In later evidence, he agreed that the tradition was achieved, at least in part, by the appointment of Treasury or similar senior public servants to the boards of the instrumentalities, because they would best understand the wishes and objectives of Government.”

One must question officers of the Treasury or other senior Government officers serving on a number of instrumentalities such as the QIC, the QTC and the board of the Gold Coast Indy Car Grand Prix.

**Mr DEPUTY SPEAKER** (Mr Bredhauer): Order! This is irrelevant to the Bill before the House.

**Mr CONNOR**: Not at all.

**Mr DEPUTY SPEAKER**: I ask the member to return to the Bill before the House.

**Mr CONNOR**: The revelations in Western Australia highlight the important role of the Auditor-General. Mr Lloyd, who was the West Australian Under Treasurer, sat on many similar boards to those on which senior Queensland Treasury officials sit. At paragraph 13.9.3, the WA Inc report further states—

“Mr Lloyd conceded that GESB’s \$5 million investment in Paragon Bills was made for the purpose of assisting Rothwells. He could hardly have denied it. That was clearly not a purpose”——

**Mr De Lacy**: It is irrelevant to this Bill.

**Mr CONNOR**: This is all about accountability. I am not saying that similar scenarios are occurring in Queensland. However, I am saying that senior Treasury officials are members of a number of Government instrumentalities and Government quangos. Those officers are wearing two hats—a practice which was specifically recommended against in the report of the Western Australia Inc Royal Commission. How can such officers be responsible both to the taxpayers of Queensland and to the Government of the day? That concern has been highlighted by a number of people to whom the corporations Bill has been distributed in an issue of *Business Queensland*, to which I will refer in a moment. The Treasurer should carefully consider that issue. Paragraph 13.9.3 continued—

“He could hardly have denied it. That was clearly not a purpose which fell within GESB’s objectives. We do not think it necessary to consider whether that alone rendered the investment improper. Even if it did not, the fact is that the funds were utilised urgently in the purchase of Paragon bills without proper advice in an extremely uncertain financial climate to assist an ailing merchant bank”——

that is, Rothwells—

“which was associated with Paragon. In our view, those factors rendered the transaction sufficiently imprudent for it to be regarded as improper.

The \$30m SGIC assistance.

On 23 October 1987, SGIC effectively loaned \$30 million to L R Connell & Partners, so as to provide funds which could be used to assist Rothwells.”

If the Auditor-General did not have an unfettered power to dig around, matters such as those investigated by the WA Inc Royal Commission would not have been resolved. Western Australia would have lost much more money than it did.

Before this legislation was debated, the corporations Bill should have been available. I want to quote from the edition of *Business Queensland* for the week commencing 1 February 1993. It contained an article which relates directly to financial accountability in Queensland. That article stated—

“Selected government, industry and union groups have until the end of this week to comment on the draft legislation.”

The draft corporations Bill has been distributed to business, to industry and to the unions, but the Opposition has not seen it. That is quite unacceptable. The comments of those who have seen the draft Bill were reported in that edition of *Business Queensland*. It stated—

“Sources say industry leaders also are concerned that to be answerable to both the Corporations Law and government ministers may raise a conflict of interest.”

That reminds one of the Western Australian situation, in which people who were answerable to both the taxpayer and to a responsible Minister were serving on the boards of bodies corporate and companies.

The next section of the article is very important. It refers to a possible gap in the Auditor-General's responsibilities and accountability in terms of the new models proposed in the corporations Bill. The article stated—

“The proposed legislation outlines two types of corporation structures for government-owned corporations—bodies corporate and companies.

Strict controls are proposed for the management and operation of those agencies which become government-owned corporations.

Those controls are derived mainly from the Corporations Law which forms the basis for Treasury's more advanced model of government-owned corporation—the company.

The more advanced model involves a statutory corporation becoming a public company limited by shares which, some sources say, is one step from selling the assets or shares.”

I suggest that the more advanced model would most likely come under the scrutiny of the Companies and Securities Code, and the accountability that goes with it. However, in regard to the less developed model, under the State corporations law, will it be exempted from the Companies and Securities Code requirements? If that is so, the audit legislation is basically the only scrutiny which it will come under, plus anything that is contained in the corporations legislation. There is then a limit on operational audits, performance audits and internal audits.

**Mr De Lacy:** They are all subject to the Auditor-General under this legislation and they cannot be exempted unless Parliament exempts them.

**Mr CONNOR:** Yes. However, I have said that there are certain corporations or entities—which have been flagged before—that under this legislation would not have the level of scrutiny that they would have under the Companies and Securities Code.

**Mr De Lacy** interjected.

**Mr CONNOR:** We do not know because we have not seen the corporations legislation.

**Mr De Lacy:** The most wide-ranging scrutiny of Government enterprises and Government companies of any jurisdiction in Australia, maybe the Western World.

**Mrs Sheldon:** See what comes out of the corporations Bill.

**Mr CONNOR:** That is exactly what I am getting at. We have not seen the corporations Bill.

**Mr De Lacy:** The corporations Bill can't override this one.

**Mr CONNOR:** The corporations legislation should have at least been tabled so that we could compare the two. At the moment, we are in the dark about how that will affect—

**Mr De Lacy:** This is what we are talking about.

**Mr CONNOR:** I know that. To determine properly how far this legislation goes in regard to accountability, we really need to see the corporations Bill.

**Mr De Lacy:** No, you don't.

**Mr CONNOR:** The Treasurer has seen the Bill. He has distributed it already to his union mates and certain industry groups. However, we have not seen it. We should at least have some idea of its accountability. What does the Treasurer have to hide?

**Mr De Lacy:** It is not relevant to this.

**Mr CONNOR:** It is relevant.

**Mr De Lacy:** When it comes before Parliament, you can discuss it then.

**Mr CONNOR:** That is the scrutiny that those corporations will come under.

**Mr De Lacy:** And it is comprehensive.

**Mr CONNOR:** I agree that it is comprehensive up to a point. However, it is limited. It does not comply fully with EARC's recommendations. It may go a fair way, but it does not go as far as EARC recommended it should.

**Mr De Lacy:** It complies absolutely.

**Mr CONNOR:** It does not. What about the appointment of the Auditor-General? What about internal audits?

**Mr De Lacy:** It applies to Government corporations.

**Mr CONNOR:** What about internal audits?

**Mr De Lacy:** It applies absolutely.

**Mr CONNOR:** No, it does not. The Minister can say, "No".

**Mr De Lacy:** The Minister cannot say, "No"; this Parliament has to say, "No".

**Mr Stoneman:** The Act says he can.

**Mr CONNOR:** The Act says that he can. The Treasurer is reading a Bill that is different from the one that I am reading. I will move on to the recommendations from the WA Inc royal commission, which were delivered in late 1992. It is one of the most up-to-date recommendations in Australia. Recommendation 16 (b) states—

"A public servant should not be appointed to the board of a statutory authority or State-owned company while retaining a position in the Public Service in a department within any portfolio of the minister responsible for that body."

These remarks are from the latest major royal commission into accountability in Australia. It is saying that having the Under Treasurer and other senior public servants as members of Government Treasury bodies such as the QIC, QIDC and the QTTC is totally against the interests of the taxpayers of Queensland. The royal commission also flagged that issue as being the main reason why WA Inc occurred and why the taxpayers of Western

Australia lost billions of dollars in Rothwells. Mr Lloyd, who was the Under Treasurer in Western Australia, was a member of the same types of boards as some of Queensland's Treasury officials are. According to the WA Inc royal commission findings, those boards were used as an arm of the Government and, in turn, were used to invest, without public scrutiny, in Rothwells and associated bodies to the tune of hundreds of millions of dollars in an effort to make the rescue of the bank successful. However, the rescue was not successful, and the Western Australia taxpayers lost hundreds of millions of dollars. The same incident occurred in Victoria with the VDC and other associated bodies. As I said before, this legislation does not comply with EARC's recommendations. It does not go far enough, and it is most crucial that it does. It is probably the most important legislation to be introduced into this House over the past three and a half years.

**An honourable member** interjected.

**Mr CONNOR:** It is very dry, but it is certainly the most important. Until the legislation comes up to the level of scrutiny that those departments require, and until the Treasurer ensures that senior board members of Government-owned enterprises, or GOEs as he terms them, are completely unfettered and do not owe allegiance to more than one group—and preferably that group should be Queensland's taxpayers—that level of accountability that should exist will not exist.

**Hon. K. E. De LACY** (Cairns—Treasurer) (8.37 p.m.), in reply: I thank all members for their contributions to this debate and their support generally, especially those members on this side of the House. As one member said, this is very important legislation. I am pleased to be carrying it through the House. Because one member referred to a particular matter, I point out that he is right; this is the Premier's legislation. I am just the road builder, not the engineer. I swing the shovel. I shall make a couple of important points, and I believe that the other points will be taken up at the Committee stage. There seems to be an impression that either the Executive Government or the public servants somehow want to be able to protect an inefficient operation. That is certainly not my approach. It is certainly not the Government's approach, and I doubt whether it is the approach of many public servants in this State. We are all about the same thing, that is, efficiency.

**Mr Stoneman:** What about a bit of accountability?

**Mr De LACY:** And accountability. I will get to that in a minute. The other impression that members of the Opposition were trying to create was that somehow this legislation was not really increasing accountability in Queensland. Let me go back to EARC.

**Mr Stoneman:** We did not say that.

**Mr De LACY:** The honourable member might not have said that, but he used a lot of words trying to imply it. EARC made the most comprehensive set of recommendations and undertook the most comprehensive review of audit legislation probably ever carried out in this country. The parliamentary EARC committee then reviewed EARC's recommendations in a comprehensive way, endorsed most of those recommendations and made a few modifications. Cabinet then reviewed all that. We have now drawn up a Bill based on it. There were something like 200 recommendations, the great majority of which were accepted.

**Mr Connor** interjected.

**Mr De LACY:** I will come to that. The honourable member usually does not take interjections from me, but he wants me to waste my time answering his. I will answer his

questions. There were a couple of issues on which we did not accept the recommendations. At the end of the day, Parliament will make the decision. Parliament is making the decision tonight. We are the appropriate body to make the decision. EARC does not make the decision, nor does the parliamentary EARC committee. Parliament makes the decision. That is what we will be doing tonight. But we need to get the right balance between accountability on the one hand and effective and efficient Government on the other hand. Members opposite talked about accountability on the one hand, and on the other hand they said how inefficient things were.

Mr Campbell made a very good speech about the way in which we sometimes get bogged down in accountability processes. Nobody knows that better than I do. I have spent all my adult life trying to find ways of making the public sector more efficient. It is true that, over the past 20, 30 or 40 years, as a Government and as a Parliament we have continued to impose and layer upon the public sector a whole range of conditions and requirements. We have arrived at the stage at which it is true that the public service has a lot of trouble doing what it is supposed to be doing, that is, delivering services to the public. Most members would probably agree with me, yet they stand in this place and say, "We want the Auditor-General to be involved in performance audits within departments." Members opposite spoke about the disaster in Victoria. The Auditor-General in Victoria can do and does performance audits within departments. But has that solved Victoria's problem? No, it has not. We can keep applying more layers, accountabilities, controls and what have you; but unless they will lead to more effective Government, what is the point? I refer now to a book to which I often make reference. Some people call it my bible. It talks about making the public sector more efficient.

**Mr Connor:** What is the book called?

**Mr De LACY:** It is called *Reinventing Government*. It states—

"... in solving one set of problems it created another."

This refers to Governments in the United States. It states further—

"In making it difficult to steal the public's money, we made it virtually impossible to manage the public's money."

It goes on to make the point that I am trying to make, that is, we must get the right balance between accountability, effectiveness and efficiency. That is what it is about. That is the decision that the Parliament must make tonight.

A number of members on the Opposition side of the House said that there is too much power for the Executive in a whole range of ways. The first thing they spoke about was the appointment of the Auditor-General—how the Executive is controlling the appointment of the Auditor-General because we have not accepted the original EARC recommendations of an address to the Governor from the Premier. The proposal laid down for appointing the Auditor-General takes the matter out of the hands of the Executive Government. We must consult with the Public Accounts Committee. This was explained in great detail—

**Mr Veivers:** Consult?

**Mr De LACY:** I shall come back to that. I ask the member to allow me to explain this. We must consult with the Public Accounts Committee on the process for selecting the Auditor-General, and then consult again during the selection process. We have just gone through the selection process. Not only did we consult on the process, but also, in agreement with the Public Accounts Committee, a selection committee, which was chaired by the Chairman of the Public Accounts Committee, was appointed.

**Mrs McCauley:** That's a worry.

**Mr De LACY:** How can we make it fairer? It was chaired by the Chairman of the Public Accounts Committee. It comprised a former Auditor-General from New South Wales, one person external to the public sector, and the Director-General of the Premier's Department. They made the selection and they got the right person. How could we be fairer and have less Executive interference with the selection of the Auditor-General than that? It is absolute nonsense that honourable members opposite have been carrying on with tonight to suggest that the Executive will be selecting the Auditor-General.

**Opposition members** interjected.

**Mr DEPUTY SPEAKER** (Mr Bredhauer): Order! Honourable members had their chance to speak in the debate. I ask them to give the Treasurer a go.

**Mr De LACY:** The other thing that Opposition members did was to imply time and time again that the Executive will be determining the salary.

**Mr Stoneman** interjected.

**Mr DEPUTY SPEAKER:** Order! The honourable member for Burdekin will cease interjecting.

**Mr De LACY:** It is clear in the legislation that the salary is the same as that of the Chief Executive Officer of Government departments. There can be no arbitrary interference by the Executive. Another thing that Opposition members said was that the Executive, the Treasurer or somebody else can direct the Auditor-General. The Executive cannot direct the Auditor-General. The Executive cannot exempt any authorities from auditing by the Auditor-General. The member for Nerang went on and on about what happened in Western Australia. Under this legislation, the Auditor-General is responsible for auditing not only Government departments but all Government-owned enterprises, all Government companies, all Government instrumentalities.

**Mr Veivers:** If you let them.

**Mr De LACY:** No. It is not if we let them. Under the legislation, the Auditor-General is responsible for it. As in all legislation, there is a routine provision for exemption. I will explain how to go about that exemption.

**Mr Connor:** By regulation.

**Mr De LACY:** Yes, by regulation. However, if we wanted to exempt the Auditor-General from auditing Suncorp, firstly, we would have a requirement to consult with the Auditor-General and, secondly, we would have to go to the Governor in Council to get a regulation.

**Mrs Sheldon:** Which is yourself.

**Mr De LACY:** Yes, but we would have to get a regulation, which has to be tabled in Parliament and is subject to the normal disallowance motion. So, ultimately, Parliament has the say. As well, if the Auditor-General disagrees, he or she can report to Parliament about the disagreement before Parliament determines a disallowance or otherwise. If there is anywhere in the Western World where there are more controls over Executive interference in the Auditor-General than that, I invite Opposition members to tell me where it is. It is nowhere in the Western World. Opposition members have been carrying on with absolute nonsense tonight.

**Mr Stoneman** interjected.

**Mr De LACY:** Yes, absolute nonsense. I will keep saying it as many times as the honourable member wants me to.

**Mr Stoneman:** So Tom Sherman is nonsense?

**Mr De LACY:** The honourable member, of all people—he should have known better—came forward with all that unmitigated nonsense. The fourth thing that was raised by Opposition members related to the Budget—that the Executive has control over the Budget simply because we did not accept that there needs to be a separate appropriation. What utter nonsense! The Auditor-General's budget is determined by Parliament. It has to be part of the normal Estimates which are determined by this Parliament. Once they have been voted on and determined by this Parliament, there is no way that the Executive can do anything at all.

**Mr Veivers:** You would put it up or knock it down.

**Mr De LACY:** But somebody has to put it up, and Parliament determines it.

**Mr Veivers** interjected.

**Mr De LACY:** Who else would determine it? A separate appropriation would make no difference. Mr Stoneman said, "You have got the numbers, so what are you worrying about?" We are not worrying about anything; we just want a sensible system that works.

**Mr Stoneman:** But it's the scrutiny of the appropriation that we want.

**Mr De LACY:** It provides all the scrutiny in the world. The Estimates are introduced into this Parliament and they are debated in this Parliament. Unlike the former Government, this Government debates all its Estimates. In the three Budgets that I have delivered, all the Estimates have been debated. Yet in the six years prior to that, we probably got through about a dozen Estimates. The whole thrust of what Opposition members have said today is based on a falsity. They are trying to believe something. They are trying to kid themselves that they are right, that somehow the Government is introducing something that is giving the Executive control. That is absolutely wrong. I advise Opposition members to read the legislation and my second-reading speech.

In conclusion, I will say a couple of words about why we did not accept the EARC recommendation on performance auditing. We did not accept that because the experience in other jurisdictions is that it has not worked. What happens is that the Auditor-General's Department, which would be twice the size that it is now, would take forever to do performance audits and, 12 or 18 months after the event, the Auditor-General would table in Parliament what he sees as being some inefficiency—long after the inefficiency has been corrected. It is an inefficient way of going about it. I might say that the recommendation was made without a full understanding of the requirements for efficiency audits which currently exist under the Public Finance Standards in Queensland.

**Mr Connor:** In Victoria they sold off all their rolling stock and then they bought it back. They covered up billions.

**Mr De LACY:** Exactly.

**Mr Connor:** They covered it up.

**Mr De LACY:** I take the honourable member's interjection. In that State, the Auditor-General has the power to conduct external performance audits of the public

sector. So it never solved the problem. We have a requirement in this State for internal performance audits. We have now given the Auditor-General a role of auditing the systems, of deciding, determining and reporting to Parliament on whether the systems for performance auditing are adequate. I might say that it is much better than what exists in most other jurisdictions.

**Mrs Sheldon:** It doesn't go far enough.

**Mr De LACY:** It may not go far enough for the Leader of the Liberal Party who is wanting to make mischief. But we could go too far by putting all these layers on the public sector and trying to create a public sector which does not work at all. Let me say in conclusion that the Goss Government is committed to accountability and efficiency. This legislation achieves the right balance between the two.

Question—That the Bill be now read a second time—put; and the House divided—

AYES, 46		NOES, 32	
Ardill	McElligott	Beanland	Slack
Barton	Milliner	Borbidge	Stephan
Beattie	Nunn	Connor	Stoneman
Bennett	Nuttall	Davidson	Turner
Bird	Palaszczuk	Elliott	Veivers
Braddy	Pearce	FitzGerald	Watson
Briskey	Power	Gamin	
Budd	Purcell	Goss J. N.	
Campbell	Robertson	Healy	
Clark	Robson	Hobbs	
D'Arcy	Rose	Horan	
Davies	Smith	Johnson	
De Lacy	Spence	Lester	
Dollin	Sullivan J. H.	Lingard	
Edmond	Sullivan T. B.	Littleproud	
Elder	Szczerbanik	McCauley	
Fenlon	Vaughan	Mitchell	
Foley	Welford	Perrett	
Gibbs	Wells	Quinn	
Goss W. K.	Woodgate	Randell	
Hamill		Rowell	
Hayward	<i>Tellers:</i>	Santoro	<i>Tellers:</i>
Hollis	Pitt	Sheldon	Springborg
Mackenroth	Livingstone	Simpson	Laming

Resolved in the affirmative.

**Mr DEPUTY SPEAKER:** Order! I remind honourable members that for all future divisions of this Bill, the bells will be rung for two minutes.

### Committee

Hon. K. E. De Lacy (Cairns—Treasurer) in charge of the Bill.

**Mr FITZGERALD:** I rise to a point of order. Madam Temporary Chairman, Mr Deputy Speaker made a ruling relating to bells being rung for two minutes during the Committee stage. I understood that the Committee looks after itself. Therefore, I would appreciate it if you would make the ruling during the Committee stage that, for future divisions, the bells will be rung for two minutes—just as a matter of protocol.

**The TEMPORARY CHAIRMAN** (Ms Power): Order! During the Committee stage, for all divisions, the bells will be rung for two minutes.

Clauses 1 to 3, as read, agreed to.

Clause 4—

**Mr De LACY** (9.02 p.m.): I move the following amendment—

"At page 8, after line 19—

*insert* the following subclause—

'(1A) Section 5(1) (definitions "Annual Appropriation Act", "appropriation", "Appropriation Act", "Approved Estimates", "Estimates in Chief", "special services", "subdivision", "supply services" and "vote")—

*omit*.'

This clause removes from the FA and A Act definitions of items affected by the amendment. It removes "Approved Estimates" and "Estimates in Chief" completely from the Act and removes "Annual Appropriation Act", "appropriation", "Appropriation Act", "special services", "subdivision", "supply services" and "vote", so that they can be redefined in my third amendment. I will take a second to point out what we are endeavouring to achieve by these amendments. Their purpose is to change the FA and A Act so that each year the Budget can be debated as an Appropriation Bill. In fact, although it was a truncated debate, that is what we did in the most recent Budget debate. Nevertheless, it provided a better model and a more modern model for debating the Budget.

I think honourable members understand the process whereby we introduce legislation and debate the Bill at the second reading stage and then go into Committee. In future, the Estimates will be appended to the Appropriation Bill as clauses and we will subsequently go into Committee and debate the Estimates as clauses of the Appropriation Bill. I am sure that all members support those modifications. They are much easier to understand than is the archaic process or procedure which we followed in the past, which we inherited from the—

**Mr Stoneman:** Oh, yes—it's our fault!

**Mr De LACY:** No. I was going to say "which we inherited from eighteenth century England"—although there is probably some similarity. We are modernising the process for debating the Budget, in line with most Parliaments in Australia.

Amendment agreed to.

**Mr De LACY:** I move the following further amendment—

"At page 10, line 6—

*omit* 'and', *insert* 'or'."

Amendment agreed to.

**Mr De LACY:** I move the following further amendment—

"At page 11, after line 17—

*insert* the following subclause—

'(2A) Section 5(1)—

*insert*—

"Annual Appropriation Act" means an Act that—

- (a) authorises amounts to be issued from the public accounts and applied for services in a financial year; and
- (b) specifies the services for which the amounts may be issued and applied;

"appropriation" means—

- (a) an amount appropriated by an Appropriation Act for supply services; or
- (b) an amount (whether specified or unspecified) appropriated by another Act for special services;

"Appropriation Act" means an Act that authorises amounts to be issued from the public accounts and applied for services in a financial year;

“special services” means services for which an amount is or may be issued from the public accounts and applied under an Act other than an Appropriation Act;

“subdivision” means a separate subhead or classification of expenditure within a vote as specified in an Annual Appropriation Act;

“supply services” means services specified in an Annual Appropriation Act, and includes purposes for which the Treasurer, under this Act, allocates amounts appropriated under an Appropriation Act other than an Annual Appropriation Act pending the enactment of an Annual Appropriation Act;

“vote” means an amount appropriated by, and specified in, an Annual Appropriation Act for expenditure on supply services .’.’”

Amendment agreed to.

Clause 4, as amended, agreed to.

Clause 5, as read, agreed to.

Insertion of new clauses—

**Mr De LACY** (9.06 p.m.): I move the following amendment—

“At page 12, after line 12—

*insert* the following clauses—

‘Replacement of s.21 (Estimates in Chief)

‘5A. Section 21—

*omit, insert—*

‘Annual Appropriation Act

‘21.(1) For each financial year, the Treasurer is to present to the Legislative Assembly a Bill for an Annual Appropriation Act.

‘(2) The Bill is to indicate the proposed expenditure under the headings of proposed votes, subdivisions and subdivisional items.

‘(3) At the time of presenting the Bill, the Treasurer must lay before the Legislative Assembly estimates of receipts relating to the proposed expenditure.’.

‘Omission of s.22 (Approved Estimates)

‘5B. Section 22—

*omit.*

‘Amendment of s.25 (Unforeseen expenditure)

‘5C. Section 25—

*omit* ‘of the Approved Estimates’,

*insert* ‘of the Annual Appropriation Act’.’.”

This amendment amends clause 5 and omits from the Financial Administration and Audit Act the provisions for Estimates in Chief. I think it is quite clear, and it really achieves the objectives that we have been talking about. If further explanation is required, I can provide it.

**Mrs SHELDON:** I move the following amendment to the amendment moved by the Treasurer—

“New clause 5A—

*omit, insert—*

‘Replacement of s. 21 (Estimates in Chief)

‘5A. Section 21—

*omit, insert—*

‘Annual Appropriation Acts

'21.(1) For each financial year, the Treasurer is to present to the Legislative Assembly—

- (a) a Bill for an Annual Appropriation Act relating solely to the Auditor-General and the Audit Office; and
- (b) a Bill for an Annual Appropriation Act for other services.

'(2) A Bill for an Annual Appropriation Act is to indicate the proposed expenditure under the headings of proposed votes, subdivisions and subdivision items.

'(3) At the time of presenting a Bill for an Annual Appropriation Act, the Treasurer must lay before the Legislative Assembly estimates of receipts relating to the proposed expenditure.'."

The amendment to clause 5, which the Treasurer is introducing, does not recognise the need for a separate process required for the Queensland Audit Office Estimates. EARC specifically recommends that the Estimates for the Queensland Audit Office are to be included in a separate Appropriation Bill. The independence and annual capacity of the Auditor-General will reside with the level of funding of his office. As such, it is necessary that this appropriation be considered and debated under its own Bill and not, as the Treasurer would have it, blended into an annual Government Appropriation Bill for the whole of Government. The funding of the Queensland Audit Office must be debated separately. EARC is clear on this. Our amendment to the Treasurer's amendment to clause 5 seeks to do just that. Our amendment is supportive of further amendments which we will introduce in clause 18, and those amendments are a result of the same EARC recommendation on annual budget determination for the Queensland Audit Office.

**Mr De LACY:** The Government does not accept the amendment from the Opposition.

**An Opposition member:** Why?

**Mr De LACY:** Because the Government sees no benefit at all in having a separate Appropriation Bill. As I said, the budget for the Auditor-General will be decided by Parliament; it will not be decided by the Executive. It seems to me to be a clumsy, messy and time-consuming method of arriving at a budget for the Auditor-General with no benefit in terms of accountability and in terms of reducing Executive control, which seems to be occupying the thoughts of members opposite tonight. It is proposed that consultation must take place with both the Auditor-General and the Public Accounts Committee and that the Estimates for the Auditor-General be included with the general Estimates and debated and approved, subject to amendment, by Parliament.

**Mr STONEMAN:** I was amazed at the comments made by the Treasurer on the proposal which was one of the fundamental recommendations of the Electoral and Administrative Review Commission under Commissioner Sherman and which was endorsed unanimously by the parliamentary committee. The Treasurer made the point earlier that he took into consideration the recommendations of both the commission and the parliamentary committee. However, the Bill makes a mainstream of the operation of the Auditor-General's Office. As such, it is the key appropriation, the key way in which public moneys are brought into the focus of the people of this State via the Parliament. For the Treasurer to say that the process is clumsy, messy and time consuming is really to say that we do not have time to properly and appropriately go through the process of scrutinising the auditing in this State, the operation of the Auditor-General, and the way

in which the Auditor-General is to be funded throughout the year for the operations of his office and his department. It is incredible that the Treasurer says that the Parliament would be, in effect, wasting time by going through that process. Why do we not then have one Bill for the whole of the State? We could have the Queensland Bill for all the laws and regulations. Why do we bother separating Estimates?

**Mr De Lacy:** Is that how you used to do it?

**Mr STONEMAN:** I take the interjection. It is interesting that the Treasurer suggests that everything that was done in the past should be revisited upon the Opposition forever. Every now and then, when the Opposition brings to mind the operations of Labor Governments in other States, the Treasurer says that it has nothing to do with Queensland and that Queensland is a different deal. The same argument holds for the Opposition in this State. Why can we not insist on standards that are better than those that operated in the past? Why should we not constantly finetune? Why is it unreasonable for the Opposition to ask that we improve and endorse what Commissioner Sherman and the parliamentary committee endorsed? Why should the Opposition not do that?

Why does the Treasurer have the hide and the audacity to say that the proposal of the Opposition is clumsy, messy and time consuming? The Treasurer is saying to the people of Queensland that the Parliament does not have time to fiddle around considering the processes that make accountable the expenditure of their money. The Treasurer says that the process is messy, clumsy and time consuming. The Treasurer is therefore saying that the Government is too busy to be scrutinised. That is appalling. I suggest that we need some sort of a response from the Treasurer in the form of a declaration and an apology to those people whom the Treasurer has put down by saying that the Parliament will not fiddle around and consider the way in which their money is used throughout the year. In the Estimates debate, many, many aspects of expenditure in the departments must be considered. This year, the Estimates debate was truncated and bunched up into a couple of afternoons. Although one might technically say that the Parliament debated the Estimates, the best that I could suggest is that we passed through the Estimates.

It is simply not good enough for the office of the person who is most responsible for maintaining credibility of financial management in this State. I suggest that the Treasurer very seriously consider retracting not only the words "messy, clumsy and time consuming" but also his amendment to the clause.

**The TEMPORARY CHAIRMAN:** (Ms Power): Order! The question is——

**Mr STONEMAN:** I place on record that the Treasurer, under those terms, is not prepared to debate the fact that he does not believe that the accounting of the expenditure of public moneys in this State is worth while debating. The Treasurer is quite prepared to call the process messy, clumsy and time consuming. The record of the Parliament should show that the Treasurer was not prepared to either retract those ridiculous statements or go back on the fact that he believes that the auditing processes should be bunched in with all the other matters that members must debate and scrutinise in this place as responsible members of Parliament, regardless of the fact that he is trying to visit upon Opposition members what he might see as the misdeeds of the past. The Opposition could go back over all the dreadful things that may have been done by previous Labor Governments not only in this State but also in other States. I know that I have said it before, and I will say it again and again. Unless someone says it in the Parliament, this Government will continue to treat with arrogance the processes of

accountability about which it spoke so much before coming to power and which it now deems to be clumsy, messy and time consuming.

Question—That the amendment to Mr De Lacy's amendment be agreed to—put; and the Committee divided—

AYES, 32		NOES, 47	
Beanland	Stephan	Ardill	Milliner
Borbidge	Stoneman	Barton	Nunn
Connor	Turner	Beattie	Nuttall
Davidson	Veivers	Bennett	Palaszczuk
Elliott	Watson	Bird	Pearce
FitzGerald		Braddy	Power
Gamin		Briskey	Purcell
Goss J. N.		Budd	Pyke
Healy		Campbell	Robertson
Hobbs		Clark	Robson
Horan		D'Arcy	Rose
Johnson		Davies	Smith
Lester		De Lacy	Spence
Lingard		Dollin	Sullivan J. H.
Littleproud		Edmond	Sullivan T. B.
McCauley		Elder	Szczerbanik
Mitchell		Fenlon	Vaughan
Perrett		Foley	Welford
Quinn		Gibbs	Wells
Randell		Goss W. K.	Woodgate
Rowell		Hamill	
Santoro		Hayward	
Sheldon	<i>Tellers:</i>	Hollis	<i>Tellers:</i>
Simpson	Springborg	Mackenroth	Pitt
Slack	Laming	McElligott	Livingstone

Resolved in the negative.

Amendment (Mr De Lacy) agreed to.

Clause 5, as amended, agreed to.

Clauses 6 to 17, as read, agreed to.

Clause 18—

**Mrs SHELDON** (9.21 p.m.): I move the following amendments—

“*Amendment 2.* Clause 18—

At page 18, lines 13 to 23—

*omit* proposed section 50, insert—

‘Appointment of Auditor-General

‘50.(1) An Auditor-General is to be appointed by the Governor in Council on an address by the Legislative Assembly.

‘(2) The motion for the address is only to be moved by the Premier.

‘(3) The Premier is not to move the motion unless—

- (a) press advertisements have been placed nationally calling for applications for suitably qualified persons to be considered for the appointment; and
- (b) the Premier has consulted with the Parliamentary Committee regarding the process of selection for the appointment; and
- (c) agreement to the appointment of the person concerned has been obtained from all of the members of that committee, or from a majority (other than a majority consisting wholly of members of the political party or parties in Government in the Assembly).’.

*Amendment 3. Clause 18—*

At page 19, lines 5 to 8—

*omit* proposed section 52(2), *insert—*

'(2) The Auditor-General is to be paid a salary at a rate determined from time to time by the Governor in Council.

'(2A) The Auditor-General is entitled to such allowances (if any), and holds office on such other terms and conditions not provided for by this Act, as are determined from time to time by the Governor in Council.

'(2B) Advice to the Governor in Council regarding the salary, allowances and other terms and conditions is only to be given after consultation with the Parliamentary Committee.'

*Amendment 4. Clause 18—*

At page 20, after line 17—

*insert—*

'(2A) Subsection (2) applies for all purposes, including for the purpose of any reappointment or re-employment of the person in the Public Service on ceasing to be Auditor-General.'

*Amendment 5. Clause 18—*

At page 25, lines 10 to 15—

*omit* proposed section 68, *insert—*

'Estimates

'68.(1) The Auditor-General is to prepare, for each financial year, estimates of proposed expenditure during that year relating to the Audit Office, with a view to having funds for the proposed expenditure authorised by an Appropriation Act

'(2) The Auditor-General is to give the estimates to the Parliamentary Committee.

'(3) The committee must—

- (a) give a copy of the estimates to the Treasurer; and
- (b) consider the estimates and any comments made in relation to them by the Treasurer; and
- (c) give the Treasurer its recommendations in relation to the estimates.'

*Amendment 6. Clause 18—*

At page 25, lines 20 to 21—

*omit* proposed section 69(2), *insert—*

'(2) Advice to the Governor in Council regarding the appointment is only to be given after consultation with the Parliamentary Committee.

'(2A) The person is to be paid such fee for the audits as is determined by the Treasurer after consultation with the Parliamentary Committee.'

*Amendment 7. Clause 18—*

At page 28, after line 26—

*insert—*

'(4) A regulation made for the purposes of this section expires 1 year from the day on which it is notified in the Gazette.'

*Amendment 8. Clause 18—*

At page 31, after line 3—

*insert—*

'Performance audits

'80A.(1) The Auditor-General may undertake a performance audit, in accordance with subsection (2), of any public sector entity other than the Audit Office.

'(2) The performance audit is to be an audit of all or any of the activities of the public sector entity to determine whether it is carrying out those activities effectively, economically and efficiently and in compliance with all applicable laws.'

With reference to clause 18 and our amendments, we have addressed the provisions provided for in section 50 and we have serious concerns about the Government's intentions in the future. We have considered the sections contained in the EARC Report on Review of Public Sector Auditing in Queensland pertaining to the appointment of the Auditor-General and we have to question whether the Treasurer has a hidden agenda or whether he has seriously considered the recommendations contained in the EARC report.

I refer to the EARC report on the appointment of the Auditor-General and refer specifically to paragraphs 7.8 and 7.9, which state—

“. . . the Auditor-General's fundamental relationship with Parliament and the need to ensure independence from the Executive, required that Parliament should have greater involvement in the selection and appointment of the Auditor-General. It recommended that nominations for all future vacancies in the office of Auditor-General be forwarded to the Governor-General only after consultation with a Parliamentary Advisory Panel. This Panel should comprise the Chairperson of the proposed parliamentary Audit Committee, the Minister for Finance and one other person nominated by the Leader of the Opposition.

The NSW Public Accounts Committee in its subsequent report on the NSW Audit Office . . . also supported the principle of parliamentary involvement in the appointment of an Auditor-General but considered that:

'For Parliament to play its proper role requires more than to simply provide for input into the Executive's decision or allow for "consultation". The Committee considers that Parliament and not the Executive should make the recommendation to the Governor for the appointment of the Auditor-General. This is the practice in Ontario whereby a parliamentary committee recommends an appointment and then the matter is open to address in the House.'

The report has been unequivocal in defining what the legislation must achieve. The appointment of an Auditor-General is one of the most important appointments in Government, one which is never to be undertaken along any party line, irrespective of which party is in power at the time. The appointment of the Auditor-General is the starting point for the independence of the Government's audit process. We will not allow this Bill to pass through the Assembly without highlighting the Treasurer's attempt to fetter the role of the Auditor-General.

The EARC report also states clearly in its recommendations that the Auditor-General should have the power to determine the number, remuneration and employment conditions of the Auditor-General's staff. This recommendation has been made for a very good reason. The report recognised that, if it is to attract the right personnel, the Auditor-General has to compete on the same commercial footing and to match private sector salaries. There is no more important position within the Queensland Audit Office than the Auditor-General itself. The single greatest impediment to the attraction of the right person to the position of Auditor-General is the constraints contained in the Bill's

terms of employment. Those terms are restrictive, inflexible and would be regarded by many prospective candidates for the position as completely untenable in the commercial world. Are we to assume that the Government will not be seeking to attract applicants from the best talent in the marketplace, but rather will be preferring to draw from the public sector ranks? That is the way that the legislation reads. Are we to assume that the Goss Government is not serious about getting the best person for the job?

The legislation must provide for flexibility in the determination of the remuneration and allowance package which the Government can offer in order to attract the right person to the job. At present, the Bill ties the Auditor-General's remuneration and allowance package to the Public Service Management and Employment Act. This approach is neither flexible nor competitive and it will serve to discourage many potential applicants from applying. The coalition's approach to this issue is to recommend to the committee that the determination of any remuneration and allowance package should reside with the Governor in Council. In addition, to ensure that the remuneration and allowance package encourages and does not discourage the best potential applicants to apply, the coalition recommends that the Governor in Council consult with the Parliamentary Counsel to ensure that any package is commercially competitive and is acceptable to the parliamentary committee.

To pursue this point further, the coalition has serious concerns about the independence of the Auditor-General being compromised by the threat that the Auditor-General will be prevented from further employment in the Queensland public sector. That approach is discriminatory, unnecessary and is against the recommendations of EARC. As such, the coalition has included a provision which recognises the EARC recommendations on this point. For proper independence, the Auditor-General's annual appropriation should be approved by the parliamentary committee and not by the Treasurer, whose department is a major auditee. As one might expect, the Bill provides for exactly the opposite scenario. That is not what EARC expected would happen to the provision in the Bill relating to those Estimates. The Bill provides for only a token involvement by the parliamentary committee in the determination of the annual budget. Instead, the Treasurer has ensured that he is the keeper of the keys.

I wish to refer to the EARC recommendations, which on this topic are quite explicit. EARC's recommendations include that the legislation should require the annual Estimates of the office to be forwarded by the Auditor-General to the Public Accounts Committee. That committee would be required to consider the Estimates and, in doing so, to take account of any view conveyed by the Treasurer. The committee would then forward the Estimates, together with its recommendations, to the Treasurer for formal inclusion in a separate Appropriation Bill. When I read those recommendations and I then read proposed new section 68 in the Bill, I began to wonder whether this is a slick manipulation of words by the Treasurer or whether this is a drafting blunder. The Treasurer has used words similar to those contained in the recommendations, with one major exception. Mr De Lacy has switched the roles of the Treasurer and the parliamentary committee. The resulting benefits flowing to the Treasurer and away from an accountable Government are extreme. I put forward an amendment which removes that slick manipulation by the Treasurer and replaces it with provisions which represent the true intent of the EARC recommendations.

The independence of an auditor in his conduct of an audit of the Queensland Audit Office is a basic tenet. That was pointed out by many of the submissions to EARC, yet we see no attempt to provide a legislative framework to ensure that it is achieved. The provisions are simply silent in that regard. To make matters worse, the Treasurer—a major Government auditee—sets the fees without any requirement for him to seek any independent advice from anyone. That is really a farce. The Treasurer is making a mockery of his Government's review committee. Is this legislation to go the way of so many other pieces of legislation that the Government has successfully fettered? The Treasurer is aware of the problems that are associated with the independence of internal audits. The coalition is concerned that pressure could be brought to bear on any future auditor under the proposed Government legislation, where fees are stipulated by the

Treasurer, where the selection of an auditor is conducted without recognition of independence and where the auditor is ultimately responsible to the auditee—the Treasurer.

The coalition proposes this amendment because it is a basic tenet. The audit of the auditor must be independent and must be seen to be independent. Since the Financial Administration and Audit Act was overhauled in 1985 by the National Party Government, only two exemptions of public sector entities from audit have been granted by the Auditor-General. Those were granted in relation to parents and citizens associations and the former Public Accountants Registration Board. The exemption of p. and c. associations was granted because the nature of their operations did not lend themselves to the type of audit undertaken by the Auditor-General, with its emphasis on internal control checks, and because it was thought to be too costly for the Auditor-General to audit all 1 300 associations. The exemption for the Public Accountants Registration Board was made to avoid conflict of interest, as the Auditor-General was the statutory chairman of this board. Those were the only two organisations which constituted a precedent for an exemption from audit. There is no other precedent and, I may add, there is no likelihood that there would be any other precedent for another public sector entity to qualify for exemption.

The EARC recommendations provide for open scrutiny by the Legislative Assembly. However, the Bill does not provide for the review of this scrutiny exercise when such an exemption is granted. We do not believe that the EARC recommendations were to be interpreted in the way in which the Treasurer has so construed them. No provision is made in the Bill for any further review at any time in the future for such exempted public statutory entities. That is wrong. Times bring about change and entities evolve. Some rise to prominence, and some may be used by the Government as a source of manipulation. Given that the precedent relates only to p. and c. associations, if the Government attempts to interfere or manipulate any public entity within the gambit of approximately 1 100 other statutory entities, we will introduce an amendment which will deal with that in an appropriate manner.

We propose to amend the provision by introducing a sunset clause in the regulations which provides for their exemption. If precedence is to be created, then it should be done before the Legislative Assembly, and on an annual basis. For example, if the p. and c. associations are to be brought before the Parliament each year, and such precedence is and has been established, then the Opposition would have no concerns about approving such an annual exemption. However, if the Government is deliberately providing an environment surrounding an entity which can be manipulated either by the Treasurer or by other forces, then this should be checked each and every year. It is obvious why the Opposition puts forward this amendment, and it is obscure why the Treasurer has not provided such basic checks and balances as are necessary for good and accountable government.

**Mr Mackenroth:** Can you explain to us what you're talking about?

**Mrs SHELDON:** Yes. If the Leader of the House has the time, I am quite happy to do so. In fact, that is what I am doing. Why does the honourable member not listen?

**Mr Mackenroth:** It's very boring.

**Mrs SHELDON:** It is not a madly imaginative piece of legislation.

**Mr Mackenroth:** Put down the script and explain it to us off the cuff.

**Mrs SHELDON:** I will run it my way; the honourable member can run it his way. This is an important amendment. If the Leader of the House listened, he may become aware of what I am speaking about.

**Government members** interjected.

**Mrs SHELDON:** I will debate this further at a later time.

**Mr STONEMAN:** I wish to follow on from a couple of points that were made by the Deputy Leader of the Coalition. Clause 50(2) of the legislation states—

“A person may be appointed as the Auditor-General only if . . .”

It then refers to press advertisements, and continues—

“ (b) the Minister has consulted with the Parliamentary Committee about—

(i) the process of selection for appointment.”

That relates to the advertising for the appointment and has nothing to do with the detail of the recommendations made by Commissioner Sherman and the parliamentary committee. The clause states further—

“(ii) the appointment of the person as the Auditor-General.”

Again, that part of the clause pays lip-service to the consultation process. I am sure the Minister will say that the legislation provides for consultation, then he will go on radio and say that this is the consultative process. When this clause is compared with the recommendations made by Commissioner Sherman, it is farcical.

The Treasurer said that the payment of remuneration and allowances would not be influenced by Executive Government. Basically, I believe that that is the situation. However, I make the point that that comes under the terms of the Public Service Management and Employment Act. Executive Council must endorse any changes or amendments. There must be an Executive Council minute changing those structures, approving the salary and the payment to the Auditor-General. The law of the land says that the Executive Council must have a say, because it is tied to the Public Service Management and Employment Act. They are married together and cannot be separated.

I make the further point that even under the coalition's proposed amendments, at the end of the day, the Executive Council must endorse those changes by Executive minute. I would be interested to hear what the Treasurer has to say about those points. Clause 74 is titled—

“Exemption of certain public sector entities from audit by Auditor-General”.

Why is that clause required? The clause states—

“(1) A regulation may—

(a) exempt a public sector entity from audit by the Auditor-General”.

Consequently, although it is subject to disallowance, by passing a piece of paper around the Cabinet table and then tabling the document in this place—after it is debated and given the vote by the members of the Government, which is the way the process works—the Auditor-General's processes are effectively controlled. The Bill states further—

“If the Legislative Assembly, by resolution, requests the Auditor-General to conduct an audit of a matter relating to the financial administration of a public sector entity, the Auditor-General must conduct the audit.”

Again, that is a farce, because it would not override an earlier decision to exempt a public sector entity. The anomalies that seem to have arisen and the variance of this clause from the intent of the legislation that was proposed by Commissioner Sherman are quite amazing. I will be interested to hear the Treasurer's comments on how he rationalises that, in the public arena, this is fair, open, accountable and honest in every sense of the word.

**Mr CONNOR:** In speaking to this clause, in particular I refer to a report of the Parliamentary Committee for Electoral and Administrative Review on public sector auditing. Clause 3.1.2 of that report states—

“The general thrust of EARC's recommendations is”—

and I believe that this needs to be put on record. Under “External Audit” the report states—

“To enable the Auditor-General to conduct performance audits to determine whether public sector agencies are carrying out their activities effectively,

economically, efficiently and in compliance with all applicable laws (paragraph 5.168).”

It states further—

“To strengthen the independence of the Auditor-General by requiring his or her appointment to be made on an address of the Legislative Assembly with the approval of a majority (of not just government party members) of the Public Accounts Committee, and by establishing an independent statutory office of Auditor-General to head an independent statutory authority, the *Queensland Audit Office* . . .”

And further, in relation to “Internal Audit”, the report states—

“To require all public sector organisations to appoint an internal auditor and to report annually on the operation of their internal audit function . . .”

And further—

“To require internal auditors to report to the relevant accountable officer or chairperson, and to ensure where practicable that the internal audit function is not combined with the operational (audits).”

Clause 3.1.3 of the report states—

“The Committee has considered EARC’s recommendations in the light of the available evidence. In general, the Committee is satisfied that EARC’s recommendations are appropriate . . .”

This Parliament elected Messrs Foley, Stoneman, FitzGerald, Quinn, Welford, Dr Clark and Ms Robson. The Treasurer is now taking a vote of no confidence in some of his own people. According to what I have just read out, the committee recommended the implementation of Sherman’s report. Firstly, how does the Treasurer justify this, when his own people have recommended that? Secondly, I would be very interested to hear what the Government members of that committee have to say about this, when their own Government has basically taken a vote of no confidence in their own judgment.

**Mr De LACY:** The Government does not accept the amendments as proposed by the Opposition. I believe that the issues were canvassed fairly well during the debate on the second reading of the Bill. The main issue of contention now is whether or not the Auditor-General should be involved in the performance auditing of departments and Government instrumentalities. We have considered that. There are a couple of points to make in relation to this. Firstly, it is a requirement for all agencies of the Government to carry out their own performance audits, and those audits must be made available to Parliament. Secondly, I do not believe that either EARC or the EARC Parliamentary Committee was aware of the extent to which we require that in Queensland, and the fact that Queensland leads Australia in requiring internal performance audits.

**Mr Santoro** interjected.

**The TEMPORARY CHAIRMAN** (Ms Power): Order! The member for Clayfield will cease interjecting.

**Mr De LACY:** The other point that we considered in this regard was the record of the Auditor-General’s performance audits in other States. This has been characterised by notable failure. As I said, we are adding another layer of bureaucracy to the bureaucracy—no benefit to the taxpayer, no benefit in terms of efficiency and no benefit in terms of accountability. It is one of those feel-good changes that I guess Oppositions feel that they have to advocate. But the Government believes that it has the right balance between accountability and efficiency.

One other issue was raised by members, and I think that a couple more issues were to be raised, but were not. One issue related to whether or not members of the Audit Office ought to be members of the public service. That is one of the Opposition’s amendments. The recommendation was that they should be separated from the public service. We did not accept that recommendation because we believed that it would be

detrimental to the career prospects of people involved in the Audit Office, which is a relatively small institution. We believe that it would truncate the career paths of public servants or members of the Audit Office. There are many other ways of ensuring the independence of the Audit Office than by separating it from the public service.

I believe that, on a number of occasions during the debate, I answered comprehensively the other issues raised. I conclude by saying that these amendments to the Financial Administration and Audit Act establish the absolute independence of the Audit Office. To imply that somehow there is something in this legislation that increases Executive influence or control over the Auditor-General or the Audit Office is just quite wrong and quite misguided. I guess that the Opposition is entering into that kind of debate simply because it sounds good and it feels that it is its responsibility. The fact is that we are making comprehensive changes. We will have the most independent and far-reaching Audit Office and Auditor-General in the whole of Australia, and that is the way it ought to be.

**Mr STONEMAN:** I would like to take up a further point with the Treasurer. When he talks about the changes being far-reaching and the Auditor-General being independent and all those soft and warm words, I turn to the proposed amendment which provides in one area that the appropriate Minister must give the Auditor-General any information about the matter that the Auditor-General requires. How is the Auditor-General to know whether or not his office has been given all the information required if the shutters are pulled down and the office of the Auditor-General is not able to go into the department or the public entity about which the questions are being raised? How is the public to know that the full scrutiny has been undertaken? How is the public to be assured that a Minister is not in fact trying to hide something? He would be acting in good faith on the advice of his department and would have to take the departmental advice. The departmental officer would say to the Minister, "There is nothing to worry about, Minister. We have all the facts and figures here." The Minister would then say to the Auditor-General, "We have given you all the information." I ask the Treasurer: how is the public, through the office of the Auditor-General, able to be assured that all the information that has been sought, and that should be sought in the public interest, is going to be able to be truly said to have been made available unless the Auditor-General can go in without being fettered by the shutters that the Treasurer is building into this Act quite contrary to the advice and recommendations of both the parliamentary committee and the commission?

**Mrs SHELDON:** I cannot agree with the Treasurer's comments on the performance audit. The Queensland Audit Office should be provided with legislative support to allow it to develop a performance audit program.

**Mr Mackenroth:** Did you find the page?

**Mrs SHELDON:** Well, the Leader of the House lost his a few times today. The objective of its performance audit program is to report upon and make recommendations to improve the economy, efficiency and effectiveness of the administration of all Queensland public sector entities.

**A Government member** interjected.

**Mrs SHELDON:** The honourable member does not know what we are talking about, let alone give us a go.

**Mr Ardill:** Nor do you.

**Mrs SHELDON:** Was that Mr Bottlebrush himself? The Treasurer's Bill is silent on the matter to which I was referring prior to the interjections. The matter is too important to pass over or to leave untouched, as the Treasurer has. The benefits from such a process are very positive and are borne out by Michael Sharp's report, which addressed these issues within the framework of the Australian National Audit Office. In his report, he stated—

“Provided sufficient resources are allocated for such activities, potential savings identified from performance audits indicate that the benefits clearly exceed the costs. A review of the potential savings identified from performance audits indicates that the benefits clearly exceed the costs.”

He further recommends an expansion and continuation of these efficiency audits in accordance with their management plan.

The Treasurer has not simply overlooked this process; he has deliberately passed over the recommendations of EARC and many other reports which clearly show that, if the reform of Government is to be truly pursued, such processes should be introduced. Our amendment seeks to provide an avenue which allows this process to be developed and pursued. The benefits must be clear to the Treasurer. The process is not new. His Government is not the pioneer of reform, yet he passes over these recommendations without any reference or adherence to cost-benefit analysis or even just plain logic. There are no equivalent provisions in the legislation. We have had advice to that effect; it is obvious. There can be no clearer direction for the opportunity to implement a framework for reform. We have put forward our amendment because it is mandatory for reform and good government. If the Treasurer was interested in reform and good government, he would accept our amendment.

**Mr CONNOR:** I rise to speak also on performance audits. It is important to look very closely at what performance audits include. They include compliance with all applicable laws, as referred to in paragraph 5.168 of the report. It is important also to remember that the CJC does not have the authority to check on official misconduct in a number of Government instrumentalities. That leaves a gap in the accountability of a number of different instrumentalities, one of which is the Corrective Services Commission. The audit does not include an investigation of official misconduct. When the proposal was made by the PCJC for that power of scrutiny to be given to the CJC, it was rejected. It was never implemented. Here again, we have a situation in which, coming at it from the other direction through the Audit Office, the auditors could look at compliance with applicable laws, including official misconduct, but they are not able to. So we have a big gap in the accountability of Queensland's instrumentalities. That is probably one of the most important questions that the Treasurer needs to answer. Why has he specifically allowed this sort of situation to occur?

**Mr De Lacy:** You don't listen when I answer you, that's the trouble.

**Mr CONNOR:** I am all ears. The Treasurer can tell me now. Why is that gap right down through the middle of the accountability?

**Mr STONEMAN:** I am amazed that, again, the Treasurer will not address the concerns that have been raised by members of the Opposition. I will quote a passage from the EARC report. It is interesting because this is an excerpt from a submission made by a person who is known to this Assembly. In fact, he has recently been the subject of scrutiny himself. I refer to Mr Ken Hayward, MLA. He was then the Chairman of the Public Accounts Committee. In his reference to the submission, he said in part—

“. . . the Auditor-General's report often includes assurances that matters of concern to him will be fixed. Those assurances are given by the various departments or people that he has been engaged in the audit process with. As Committee Chairman, it has been increasingly obvious to me that many of these matters are not being resolved, despite repeated assurances being given to the Auditor-General . . .”

That raises the very point that we are talking about. Mr Hayward went on to say—

“This is a frustratingly serious breakdown in the accountability process in this State. It's either the result of bureaucratic arrogance or simply incompetence on behalf of the departments and such people involved. The fact that many of the issues referred to by the Auditor-General, the fact that many of these issues are not raised in the public domain—”

I repeat—

“ . . . the fact that many of these issues are not raised in the public domain . . . ”

This Bill will not make that any more so. Mr Hayward went on to say—

“ . . . I believe very sincerely is a reflection of the parliamentary opposition, and I don't just mean the current opposition, I mean previous oppositions in Queensland . . . ”

I ask the Treasurer why he cannot respond to the question that I asked earlier. How is the Auditor-General going to be assured that the departments have truly advised their Minister and that the Minister, in good faith, no doubt then says to the Auditor-General, “Have you got all the information you asked for”? If there is, as Mr Hayward said, an arrogance and a refusal to cooperate down the line, how on earth is that going to be accommodated?

I believe that this is an extremely serious problem. It reaches to the very core of the processes that are involved in the flow of information. It was raised by the Government's own Chairman of the Public Accounts Committee, and it was highlighted at length by Mr Sherman's commission and recognised by the parliamentary committee. I believe that it is incumbent upon the Treasurer to address that problem or to acknowledge it or to explain to the Parliament how those assurances and that scrutiny are able to be truly undertaken by the Auditor-General.

Question—That the words proposed to be omitted stand part of the clause; put—and the Committee divided—

AYES, 47		NOES, 32	
Ardill	McElligott	Beanland	Stephan
Barton	Milliner	Borbidge	Stoneman
Beattie	Nunn	Connor	Turner
Bennett	Nuttall	Davidson	Veivers
Bird	Palaszczuk	Elliott	Watson
Braddy	Pearce	FitzGerald	
Bredhauer	Purcell	Gamin	
Briskey	Pyke	Goss J. N.	
Budd	Robertson	Healy	
Campbell	Robson	Hobbs	
Clark	Rose	Horan	
D'Arcy	Smith	Johnson	
Davies	Spence	Lester	
De Lacy	Sullivan J. H.	Lingard	
Dollin	Sullivan T. B.	Littleproud	
Edmond	Szczerbanik	McCauley	
Elder	Vaughan	Mitchell	
Fenlon	Welford	Perrett	
Foley	Wells	Quinn	
Gibbs	Woodgate	Randell	
Goss W. K.		Rowell	
Hamill		Santoro	
Hayward	<i>Tellers:</i>	Sheldon	<i>Tellers:</i>
Hollis	Pitt	Simpson	Laming
Mackenroth	Livingstone	Slack	Springborg

Resolved in the affirmative.

Clause 18, as read, agreed to.

Clauses 19 to 30 and Schedules 1 and 2, as read, agreed to.

Bill reported, with amendments.

### Third Reading

Bill, on motion of Mr De Lacy, by leave, read a third time.

**PAPER**

The order of the House for the printing of the National Crime Authority report, tabled earlier in the day, was rescinded.

**LOTTO AMENDMENT BILL****Second Reading**

Debate resumed from 27 November 1992 (see p. 1253).

**Mrs SHELDON** (Caloundra—Leader of the Liberal Party) (10.03 p.m.): The coalition does not intend to oppose this Bill which provides for the Golden Casket Art Union Office to join with other States to conduct Gold Lotto. We also recognise that the other amendments in the Bill refer to legal requirements of on-line computerised processing of entry coupons. Today, in relation to this Bill, I want to debate the manipulation of art union moneys by Treasury. It is evident in the 1991-92 annual report for the Golden Casket Art Union Office that the—

**Mr DEPUTY SPEAKER** (Mr Palaszczuk): Order! Will honourable members who are leaving the Chamber do so as quickly as possible? It is very difficult to hear the Deputy Leader of the Coalition.

**Mrs SHELDON:** Thank you, Mr Deputy Speaker. As I was saying, it is evident that the Golden Casket Art Union Office had paid to Treasury some \$10.36m more than it had earned for the financial period. Over the last three years, Treasury has received payments of \$21m more than it had earned over the last three years. These payments were syphoned out of working capital and capital used to finance the acquisition of assets. The effect is to place the Golden Casket Art Union Office under financial strain, leaving it in an exposed position. For example, the liquidity ratios for the Golden Casket Art Union Office have fallen from 0.91 per cent to 0.51 per cent. I note that the liquidity ratios for most going concerns are usually around 1 per cent. This also means that some 1992 winners were being paid out of fiscal earnings for 1993. It is obvious that the Goss Labor Government is drawing on all sources to meet its excessive expenditure. It is obvious that the art union cash cow is being milked for everything it is worth. As I said, the coalition will not oppose the Bill, but we do oppose the Treasurer's behaviour.

**Mr D'ARCY** (Woodridge) (10.05 p.m.): I rise to support this Bill. As most honourable members would know, I take a close interest in gambling revenue derived by the State and in streamlining the processes. This Bill contains measures that I have always proposed. I am pleased that the States are finally getting together so that the streamlining of revenue-raising will be possible. Of course, this means that there will be greater efficiency in the collection of revenue from gambling. Lotto has been introduced without opposition from any political party. It is not identified with any gambling group and, as it is a numbers game, it is similar to bingo. It is played throughout Australia, and the combined pools which will operate as Oz Lotto are very important for the game itself and for the Treasury collection process. This move will result in bigger pools of revenue and, because of that, greater participation. It is a fairer game than most; it is not played in hotels or in places where poker machines can be found, and it is a fairly important game that is played from points of sale that can be recognised.

In this technological age, the Government should be looking into increasing the points of sale for this game. Poker machines are now a fact of life in this State, so I will not go into that. The simple fact of life is that if the Government wants to implement an efficient system of collecting gambling revenue throughout the State—one that is properly accepted—the presently limited points of sale should be expanded. In the past, I have expressed this view to the Government and the Treasurer and have said that it is absolutely imperative that the game be extended into large collection centres. If Australia follows the American system which has bigger and more interesting pools, it will be possible to draw money not just from within this country but also from overseas.

Recently in the United States, one of the combined Lottos—I think it was in southern America—reached \$100m. An Australian syndicate won that Lotto. The fact of life is that those people were taxed. The money went into the Government's coffers. As pools build, that will happen. The Government will achieve an efficiency of collection of tax revenue.

**Mr Borbidge:** Were you in that syndicate?

**Mr D'ARCY:** No, I was not in that syndicate. That is a fact of life. I know that the Racing and Betting Amendment Bill is to be debated this week, but the Government cannot afford to take a dog in the manger approach to any revenue collection. That applies equally to the TAB. I have been a staunch advocate of a national pool. It would wipe out many of the inequities that occur. The Bill is doing that. It is a very sane, sensible Bill for Australia, which enables Queensland to become a participant in the National Lotto Bloc. Queensland has only 3 million of the 17 million people in Australia. The State of Florida in the United States has a larger population than that. For the efficiency and streamlining of gambling revenue, this is the way to go. I hope that the efficiency continues in other areas.

**Hon. V. P. LESTER (Keppel)** (10.10 p.m.) I want to make a couple of brief comments. A number of representations have been made to me from people who have won a larger than usual prize. No too many people do that, but on the odd occasion somebody wins a substantial amount of money. It takes quite a while for people who live in the country to be paid. Sometimes it takes up to three months. I would be deeply grateful if the authorities would consider that problem. People in Brisbane and in Townsville can be paid quickly. The position is the same with Scratch-its. A real problem seems to arise in paying people in a hurry. All sorts of difficulties are experienced with the system. One person who came to see me had to send his Scratch-it card to Brisbane. I want to know what would have happened if the ticket had been lost in the mail. Obviously, one would have to go to the bank and have it sighted. Nobody is having me on. It is a fact of life. Honourable members who live in the city do not understand some of the problems that occur in the country.

**A Government member:** Didn't you say Rocky's a city?

**Mr LESTER:** We do not have the facilities there that people in Brisbane or Townsville have.

**A Government member:** I think you're putting Rocky down a bit.

**Mr LESTER:** The honourable member ought to grow up. I am only trying to point out that people in country areas who win a substantial prize must wait longer to be paid than should reasonably be expected. I would like that issue to be addressed. I have some difficulty in coming to grips with the present system of casket tickets. We had a better system in the olden days when one could give a person a casket ticket if that person did one a good turn, both names could be put on the ticket and, if the ticket won, there was never any dispute about it. I know that the Minister will say that people should use Lotto cards, but the present ticket system needs some investigation. It is late in the night. The authorities have heard what I had to say. I would be grateful if the Minister could fix the problem.

**Mr DAVIES (Mundingburra)** (10.13 p.m.): I would like to speak to the Lotto Amendment Bill 1992 to record my thanks to the Golden Casket for extending the facility to pay major prizes at the Townsville office. The Townsville office was established on 1 July 1991. The service has created a lot of goodwill—considerable goodwill—and has made it more convenient for Queenslanders to receive their major prize payouts. I would like to go on record as saying that we in Townsville appreciate the fact that that regional facility has been located in Townsville. It is not only for the benefit of people in Townsville but also for the benefit of the people of that region. It is appropriate for the Government to control gambling. It is not appropriate to put gambling out to private enterprise, apart from the existing facilities relating to

bookmakers oncourse. I do not think that we in Australia will ever get away from bookmakers oncourse. They are part of the culture of Australia.

**Mr Pearce:** We need them.

**Mr DAVIES:** We definitely do need them, as the member for Fitzroy so correctly says. The growth of Gold Lotto in Queensland needs recognition. From just over \$100m in 1988, the turnover of Gold Lotto increased to approximately \$300m in 1992. Before concluding my remarks, I would like to say a couple of other things. Gold Lotto, as part of the Golden Casket Art Union Office, continues to be the highest revenue earner. In 1992, its sales were \$298.7m. That is approximately a 12.3 per cent increase over the previous year. Of that figure, the Saturday game contributed sales of \$198m; the Wednesday game contributed \$90.1m; and the Super 66 contributed \$10.5m. In terms of the prize winners—Gold Lotto increased from \$82.3m in 1987-88 to \$179.2m in 1991-92. During the year, there were 117 Division 1 Gold Lotto winners, with a value attaching to that in Division 1 winnings of \$59m out of the total prize pool. Some of the other interesting statistics which I think need to be recognised are that in 1991-92, due to Division 1 wins in Gold Lotto, 12 Queenslanders became millionaires compared to 11 the previous year.

It is obvious that the turnover for the Golden Casket has been going down for a long time, and certain changes in terms of the distribution of the net income from that were announced by the Treasurer during the year. In 1990-91, the Golden Casket had a turnover of \$20.7m, and in the most recent year that is down to about \$16.2m. In contrast, as I said before, Gold Lotto goes from strength to strength. It is also worth acknowledging that these amendments, which will introduce the game of lotto called Oz Lotto, will continue that positive trend for Gold Lotto in Queensland. In the initial stages, the Golden Casket Art Union Office, under this amending legislation, will bring in Victoria, through the Tattersalls Sweep Consultation, South Australia and Western Australia to conduct that game. It is anticipated that, in the near future, New South Wales will also join the other States to form a National Lotto Bloc. They are about the only comments that I would like to make other than to say that I support the Bill.

**Hon. K. E. De LACY** (Cairns—Treasurer) (10.17 p.m.), in reply: I thank honourable members for both their contributions to the debate and their support for this Bill. It is a relatively simple piece of legislation, providing the wherewithal for Queensland to amalgamate with other States to be able to conduct a national lotto. The Leader of the Liberal Party made some reference to a run-down in reserves. Again, members opposite are boxing at shadows. Let me assure the Leader of the Liberal Party that there is no raiding of reserves or unnecessary raiding of reserves. If she is really interested in it, I can write her a letter. I think the reason why there appears to be a run-down is that we allowed reserves to build up during 1991-92 and perhaps the year before because we required funds in the Golden Casket and Art Union Office to develop the terminal technology. Now that that project is nearing completion, there was no need to leave the reserves there. I do not know what members of the Opposition would have us do with some of these funds when they build up to an amount that is much greater than what is needed. It just seems as though it is a sin to take the surplus reserves back to Government and use them for delivering services.

I do not understand the mentality of members of the Opposition. Day after day, they allege that we are raiding reserves, raiding hollow logs or what have you. They must be getting very hollow by now considering the number of years we have been allegedly raiding them. All the Opposition needs to worry about is whether there are sufficient reserves there to meet the needs, and there are. Since I have been Treasurer, there has been no occasion on which we have taken money from funds over and above what we are prudentially required to keep in the fund. I guess the Leader of the Liberal Party will keep saying it; it makes her feel good. She has never scored a point because she has never been right yet.

**Mrs Sheldon:** You've got the numbers; that's why.

**Mr De LACY:** No, we have the numbers in the funds. We always leave as much money in the funds as is necessary. But I make no apology for taking surplus funds back to Government.

**Mr Borbidge:** You determine what is surplus.

**Mr De LACY:** Yes. If it is necessary, we get an independent actuarial assessment. Who else has to meet the shortfall? Us! So we decide what is surplus. What is wrong with that? It seems perfectly logical and sensible, yet the Leader of the Liberal Party seems to go into these paroxysms.

**Mrs Sheldon:** Paroxysms?

**Mr De LACY:** Yes, paroxysms—apoplectic fits, if you like—when we take back surplus reserves to Budget. We will continue to do it. I cannot see anything wrong with it. But I will give the Leader of the Liberal Party a little bit of excitement. The member for Keppel—

**Mr Beanland:** Tell us about your new taxes.

**Mr De LACY:** What new taxes is the honourable member talking about?

**Mr Beanland:** The new taxes you put on the Electricity Commission—borrowing charges.

**Mr De LACY:** What about the new taxes that the honourable member's mates in New South Wales introduced? Have a look at our taxes and charges compared with those in New South Wales and Victoria. Have a look at them!

**Mr DEPUTY SPEAKER** (Mr Palaszczuk): Order! Could we please return to the Bill?

**Mr T. B. Sullivan** interjected.

**Mr De LACY:** That is right. Fancy the members opposite talking about taxes when they have been out there flogging the GST for a month! We know what the public thinks of the Liberals' tax policies. The member for Keppel raised a couple of issues, and they were fairly specific. I undertake to examine those and write to him. However, when he was endeavouring to make the point that the Gold Lotto office looks after the city better than it looks after the country, I thought he could have been generous enough to admit that we do have the best Statewide network for State lotto operations anywhere in the world. It is on-line. All of the far-flung points of Queensland—which has one of the most widely dispersed populations in the world—are on-line, and the service is instant. That is the case not just for Brisbane, not just for Townsville, not just for the Gold Coast and Cairns but for all of this State's country areas. The technology and the systems that have been developed by the Golden Casket and Art Union Office are so sophisticated and so state-of-the-art that a demand for them is developing right around the world. We as a Government will need to make a decision about whether or not we market them right around the world, because there is definitely a market for them. All I am considering now is whether or not that is an appropriate activity for Government. However, it seems to me that an opportunity exists for the Government to reap a very high dividend on the investment that it has made in recent years in the development of that technology and those systems.

Motion agreed to.

### Committee

Clauses 1 to 9 and Schedule, as read, agreed to.

Bill reported, without amendment.

**Third Reading**

Bill, on motion of Mr De Lacy, by leave, read a third time.

**ADJOURNMENT**

**Hon. K. E. De LACY** (Cairns—Treasurer) (10.24 p.m.): I move—

“That the House do now adjourn.”

**Queensland Rail Tender AT 0565**

**Mr J. N. GOSS** (Aspley) (10.25 p.m.): I wish to raise my concerns about Queensland Rail tender AT 0565. That tender, which was for a 300-tonne press brake, was awarded to Brevtex for a Swedish machine at an all-up cost of almost \$300,000. That was despite Australian companies which are well respected both in Australian and overseas markets submitting tenders in the vicinity of \$140,000. I refer to Imperial Machinery and MBK Machinery. It appears that the successful tenderer, Brevtex, knew exactly what Queensland Rail was looking for, even though it was not spelt out in the contract specifications. I believe that Brevtex has received additional information to that provided to other tenderers. Queensland Rail desired a cambering device. Even though that was not included in the specifications, Brevtex included it in its tender.

Imperial Machinery, one of the Australian tenderers, has constructed for the Australian National Railways a 300-tonne press which is similar to that required by Queensland Rail. The work of that company in that regard was acknowledged in the State Government's *Industry* magazine. It has built presses also for the RAAF for use on its F-111s and F-18s. Queensland Rail claims that the press is not accurate enough. It was accurate enough for the Australian National Railways and for the RAAF's fighters and bombers, but it is allegedly not accurate enough for a Queensland Rail railway carriage. Representatives of the Australian National Railways have stated that the Imperial press has functioned very satisfactorily and that its performance has been excellent. The Federal Government supplied a grant of \$90,000 towards a \$300,000 upgrading of the controller, the computer and the program to assist with the export market of those machines. However, that was ignored by the Queensland Rail tendering process. The PB-4 controller is a state-of-the-art unit and it has no equal in its price range. It has been well received overseas.

While the Australian National Railways machine was being calibrated at Imperial's Strathpine factory, Queensland Rail staff visited the Imperial plant and asked to see the machine in operation. At no time did QR staff inform Imperial staff that it was a test to be considered in relation to the tender. Railway staff were advised that the machine was not set up or calibrated to do the bend that they had requested. A scrap piece of steel was used to demonstrate a rough operation. BHP information was also supplied to the railway staff, but that also was ignored. That was a sneaky and dishonest visit to the Imperial factory to attempt to disqualify the Australian company. The report of the QR representatives stated that the press did not reach 300 tonnes. That was incorrect. The press did reach 300 tonnes. The representatives of Queensland Rail stated also that the safety standard set out in QR's document AS 1219 of 1988 was not complied with. That specification was an out-of-date standard. The current specification, AS 4024, was complied with. If Queensland Rail wants an out-of-date safety device on the machine, it can certainly be provided. It is clear that Queensland Rail staff are out of touch with the high-tech equipment that has been developed in Australia, but they are not out of touch with Swedish equipment. Obviously, the people who wrote the specification and who made the recommendation have either not done their job properly or they are just being smart and cunning. The report to the Minister for Transport is not accurate and is very misleading. It is an absolute insult to Australian manufacturers. Tenderers were asked to nominate where their machines could be seen in operation. However, to the best of the tenderers' knowledge, Queensland Rail staff did not check and showed only scant interest in the Australian products.

Brevtex is known to invite successful tenderers to Sweden to receive training on their machines. It is my concern that it was this incentive that induced Queensland Rail to purchase an imported machine. The Brevtex agent is now boasting that the Australian machines, and in particular the Queensland machines, are so inferior that they cannot win a contract with their own railways. This will undermine the Australian manufacturers and the suppliers of associated equipment. Recently, Imperial invited applications for four apprenticeships. It received 250 applications. Those applications are now on hold. It is rumoured that certain QR staff are now applying pressure to the Rockhampton and Townsville workshops to purchase the machine.

**Mr Beanland:** More trips to Sweden.

**Mr J. N. GOSS:** Yes, more trips to Sweden. There certainly appears to be either some dirty work or total incompetence——

Time expired.

### Federal Election

**Mr NUTTALL** (Sandgate) (10.30 p.m.): Tonight, I want to reflect on the results of last Saturday's Federal election. That great victory is still very fresh in our minds. The people of Australia have rejected again the policies of the conservative parties in this country. One of the reasons they have done so is that the conservative parties in this country have been hijacked by the "dries", the Costellos, the McLoughlins, the Hewsons and the Reiths. Those people have not learned a thing from last Saturday. We now have a great power struggle between the "dries" to take control of the party, which for the next three years will lead them nowhere. Last Saturday's election was the fifth consecutive election of the Labor Party—the fifth consecutive election. I will repeat it for the third time—it was the fifth consecutive election. It gives Labor 13 consecutive years in power in this country.

**Mr Beattie:** Thirteen golden years.

**Mr NUTTALL:** Thirteen great years. Part of the reason that Labor has been re-elected is that it has policies on the economy, social justice, industrial relations and Medicare that help the average person in this country. They are policies that exist not for the benefit of some, but for the benefit of all. The message in that election campaign not only for the National Party but also for the Labor Party is that when we pitch our campaign, it is aimed at our supporters. If Labor runs a campaign based on social justice, its supporters will come back in droves. That is what has occurred; the heartland of Labor has come back in great strength.

Recently, the member for Kurwongbah stood up in this House and showed the headline of the *Sunday Mail* which stated "The sweetest victory of all." That is a great headline, and it is an edition that all Government members should keep. However, I do not believe that that headline was the best headline in the newspaper. The best headline was "Sallyanne loses in Rankin". Even Denver Beanland had a smile on his face when he saw that headline. Last Sunday, I went to Indooroopilly to buy a newspaper. However, I could not buy a *Sunday Mail* because the member for Indooroopilly had bought them all. That is a true story. The other headlines in the newspaper state "Paul's win for 'Aussie values' " and "Curtains for the old flag". I am looking forward to the debate about the flag with great anticipation because, whether the Opposition likes it or not, Australia is going to have a new flag. The other great victory was that the State secretary of the Labor Party, Wayne Swan, as the new member for Lilley, was voted in with an increased majority over the previous member. His Federal electorate is right smack in the middle of the member for Clayfield's State electorate.

**Mr Springborg** interjected.

**Mr NUTTALL:** I will talk about the Nationals in Lilley. Their vote was 3.7 per cent. They will not even get their deposit back. To illustrate how crook that result was, the Democrats gave them a hiding and the Greens gave them a hiding. Members of those

parties did not even man all the polling booths, yet they still gave the Nationals a hiding. After the election, we hear the same old cry from the Liberals and the Nationals—"We really have to sit down and talk about amalgamation." How many times have we heard that? For the last ten years, members on the Opposition side of the House have been squabbling, and now they are talking about getting married. They do not have a hope in Hades.

A few other organisations that deserve a swipe are the AMA, the Housing Industry Association, the Business Council of Australia and the Confederation of Australian Industry. All of those organisations came out in support of the conservative parties. However, did they really represent their membership? Obviously, the election result indicated that all their members did not vote conservative. Many of them saw the light and stuck with Labor.

Time expired.

### **Rail Services; Drought**

**Mr RANDELL** (Mirani) (10.35 p.m.): Over the last few days, members on the Government side of the House have taken much delight in claiming a great profit for Queensland Rail. But what has been the cost of that profit? Stations have closed, railways have closed, thousands have been put out of work and services have been cut. A prime example of a town which has suffered because of those cuts is Sarina. I have spoken to the member for Brisbane Central about this matter. Sarina is a major country town. However, its station has been downgraded to such an extent that it now opens only between 8 o'clock in the morning and 4 o'clock in the afternoon. I believe that when Mackay comes on track, the station will be closed completely. Currently, the station is closed all night and no-one is on duty. It has a time switch for one light that turns on at 11 o'clock at night and turns off at 3 o'clock in the morning. Many elderly people used to make great use of that railway station. Honourable members could imagine an aged lady—maybe their wife, their sister or their mother—who has to catch a train at night at that station. Those people have to catch a train at that hour because the passenger trains leave only at night. During those hours, no-one is on duty, the passengers cannot buy tickets, the female toilets are locked and the waiting room is in darkness. For security reasons, people have to sit in their locked cars alongside a major highway. Because the railway station does not have a telephone, they cannot check the arrival of the train. The only available telephone is a public telephone that is located 500 yards away along the busy highway. Those people have to walk to that telephone in darkness, in fear of their lives.

**Mr Pearce** interjected.

**Mr RANDELL:** I think that it is a disgrace, and the member should not be speaking in that way. No-one is available at the railway station to help a lady on or off the train with her baggage. There was a time in this State when the railways provided a service to the people; but under the ALP, that is no more. The Government claims that the rail service in Brisbane is good. However, \$100m in subsidies is spent on public transport in Brisbane. I ask: what about justice for country people?

I refer now to the water crisis in the Mackay region, which was caused by the total inaction of the State ALP. Over the last two years in Mackay, canegrowers have missed out on approximately \$180m, because of the drought. In 1991, growers lost \$121m, and in 1992, they lost \$58m, because of the lack of irrigation water. When we left Government, the Gorge dam had been planned and was ready to go ahead, with fair and adequate compensation to those people affected by the dam. It could have been built without affecting the national park or the gastric brooding frog. It could have been completed by now, and could be supplying water to the canegrowers. But no. Mr Casey came in and, in his first flush as Minister, declared the Gorge dam a non-goer, because of the greenies' influence. He immediately announced that the Teemburra Creek dam would be brought on-line and planning would start. This is a great way to

save money. The ALP always does this; it stalls making a decision, or starting planning, or going to a committee. It has been four years, and we still have nothing. I emphasise that the only water projects in the Mackay region were planned and started by the National Party Government, of which I was a member. The Kinchant Dam, the Dumbleton Weir and the Proserpine Dam were all National Party projects. But we have had nothing in four years from the ALP— nothing at all!

Mr Casey picked this site, notwithstanding that local people told me that there has been no flow in the Teemburra Creek since 1991. Measuring meters were put in there by the Irrigation and Water Supply people. They have been there for 15 months and have never registered any flow of water. Old-timers have told me that Teemburra Creek is in a dry area and that the flow is far inferior to other streams in the area. To me, it appears that Mr Casey is doing things piecemeal without a plan—as there should be—for the future of water in the central region; or, as I fully believe, he is just grandstanding, hoping for a good wet season. Now that a decision has been made to dam Teemburra Creek, I support it. It is getting too late for any other project. But I say to Mr Casey, "For heaven's sake, get on with it." But one would think that after all these years, when canefarmers have suffered drought, high interest rates brought on by the Federal Government, deregulation and increased costs by the State Government, there would be some compassion or some efforts to help the canegrowers come to grips with their financial position and to provide some stability.

**An honourable member** interjected.

**Mr RANDELL:** I cannot take interjections. But no. We find that the dam that has been planned at present is estimated to cost \$73m. Heaven knows what it will cost by the time that it is built because, from the time that the Government says "go" to the time that the dam supplies water is estimated to be eight years. That has been said by Mr Casey. He and the ALP Government have blackmailed growers by asking them to indicate whether they want water from the dam and, if so, they have to make an up-front commitment, which is estimated to cost 7.5 per cent, or \$5.475m. For some growers, this boils down to a \$19,500 indexed, up-front commitment, and at least \$2,900 in water charges for each year that they receive water. Never before in the history of Queensland has this happened. Notwithstanding the tax benefits to the Government, flow-on to business, jobs created and export earnings that everyone will receive, this Government is blackmailing growers to pay up, or no water. I wonder whether members really appreciate what is happening. If a dam is built, for instance, in the south-east corner to supply the ever-growing population—and that dam will have to be built one day—is this Government going to ask councils, on behalf of their ratepayers, to make a contribution of 7.5 per cent towards the construction of that facility? Naturally, this would have to flow on to the ratepayers, apart from their normal water charges.

Time expired.

#### **Breakwater Island Casino Community Benefit Fund Trust; Museum of Tropical Queensland**

**Mr DAVIES** (Mundingburra) (10.41 p.m.): I just hope that Mr Randell gave a copy of his speech to the Hansard staff in advance, because they would not have had a chance to get all that down.

**Mr RANDELL:** I rise to a point of order.

**Mr DAVIES:** He is wasting my time.

**Mr DEPUTY SPEAKER** (Mr Palaszczuk): Order!

**Mr RANDELL:** I did not give a copy of my speech to the Hansard staff. I ask the member to withdraw that remark. It is derogatory to me. I find it offensive, and I ask him to withdraw it.

**Mr DEPUTY SPEAKER:** Order! The member for Mundingburra will withdraw the remark.

**Mr DAVIES:** If the member finds the remark offensive, I will withdraw it. There are a couple of local issues that I would like to address tonight. One relates to the Townsville Breakwater Island Casino Community Benefit Fund Trust. The other relates to the Museum of Tropical Queensland. The trustees of the Breakwater Island Casino Community Benefit Fund Trust are John McGillivray McIntyre, Geoffrey Leslie Thiess, Alderman Noel Wilson from the Townsville City Council, Alderman Les Tyrell from the Thuringowa City Council, Mrs Annie Hannah, Michael Arthur Drew, and Kevin Robert Leyshon. Michael Arthur Drew is also the Chairman of the Trustees appointed for the purposes of the trust deed.

About four trustees meetings are held each year. Of those, there are approximately two distributions of grants moneys, which last year totalled about \$250,000 to \$300,000. The January 1993 distribution is typical of the distributions made by the trust, although on the last distribution the standard of applications had fallen somewhat, and the trustees had to look particularly hard to find suitable applicants. Since the new trustees were appointed, the emphasis has gone away from funding large-scale, one-off projects, such as the purchase of land for the building of cancer units in North Ward, which was a great project, and other similar projects. They have tried to concentrate on more community-based projects. I congratulate them on that initiative.

I should like to mention some of the beneficiaries of the grants that have been made, to give members an idea of the range of the recipients. The beneficiaries include: the Atherton Gymnastic Club in Atherton; the Bowen Netball Association; the Charters Towers Excelsior Band; the Cooktown and District Family Resource Association; the Home Hill Choral Society; the Homestead Centenary Committee; the Malanda Theatre Company; the Mareeba Information and Support Centre; the Mount Isa Youth Shelter; the National Heart Foundation in Cairns; the Proserpine Junior Sporting Complex; the Sarina and District BMX Club; the Tully Community Preschool and Kindergarten; the Carmila District Tennis Association; the Far North Queensland Life Education Centre in Cairns; the Herbert River Museum Gallery in Ingham; the Koolyangerra Casual Child Care Centre in Mackay; the Whitsunday Community Library in Cannon Valley; the Eacham Community Help Organisation in Malanda; the Richmond Community Youth Centre in Richmond; and the Waddama Aborigines Cultural Dance Company in Townsville. I wanted to list those beneficiaries to give members an idea of the spread of recipients of the grants from the trust. I believe that the trustees who have been there over a long period have done an excellent job. The spread of applicants to the west, north and south and around the Townsville district reflects the seriousness that the trustees at all times have given to that position.

I should also like to talk about the Museum of Tropical Queensland in Townsville, which has been operating for a number of years. Originally, it was funded by the Federal Labor Government under the Bicentennial program some years ago. The museum has done a remarkable job. The visitor numbers, the interest from students, and the educational aspects of that facility are very much appreciated by the Townsville community. I was pleased to take a position on the management committee of the museum a couple of years ago. Although he is not in the Chamber tonight, I pay tribute to the member for Burdekin, who was a member of that committee before me. He took his job very seriously and did an excellent job. The current chairman of that museum committee is Mr John Lyons. The other committee members are Keith Brazier, Professor Howard Choat, Mrs Lindsay Plant, Dr Dan Robinson from the Queensland Museum, Dr Carden Wallace, who is the sister of the member for Toowoomba, Dr Peter Arnold, the regional director for the Department of Environment and Heritage, and me.

Time expired.

### **Australian Flag**

**Mr LAMING** (Mooloolah) (10.46 p.m.): I rise to speak about the Australian flag. I am pleased that the member for Sandgate is still in the Chamber. I was interested to hear his comments a few minutes ago. Less than a week ago, a Federal election was held. We

must accept that the Federal Government has a mandate to govern. However, I do not believe that the Federal Government has a mandate to do everything that it wishes to do. There are certain things that do not fit into this category and some of these issues require separate attention. Some even require a referendum. That is the case particularly with things to do with the Constitution. The Australian flag is threatened. Only a few moments ago, the member for Sandgate said, "You're gonna get a new flag." That is typical of Labor Party mentality. Even the Prime Minister had the decency to say that a referendum would be held, which is more than what we witnessed a few moments ago from the member for Sandgate. We can be thankful for the Prime Minister's comment. He could do no less, Mr Acting Speaker, than to say that he is going to put it to a referendum.

**Mr DEPUTY SPEAKER:** Order! The correct title is Mr Deputy Speaker, not Mr Acting Speaker.

**Mr LAMING:** I apologise, Mr Deputy Speaker. I am concerned with the process, the preamble and the consultation that might take place prior to such a referendum. Like it or not, our Australian flag does not deserve to bleed from a thousand cuts. I say tonight that we should have no flag design competitions prior to a referendum being held. It would be similar to conducting a competition for a new spouse before a person had decided to separate from the first one.

**Government members** interjected.

**Mr LAMING:** It is exactly the same. Many suggesting change do not appreciate the delicate feelings of some people who feel threatened by what was said in this Chamber a few moments ago. If change is desirable, and I am not convinced that it is, and if change is inevitable—I am not convinced that it is, and millions of Australians are not convinced that it is—then let us put the question. I am not frightened of that question. Let us put the question to the people by referendum, and let us do it without the processes. Let us hold a referendum and work towards ensuring that this issue does not become divisive. If there is one thing that was designed to gather, to strengthen and to lift our community, it is our national flag. Neither side should fear a referendum—I do not. Both sides should accept the result of a referendum—I will. If the majority wants change, then it is time to think about a competition for a new design for our flag. If the majority wants to retain the flag, the issue should be put aside for at least 10 years before any further referendum would be held, if people wanted such a referendum. Consultative processes cost millions. Honourable members will recall that, in 1987, the Constitutional Review Commission cost nearly \$5m and achieved absolutely nothing. Any change to the Australian flag will mean a change to the Queensland flag. If we change the Australian flag and remove the Southern Cross, I am sure that Government members would like to change the Queensland flag, because it has the cross of Queen Victoria on it and they would like to attack that, too. They may as well come clean right now.

My few words are not merely in defence of the flag, not necessarily against any change, and certainly not against freedom of choice. I believe that the other side, the Labor Party, should have the courtesy and the consideration, particularly to the older folk in the community, to insist that Federal and State Governments do everything in their power to ensure that this issue does not become divisive. A decision should be taken democratically: everybody will accept that.

#### **International Year of Indigenous People**

**Mrs BIRD** (Whitsunday) (10.50 p.m.): Perhaps in 1993, the International Year of Indigenous People, it is time for us to have a referendum on the flag especially for the indigenous people. In this Year of Indigenous People, all Australians have the opportunity to reflect on the past and the present situation of our indigenous people, the Australian Aborigines. Habitually at these times we concentrate on the negative aspects of the past and the present in order to set our future direction. In many respects

that is desirable. However, I see much use in using this year to highlight the Aboriginal people who, despite the odds, have achieved with dignity. Tonight I wish to highlight two such women: a mother, Celia Barber, and her daughter, Catherine Freeman. Catherine Freeman is Australia's most talented female athlete—almost certainly its next Olympic sprint finalist and medallist, the first since Raelene Boyle 20 years ago. But the Cathy Freeman I know is the shy little girl in the stroller who liked chocolate frogs from my shop. Until she was 14, like every other Aboriginal family, the Freemans struggled to survive.

Her father, Norman Freeman, a Foley Shield Rugby League winger in north Queensland, was known as "Twinkle Toes" for his elusive running. Celia's father, George Sibley, was a tall, strapping man who boxed with the Jimmy Sharman troupe. Cathy has a cousin who is the daughter of Jack Hassen, the great Aboriginal Australian lightweight boxer of the 1950s. By the age of 14, Cathy's genealogy began to show. Running barefoot, her long limbs won her the 100-metre sprint, the 200-metre sprint, the long jump and the high jump at the interclub sports at Slade Point in two consecutive days. By winning the 100-metre sprint at the north Queensland track and field competition, she was the youngest ever winner of the coveted Campbell Miles trophy, and is still only the second athlete to win back-to-back titles in that event. Celia could see early that her daughter was a champion and was equally determined that her daughter would have every opportunity. But it was Cathy's stepfather, Bruce Barber, a railway employee who sent away for manuals on coaching—and instead of winning school races, Cathy began winning State titles. At the same time, brother Norman was a national age sprint champion of phenomenal speed who was asked to go to England for coaching, but he prefers Rugby League and, although only 18, has been signed up by the Broncos' Under 21s.

Celia Barber, with some public support, struggled to keep Cathy at Fairholme Girls College in Toowoomba. In 1989, she won a scholarship to Kooralbyn International School. Cathy went on to win a gold medal at the Commonwealth Games at the age of 16—the first Aboriginal girl to run for Australia. But the joy of winning turned to grief when her inspiration, her handicapped sister, Ann-Maree, died. Instead of celebrating in the Brisbane mall with Premier Goss and the team, Cathy returned to Mackay for her sister's funeral. In 1990, she was awarded Young Australian of the Year, when she was befriended by Australian of the Year, the late Fred Hollows. She joined the then Prime Minister, Bob Hawke, on the five-person team which took Melbourne's 1996 Olympic bid to Tokyo. Ahead, the 1994 Commonwealth Games in Canada await Catherine, and the Atlanta Olympics in 1996.

Aboriginal Australians who succeed in sport have to overcome extraordinary obstacles, but these two amazing women, Celia Barber and Cathy Freeman, have overcome them all and some more. Not only were they poor and black; they were both women. Freeman knows the price she has had to pay for her dedication to her career and to her winning, that is, a gradual alienation from her heritage—as was the case with Yvonne Goolagong. She experienced racism from customers where she works. But all she knows about Aboriginal culture is from white schools. There has to be a lesson there somewhere.

Motion agreed to.

The House adjourned at 10.55 p.m.