FRIDAY, 29 NOVEMBER 1996

Mr SPEAKER (Hon. N. J. Turner, Nicklin) read prayers and took the chair at 9.30 a.m.

PRIVILEGE

Refusal by Opposition to Grant Compassionate Leave

Hon. R. T. CONNOR (Nerang—Minister for Public Works and Housing) (9.31 a.m.): I rise on a matter of privilege. I wish to put on record that I requested leave including question time today on compassionate grounds. I was refused this request. I believe that all members on both sides of the House and their families are worse off as a result of what I believe is somewhat of a precedent.

PRIVILEGE

Refusal by Opposition to Grant Compassionate Leave

Hon. T. M. MACKENROTH (Chatsworth) (9.32 a.m.): Yesterday in question time I asked the Minister for Public Works and Housing a question in regard to the date on which he had received a report. He said that he would find out and get back to me. Perhaps if the Minister had done that before 6 o'clock last night we may have given him leave. Mr Speaker, I draw to your attention that I have still not received from the Minister that advice in relation to that date—something that would take one minute.

In relation to the compassionate grounds which the Minister has raised, I draw to the attention of the House the fact that last night I agreed to allow the Minister's Bill to go through, and I let it go through the House in three minutes. We had a number of members who wished to speak on that Bill on matters relating to the Scurr inquiry, and I asked them not to speak so that the Minister, on compassionate grounds, could have leave. All that we asked from him today was that he be here for question time. I think it is very low that he should bring an issue like this into this Chamber.

PETITION

The Clerk announced the receipt of the following petition—

Euthanasia

From **Mr Horan** (843 signatories) requesting the House to (a) listen to the public, doctors, health carers and religious organisations who are against euthanasia and (b) legislate to prevent euthanasia being carried out in Queensland.

Petition received.

PAPER

The following paper was laid on the table—

(a) Minister for Health (Mr Horan)
Report of the Investigation into Various Matters at the Gold Coast Hospital.

MINISTERIAL STATEMENT

Mr D. McGreevy

Hon. R. E. BORBIDGE (Surfers Paradise—Premier) (9.34 a.m.), by leave: Yesterday during question time the Leader of the Opposition interjected when I was pointing out that he had made representations to me in respect to a member of his staff who was seeking a voluntary redundancy and the maximisation of his payout. The Leader of the Opposition rose to a point of order and said—

> "I rise to a point of order. I find the remarks of the Premier not only dishonest but also a gross distortion of the facts and offensive. The Premier tried to sack a member of my staff and I sought to protect him."

This reinvention of history was itself offensive, and I have no alternative but to set the record straight to prevent any possible misunderstanding by either members of this House or the general public.

On 6 June this year the Leader of the Opposition wrote to me regarding a Mr Damian McGreevy who was then working in his office on secondment from the Department of Environment. Mr Beattie pointed out that Mr McGreevy had served in the Public Service for 26 years, and over the past five years had been seconded as a senior policy adviser to three former Environment Minsters. He then went on to state—

> "Through a career choice to serve Government at a political level, Mr McGreevy has, with the change of Government, incurred considerable financial and classification loss. This, combined with changed personal circumstances, has placed both him and his young family in a difficult situation.

> Mr McGreevy has for some months now been negotiating at officer level with his department to secure an early retirement package, all to no avail. Securement of such a package would enable him to further his career and resolve his personal financial difficulties."

The Leader of the Opposition sought my assistance in securing a voluntary early retirement package. I will table a copy of this letter. On 21 June the Leader of the Opposition again wrote to me and said—

> "Mr McGreevy has not heard anything further, and as the 30th June fast approaches I thought it best to write briefly to you again to indicate the urgency of the matter.
>
> If there is any opportunity for you to personally ensure that the matter is given consideration in the next week, it would be very much appreciated."

I will table a copy of this letter. I wrote to the Leader of the Opposition on 24 June. I pointed out that a VER package for Mr McGreevy was a matter for the Department of Environment but that I had asked the department to investigate the matter expeditiously and to assess Mr McGreevy's suitability for a VER package forthwith. In fact, on the very same day, the acting director-general of the department wrote to Mr McGreevy offering him a VER package with the following separation entitlements—

(1) accrued recreation leave;

(2) accrued long service leave;

(3) two weeks' pay for every year of service;

(4) an incentive payment of $6,500 or eight weeks' salary, whichever was the greater, provided the VER offer was accepted within two weeks; and

(5) superannuation entitlements.

Mr McGreevy responded by a letter dated 25 June in which he thanked the acting director-general and accepted it subject to finalisation by close of business on Friday, 28 June.

There were still more requests from the Opposition. On 2 July the member for Waterford wrote to the Leader of the Opposition pointing out that Mr McGreevy was required by the Opposition to assist it in responding to the Government's firearms initiatives. On that very day the Leader of the Opposition again wrote to me. After thanking me for my personal intervention in the matter, he sought my assistance in enabling Mr McGreevy to be appointed for a further three weeks until replacement arrangements could be made. I will table a copy of both of these letters.

I must say that I was more than a little concerned about this request. Persons accepting a VER package in the public sector are not normally re-engaged within a 12-month period without the requirement to repay a proportion of the severance benefits, except under exceptional circumstances. But I was also concerned about the income tax implications. Firstly, as is well known, termination payments are taxed at a concessional level, and this was one of the main reasons why Mr McGreevy wanted a VER package. Secondly, as was also mentioned in my correspondence, I was concerned about any potential breach of the Taxation Act and regulations which provide for penalties for employers and employees where at "termination time agreement (expressed or implied) was in force between the taxpayer (retrenched employee) and the employer . . . to employ the taxpayer after the termination time". I will table a copy of my response of 8 July, in which I reluctantly consented to the Leader of the Opposition's request.

From the outset, as this correspondence highlights, I have acted in good faith and in an endeavour to assist the Leader of the Opposition. The requests made by the Leader of the Opposition were somewhat unusual, but I believe that they were made with the best interests of a longstanding public servant in mind. I responded in kind and in an endeavour to help Mr McGreevy in what was a particularly difficult time. The Department of Environment also went out of its way to assist in this matter by expediting its decision. So I find it both strange and insulting that the Leader of the Opposition would claim that I tried to sack a member of his staff. In fact, the request I received from the Leader of the Opposition, and with the consent of the member of staff involved, was that he be sacked.

Far from me intervening in this matter in a way which could be construed as contrary to the wishes or interests of the staff of the Leader of the Opposition, I became involved only through the repeated requests from the Leader of the Opposition for me to intervene. And when I did intervene—on two occasions—he wrote and thanked me. The Leader of the Opposition has again misled the House, and I regret that in matters such as this he is trying to destroy any semblance of bipartisan cooperation. He stands condemned on all counts. I table relevant documentation. I indicate to the Leader of the Opposition that

because of the way that he has played politics with this matter, next time I may not be so cooperative.

Mr BEATTIE: I rise to a point of order. The Premier has misled the House. What was being done to Mr McGreevy in financial terms was in effect to sack him.

Mr SPEAKER: Order! I ask the Leader of the Opposition to state his point of order.

Mr BEATTIE: The Premier has tried to imply that on this matter Mr McGreevy was not being put in a position which was adverse to his circumstances; he was.

Mr SPEAKER: Order! I ask the honourable Leader of the Opposition to resume his seat. There is no point of order.

MINISTERIAL STATEMENT

Wallis Inquiry

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (9.41 a.m.), by leave: A discussion paper, being an interim report of the Wallis inquiry into the Australian financial system, was released yesterday. That discussion paper explores the major issues and some of the options that could be considered in reforming the financial system. While we will have to wait to see the final report for more definitive assessments and firm recommendations, the discussion paper does set out the broad directions and the general philosophy underlying the committee's approach.

The discussion paper foreshadows a range of measures aimed at improving the efficiency of the financial system. Among these are greater contestability and competition in financial sectors, which potentially includes allowing financial institutions to provide a wide range of services. This is likely to see banks extending services beyond traditional savings and loans products, and insurance companies providing banking type services.

In essence, the discussion paper foreshadows a breaking down of the traditional barriers between banking, insurance and funds management and a move towards a single financial services market. This is precisely the trend identified by the Treasury task force that recommended the merger of Suncorp and the QIDC with Metway Bank based on Suncorp's well-developed allfinanz strategy.

Suncorp has developed the allfinanz strategy to the most sophisticated level of any financial institution in Australia. Indeed, the strategy consultants retained by the merger planning group found that Suncorp's success in blending blanking, insurance and funds management was impressive by world standards.

As the Australian financial market inevitably becomes more integrated, the merged group will have a strategic advantage that leaves it well placed to compete in an increasingly dynamic financial services market. Reflecting the integration of the financial services market, the discussion paper also contemplates the rationalisation of the supervisory arrangements. This may result in a super regulator that combines the regulatory functions of the Reserve Bank, the Insurance and Superannuation Commission, the Australian Financial Institutions Commission and the Australian Securities Commission. At the very least, we are likely to see a greater degree of coordination among these agencies.

For the merged group Metway/Suncorp/QIDC, which will primarily be supervised by the Reserve Bank and the Insurance and Superannuation Commission, any rationalisation of supervision must lead to reduced compliance costs and more efficient service provision to the general public.

MINISTERIAL STATEMENT

Queensland Transmission and Supply Corporation

Hon. T. J. G. GILMORE (Tablelands—Minister for Mines and Energy) (9.44 a.m.), by leave: There is probably no industry in Queensland that touches all of our citizens more closely than the electricity industry. Since becoming Minister for Mines and Energy, the majority of my time has been spent in preparing Queensland for the new competitive electricity market which is already fully operational in Victoria, with New South Wales not very far behind.

Queensland is a signatory to the national electricity market and, as a prerequisite to its full participation, will be achieving internal competitiveness by the second half of 1997. With the completion of the interconnector in 2001, our electricity generators, distributors and retailers of electricity will be exposed to the full glare of competitive forces.

The Electricity Restructure Task Force which I established earlier this year was given the job of recommending what structure would best serve Queensland in meeting these tremendous challenges. The report is with me

now and Cabinet will shortly consider recommendations arising from it.

The Queensland Transmission and Supply Corporation—or QTSC—is responsible for the functions of transmitting, distributing and retailing electricity from the power station gates to the consumers in industry, in the suburbs and in the outback. We already know that the QTSC's present structure does not fit it well to meet the competitive forces which are about to be unleashed in the State. Accordingly, in giving practical impetus to the need for change, I have today terminated the appointments of its current board members.

A new board is to take up duties effective immediately. The changes are aimed at bringing into play new insights, new concepts, new enthusiasm and a willingness to embrace change, and importantly for Queensland, a far better regional representation. The new board members are Councillor Gail Nixon, Mayor of Bauhinia Shire Council; Mr Andrew Greenwood, partner in charge of Brisbane legal firm Minter Ellison; Councillor Mario Demartini, Mayor of Whitsunday Shire Council, who has had a long involvement in the electrical industry; Mr Alan McPherson, a consulting engineer and councillor with the Cairns City Council; Mr Tim Crommelin, managing director of the Brisbane firm of Morgans Stockbroking Limited; Mr John Witheriff, a Gold Coast solicitor who was a member of the outgoing QTSC board; and Councillor Barry Braithwaite, Mayor of Roma Town Council, who will be the chairman of the new QTSC board.

I want to put on record the Government's appreciation of the contributions made by the members of the outgoing board. They took over the direction of the QTSC when it was set up following the corporatisation of the Queensland electricity supply industry in January 1995. They have brought it to the stage where, with its new directors, I am confident that it is ready to face the challenges of the future in a very strong position and with some confidence.

MINISTERIAL STATEMENT

Infrastructure, Aboriginal and Torres Strait Islander Communities

Hon. D. E. McCAULEY (Callide—Minister for Local Government and Planning) (9.46 a.m.), by leave: I wish to advise the House on the progress made by this Government in providing infrastructure to Aboriginal and Torres Strait Islander communities. In 1996-97, the amount available for the provision of infrastructure to remote indigenous communities in Queensland through my department was $22.5m. In the absence of a Commonwealth/State strategy, this Government has undertaken its own strategic planning for infrastructure delivery and together with my department, the Departments of Natural Resources and Main Roads and the Torres Strait Regional Authority have developed a total of 34 plans for indigenous communities throughout Queensland.

Total Management Plans—or TMPs—have been common in mainstream local government for some time, primarily as asset management tools for water and sewerage infrastructure, and the concept has been developed further for application to indigenous communities to include drainage, solid waste disposal and transport-related infrastructure.

Each Total Management Plan contains information on the current status of existing infrastructure, and also documents future capital requirements over a 10-year time frame. More importantly, each Total Management Plan outlines an asset management regime for maintaining the infrastructure at preset service intervals. Put simply, this means that for the first time, indigenous communities will be given details of what resources are required to maintain their infrastructure in working order.

I know this may sound rather obvious, but I stress that this information has not been provided to these communities in the past. Through the TMP process, it has become obvious that handing out money for capital works is not enough. If any tier of Government is going to have a significant impact on the delivery of infrastructure, a coordinated approach must be taken. The issues of recurrent funding and training must also be addressed, and the importance of consultation with indigenous communities has also emerged as a critical issue.

The data contained in the TMPs took approximately six months of intensive field work by teams of consulting engineers to compile. This data has been analysed by my department and early in the new year I will be announcing a prioritised methodology that will target the available funds to the areas of highest need. It is estimated that $75m over 10 years will be needed for water infrastructure alone.

One of the assessment criterion in my department's prioritisation methodology is the ability of the community to maintain the

infrastructure once constructed. In the past, almost invariably the communities have had neither the money nor the trained personnel to adequately maintain infrastructure—a problem that I am pleased to inform this House this Government is taking measures to redress.

As I mentioned, consultation is a key component of negotiations if we are to provide these communities with proper infrastructure. During the TMP process, each community was presented with drafts of their TMP document, and they were also asked to nominate what they perceived as their most critical infrastructure need, and their assessment will form part of the prioritisation process.

Finally, I believe that the TMP approach developed by the Queensland Government provides a basis for skills development within the Aboriginal and Torres Strait Islander communities by indicating what skills are needed to maintain the infrastructure around which training programs can be developed and, importantly, it also allows for their involvement in developing their own communities. This Government is serious about providing proper facilities, which are properly maintained, for all Queenslanders, no matter where they live.

MINISTERIAL STATEMENT

Volunteer Marine Rescue Groups

Hon. M. D. VEIVERS (Southport—Minister for Emergency Services and Minister for Sport) (9.50 a.m.), by leave: Today I would like to inform honourable members that this week the State Government has released grants totalling some $1.8m to Queensland's volunteer marine rescue groups. Yesterday I had the pleasure of presenting cheques for around $400,000 each to representatives of the Australian Volunteer Coast Guard and the Volunteer Marine Rescue Association—formerly Air Sea Rescue—here at Parliament House. I also presented a cheque for $438,000 to representatives from Surf Life Saving Queensland.

The remaining $600,000 will go to 62 individual surf lifesaving clubs situated right along the east coast of Queensland, and to two Royal Life Saving Society clubs. I feel like Santa Claus. This funding is part of the State Government's Subsidy Funding Program for volunteer marine rescue organisations. In total this program will deliver more than $3.8m to these groups during this financial year.

This funding is just a small way of the State Government saying thank you for the sterling efforts of the volunteers who help keep our waters and waterways safe. Safety at sea, on the beach and on our waterways depends on our volunteer marine rescue services and the selfless commitment of the people involved in these groups. Sadly, these efforts are often overlooked by the general public. We can never become apathetic about the role played by our voluntary marine rescue units. With the Christmas/New Year holiday season just around the corner, the public should be more than ever aware of the efforts of these volunteer groups. They are there when we need them. It is now up to the community and Governments to continue to support them.

I know that our surf lifesavers received some recognition for their efforts this year as Surf Life Saving Queensland won not only the State but also the national award for services to the tourism industry. I know I speak for everyone on this side of the House in saying that we are committed to these voluntary groups who perform such a great service to all Queenslanders.

ABSENCE OF MINISTER FOR ENVIRONMENT

Mr FITZGERALD (Lockyer—Leader of Government Business) (9.53 a.m.): Mr Speaker, I wish to advise the House of the absence of the Minister for Environment. He is chairing a ministerial council meeting today.

CRIMINAL JUSTICE COMMITTEE

Courier-Mail Article

Hon. V. P. LESTER (Keppel) (9.53 a.m.), by leave: On Saturday, 16 November 1996 an article by Matthew Franklin appeared on the front page of the *Courier-Mail* titled "CJC to quit major crime fighting role". Amongst other things the article stated—

> "CJC officials yesterday asked the Parliamentary Criminal Justice Committee to consider handing police full responsibility for the joint organised crime task force. They said a $2 million cut imposed by the recent State Budget meant that the CJC could no longer properly fund direct involvement in fighting organised crime."

The article purports to be based upon discussions between the Criminal Justice Commission and the committee at a meeting on Friday, 15 November 1996. The meetings between the PCJC and the CJC are secret and highly confidential and sensitive material is discussed. It is of concern to the committee

that such an article purporting to accurately report upon confidential information between the PCJC and the CJC that emanates from a closed and confidential meeting can be printed. The article in question may give members of the public the impression that the confidential and highly protected matters raised at those private meetings is not confidential.

Mr FITZGERALD: I rise to a point of order. I suggest that the remainder of that statement be incorporated in *Hansard*.

Leave granted.

The Committee believes that it is in the public interest that any possible unauthorised release of sensitive material be thoroughly investigated.

Mr Speaker. Bearing this in mind, on Tuesday 19 November 1996, the Committee requested from the CJC an urgent report detailing, amongst other things, a list of all telephone records emanating from within the CJC for a specified period prior to the joint meeting.

The CJC was requested to provide the information in a detailed response by 25 November 1996.

The CJC responded to the PCJC on Monday 25 November 1996 and advised that the CJC had appointed a retired Judge to supervise an internal investigation that was to be conducted by a senior officer from within the CJC into any unauthorised release of confidential information.

Mr Speaker, this was not what was requested.

The Members of the PCJC unanimously agreed that it is not appropriate for the CJC to commence an internal investigation into a possible unauthorised release of sensitive information when officers of the CJC itself are subject to that investigation.

I therefore wish to inform the Parliament that on Tuesday 26 November 1996 the Members of the PCJC unanimously resolved to refer the investigation of a possible unauthorised leak of confidential information to the Director of Public Prosecutions.

The DPP is to oversee an urgent investigation that will be independently conducted by senior members of the Queensland Police Force who have been appointed by the Commissioner of Police specifically for the task.

Due to the gravity of the situation both the DPP and the Queensland Police Service agreed to commence the investigation immediately.

The decision to commence the investigation was communicated to the CJC on the same day. All appropriate correspondence has been forwarded to both the Director of Public Prosecutions and the Commissioner of Police.

The conduct of the investigation will be entirely independent of both the PCJC and the CJC.

A report to Parliament will be presented at the completion of the investigation.

QUESTIONS WITHOUT NOTICE

Mr P. O'Connor

Mr BEATTIE (9.55 a.m.): My first question is to the Minister for Police and Corrective Services. I refer to the Minister's answer in Parliament yesterday wherein he said of the Patrick O'Connor secret consultancy scandal—

> "This fellow did try to blackmail me . . ."

He said also—

> ". . . Mr O'Connor tried to get me to subvert the normal and proper processes and he tried to make me appoint him to a position."

Those are the Minister's words.

I point out that it is a criminal offence punishable by seven years' gaol under section 60 of the Criminal Code for anyone who "attempts, directly or indirectly, by fraud, or by threats or intimidation of any kind, to influence a member of the Legislative Assembly". I table the relevant section of the Act, and I ask: why has the Minister not lodged an official complaint against O'Connor with the Police Commissioner, or any one of the 6,400 serving police officers under his jurisdiction, or the CJC?

Mr COOPER: I think this question demonstrates yet again the paucity of substance in questions coming from the Opposition side of the House. The Leader of the Opposition knows darned well that this issue has been canvassed more than any other issue, and more than it should have been. More attention should be given to things of a far more substantive nature. This clearly demonstrates that it does not matter how much we do, how open and honest we are, how much documentation we table or how many questions we answer; those opposite are not satisfied and never will be satisfied. As far as I am concerned, no more questions are going to be answered on that subject.

Unemployment; Training Programs

Mr BEATTIE: In directing my second question to the Treasurer, I turn to the issue of unemployment. I refer to the fact that, despite Queensland having the highest unemployment rate of any mainland State at 10.1 per cent, the Treasurer has scrapped funding of $13m for employment programs, including: scrapping the $5m youth employment service; scrapping the Training Employment Queensland program which last

year helped more than 7,000 young unemployed Queenslanders find jobs; scrapping the Bridging the Gap agency which has helped 11,000 young people in south-east Queensland find jobs; and scrapping an employment scheme based at Richmond which has helped 5,000 people in rural Queensland find jobs. It would be nice if the Treasurer actually listened, because we are concerned about unemployment. I ask: how can the Treasurer scrap these programs targeted at finding Queenslanders jobs when the need has never been greater? And why can she find about $50,000 a day to fund the Connolly inquiry when she will not even cough up $45,000 a year for the Bridging the Gap agency?

Mrs SHELDON: The Leader of the Opposition obviously has great difficulty in knowing who is the relevant Minister. However, I would like to say that the policy of the Minister was that we should be providing more training places. I agreed to that. We have funded an extra 16,500 training places in this State for young people to be adequately trained for jobs in the future.

Kirwan Hospital for Women

Mr SPRINGBORG: In asking a question of the honourable the Minister for Health, I refer to the fact that the shadow Health Minister recently publicly criticised the qualifications of an American locum staff specialist at Townsville's Kirwan Hospital for Women. I ask: would the Minister kindly inform the House how misinformed these criticisms have proven to be?

Mr HORAN: I thank the honourable member for his question. I think if anything demonstrates the obstruction and the negativity that Queensland is saddled with in this Labor Opposition it has been this carping criticism by the Opposition Health spokesman of the American locum currently serving at the Kirwan Women's Hospital. In a letter to the editor this week in the *Townsville Daily Bulletin* the Opposition spokeswoman described this American locum by saying that his enthusiasm cannot replace his obvious lack of experience.

I would like to describe the experience of this American locum; the experience that he has brought to the Kirwan Women's Hospital. By the time I finish, those opposite will see that he is perhaps one of the best qualified obstetricians and gynaecologists in the world. We have him here in Townsville. This obstetrician graduated from the Georgetown University in Washington. He served in one of the biggest US Navy bases in San Francisco where there are some thousands of service wives and children. He was director of obstetric and gynaecological services in Washington. Nine per cent of the service's patients were disadvantaged blacks with high-risk deliveries. He has received a number of clinical instructor of the year awards in America. His special interests are in the modern techniques of gynaecological surgery. To take up this position in Townsville, he turned down a position at a major women's health service in Washington where he would have been in charge of 27 women's specialists. That is the sort of international experience that we are bringing to Kirwan.

It is absolutely amazing that the ignorance and stupidity of the Opposition spokesperson can be exposed in this regard. That shows once again that the lead in the saddlebag that Queensland carries is an obstructionist, negative Opposition that does everything it can to prevent good, practical improvements. In this case, she is talking about a staff specialist who brings much expertise and an opportunity to transfer clinical knowledge and who has received so much approval and enthusiasm from the staff of the Kirwan Hospital. The other point that she talked about——

Mr SPEAKER: Order! The Minister will refer to "the honourable member", please.

Mr HORAN: In the letter the honourable member also referred to a fifth position that Labor would provide at the Kirwan Hospital. Under Labor, there were three positions. A fourth position was proposed but there was no cash for that position, just a hospital with desperate budget overruns. There was no money to pay even the wages. The coalition has provided four specialists. When the senior director arrives, out of respect for him, the fifth position will be arranged. The staff of the hospital want VMO arrangements that could provide up to two or three additional people over and above the four staff specialists who have been recruited already.

The stupidity, ignorance and insensitivity of the Opposition spokesperson for Health are unbelievable and once again demonstrate that the Labor Opposition is lead in the saddlebags of Queensland.

Department of Minister for Public Works and Housing; Tenders

Mr ELDER: In directing a question to the Minister for Public Works and Housing, I refer to the tender callings from his department for the period 1 July to 20

November, which I will table for the information of the House, and draw to the attention of the House that the first occasion that tenders were called for the construction of public housing this financial year was on 20 November. I ask: does this inability of his to put in place a capital works program justify the complaints of other departments that the Public Works and Housing Department is to blame for the delays in the Government's overall works program? What will he tell the Premier when he seeks a "please explain" about what remedial action he is planning?

Mr CONNOR: I think the member should have conferred a little bit more closely with the previous Minister. As he probably knows, the majority of our funding has been moved to community housing. We tripled the funding for community housing. Community groups around Queensland have been asked to put forward proposals in relation to that. That means that community groups, which are very close to the people around Queensland, especially in rural and remote areas, have the opportunity to help us by supplying land and, in most cases, 10 per cent of the cost. They know exactly where it should go and exactly what is required. In addition, we completed a $50m priority spot purchase program that the previous Minister put in place. We did it, funded it and completed it. We have also put in place 158 HITT program houses. Honourable members might recall that that is done through group training and uses apprentices. We also put in place $60m for the Aboriginal and Torres Strait Islanders housing program. The honourable member does not understand that most of those projects do not go through tender, because they do not need to. Already we have provided dozens and dozens of houses in place such as Thursday Island. They do not have to have tenders.

Queensland Anti-Discrimination Commission

Mr CARROLL: Is the Attorney-General and Minister for Justice aware of concern that the proposed Queensland Anti-Discrimination Commission will not be sufficiently independent from the Queensland Government? If so, is there any substance to those concerns?

Mr BEANLAND: I thank the member for that very good question. I am aware of the concern, which is totally unfounded, that has been generated by members on the other side of the Chamber. I reiterate the National/Liberal coalition Government's commitment to an independent commission headed by an independent commissioner. I regret that a number of community groups and individuals have been disturbed by a baseless campaign that is being waged by members on the other side, which is designed to truncate Queensland's effort to overcome the Commonwealth's refusal to continue to contribute to human rights administration. Those people have been led astray by a blatantly—and I emphasise "blatantly"—political campaign that has sought to misrepresent the Government's position.

I regret to advise the House that the campaign has been orchestrated by the current Queensland Anti-Discrimination Commissioner and the Queensland State manager of the Commonwealth Human Rights and Equal Opportunity Commission, Mr John Briton. He is a Commonwealth Government employee. However, Mr Briton is far from independent. In early 1995, he was appointed to his current position after holding similar roles in Victoria until June 1994. It has just come to my knowledge—and I ask members opposite to wait for this—that prior to being appointed to that independent position of Anti-Discrimination Commissioner, Mr Briton was employed in the ministerial office of the then Attorney-General, Mr Wells, the member for Murrumba, in the latter half of 1994. Of course, the story gets even better—or worse depending from which perspective one is viewing it—because honourable members will be shocked to hear that Mr Briton's potential referees were the disgraced Victorian Labor Premier, Joan Kirner, and two Socialist Left Ministers, Carolyn Hogg and Maureen Lyster. One can well ask: was this a factional job pay off?

However, it gets even better. Members will be surprised to hear that Mr Briton is now running around the countryside claiming that the new commission will have difficulties in being independent. Of course, members opposite claim that the new commission could not be independent and could not give independent attention to the case of Ms Jacki Byrne, who claims wrongful dismissal for political leanings. One has to ask whether Mr Briton can give independent consideration to Ms Byrne's claims in view of his past history and his background. Of course, the member for Yeronga has led the charge in relation to that. One has to look at the guilty parties opposite.

The issue goes further. People have been racing around this State organising a campaign of letter writing. One has only to look at the form letters that have been coming

into my office. I will table a few of them in a moment. One form letter is from Mr Ian McLean, well-known secretary of the Queensland telecommunications union in this State. I have received similar form letters from a host of other people.

Mr Borbidge: Past president of the Labor Party.

Mr BEANLAND: As the Premier reminds me, Mr McLean is a past president of the Labor Party. A blatant campaign is being waged around the State with form letters creating commotion, fear and conspiracies, of which the Labor Party is guilty time and time again. They are the purveyors of fear and conspiracies in this State. This is a guilty party if ever there was one. I say succinctly that if we are concerned about the handling of the case of Jacki Byrne or anyone else or whether the new commissioner——

Mr FOLEY: It is out of order for the Minister responsible for the administration of the Anti-Discrimination Act to be pre-empting the outcome of a case that is currently before the Anti-Discrimination Commission. The Minister is abusing his position in this House and abusing the ministerial office that he holds. He should refrain from descending into cases currently pending before the Anti-Discrimination Commission in respect of the very Act that he has a duty to administer.

Mr BEANLAND: I say to the member for Yeronga: cut out the theatrics. This issue was raised in this place—and I refer members to *Hansard*—by none other than the member for Yeronga and no-one else. I did not raise this issue. This week, this issue was raised in this place by the member for Yeronga. I believe that it is appropriate and proper that I refute that shameless allegation—because that is what it is—by the member for Yeronga in relation to this particular case and reveal the history and background of Mr Briton.

I did not seek to raise this matter. It is only in the past 24 hours that I have been made aware of the full situation in relation to Mr Briton. It was only when I considered the hypocrisy of members opposite of raising this issue in the first place and how, in fact, Mr Briton would be able to consider this situation——

Mr FOLEY: I rise to a point of order. My point of order is that the Opposition quite properly raised the issue of that matter pending so as to invite the Premier to give an assurance.

Mr SPEAKER: Order! There is no debate. The member will resume his seat.

Mr BEANLAND: I say to the members opposite: guilty, guilty and guilty. They have been caught out well and truly.

Q-Build

Mr MACKENROTH: I ask the Minister for Public Works and Housing: can he explain why Q-Build, a business unit in his department, has on Saturday, 16 November, and again on Saturday, 23 November, shouted parties of guests to the $75 per seat musical *Phantom of the Opera*? Why is the Minister's department shouting people free nights at the *Phantom of the Opera*? What is the total cost to date of this extravagance? Did the Minister approve this waste of taxpayers' funds?

Mr CONNOR: I do not know anything about it.

Department of Mines and Energy; Organisational and Procedural Audit by Ernst and Young

Mr HARPER: I ask the Minister for Mines and Energy: is he aware of a report in today's *Courier-Mail* which claims that the Department of Mines and Energy has been subject to an organisational and procedural audit by Ernst and Young? If so, would the Minister please advise the House on the accuracy of the report?

Mr GILMORE: I thank the honourable member for the question. I have been sitting here for a couple of days expecting a question to come from the Opposition. Unfortunately, it did not come so I had to organise a dorothy dixer from the Government back bench.

I am aware of this quite accurate report in today's *Courier-Mail* which, it seems, was drafted from some documents that were handed to the *Courier-Mail* by the member for Mount Isa. I have to say that this is the most remarkable turn of events. Personally, I was always of the opinion that exposing one's shortcomings in public was the habit of dirty old men in trench coats in parks waving around bags of boiled lollies. I could not believe that the member for Mount Isa would be so keen to display his personal shortcomings in such a public forum as the *Courier-Mail*.

Clearly, the member was so excited about getting his hands on a couple of documents from the department that he leaked them without a moment of thought about the implications of those actions for himself. If I had thought for one moment that the

honourable member would have acted in such an intemperate way, I would have personally slipped a copy under his door with a sign on it, "Please do not leak."

To be truthful, I have not made much of a song and dance about this matter because I was seeking to protect the previous Minister from himself. However, it appears that the man is absolutely determined to be displayed in this public forum as one of the most tiresome, incompetent and bumbling administrators ever to grace the chair of the Department of Mines and Energy. The report referred to in the *Courier-Mail* is an absolute indictment of the previous Minister and the previous Government. Clearly, the honourable member in his excitement did not read the document before he leaked it. Any other person with a shred of decency would have slunk off into the night and buried the ashes of both those documents in the backyard hoping that they would not haunt him later.

The report exposes colossal incompetence. It exposes a department which is demoralised, underfunded, underresourced in vital areas, unsure of its role, unsure of its core function, utilising processes that are archaic, cumbersome and inefficient; a department depending to a very great degree——

Mr McGrady interjected.

Mr GILMORE: If I were the member, I really would not interject. It was a department depending on special funding to keep core activities going, depending on special funding to pay the wages of public servants; it was a department which had lost its way and which had drifted away from providing a competent, efficient service to the mining and energy sectors of this State.

However, I have to admit that I was asked about the article and I had better return to that. I would like to explain to the House how it came about. I am sure that honourable members, particularly members opposite, would remember quite well that the previous Government left this Government a hole in the Budget of absolutely heroic proportions. In the formulation of the Budget, every department was requested to determine where savings could be made. Savings were suggested in my department amounting to something like 40 per cent of the budget of the department. In those circumstances, I sought counsel from a number of sources, including the executive of the Mining Council. I was told on several occasions that the business and mining community did not have any faith in the department. However, I did not know, and could not know, what my department did or how it did it. In fact, the department was a disgrace.

So faced with a Budget disaster and clear uncertainty in the business community, I took the only avenue available to me other than suicide. I commissioned an urgent organisational and procedural audit of my department. Ernst and Young, as a nationally accredited and quality assured organisation and a highly respected firm, were commissioned to undertake this work. I had never expected that Ernst and Young would reveal such a scrambled, broken down, incompetent tale of woe. I will refer to only two examples: 45 per cent of all effort expended in this department was of an administrative nature. Anybody knows that 20 per cent is a fair standard. Savings of $7m are the likely outcome of this report, and that is not bad out of a budget of only $34m. I will refer to another example: ministerial correspondence, as it goes down through the department, is read by 11 persons, and it is read by no less than five persons coming back.

Mr Borbidge: "Sir Humphrey" McGrady.

Mr GILMORE: As I am reminded by the Premier, "Sir Humphrey" McGrady sat on his hands and let all of this happen. This occurred after the department was rearranged no less than three times by the previous administration—three times, and never once was a proper audit carried out; never once were people in the department consulted or listened to; and never once was industry consulted or taken into confidence. Rather, the department was the victim of the dreaded "Dr Death" at the PSMC.

In conclusion—the previous Minister was and, it seems, remains incompetent. For five years he presided over a disaster and he did not have the wit to know it. Now he has leaked documents which, in his haste, he thought were going to bring me undone. However, all he has done is emphatically underline his own years of waste, of trivial focus and of sheer incompetence.

For the information of members, I table copies of the report of Stage 1 of the work being done by Ernst and Young.

Mr SPEAKER: Order! Would the Minister finish his answer?

Mr GILMORE: In conclusion—I employed Ernst and Young, and I am pleased that I did. This report is a monument to its professionalism and integrity. I believe that it will long be utilised as a text for future studies of this kind.

Economic Growth

Mr HAMILL: I refer the Treasurer to the Yellow Pages Small Business Index for November, which shows that Queensland has the lowest level of business confidence of any State—fully 12 per cent below the national average—that 86 per cent of Queensland small businesses believe the economy is at a standstill or in recession, and that only 8 per cent of small businesses in Queensland plan to increase their work force over the next 12 months, and I ask: in view of these alarming statistics, will she reaffirm her Budget forecast of 4 per cent growth in the State's economy this year?

Mrs SHELDON: I thank the honourable member for his question. It is a couple of days late, but I thank him for it, anyway.

Mr Hamill interjected.

Mrs SHELDON: I will answer it quite well if the honourable member will keep quiet and listen. As usual, some sections of the media and the Opposition have selectively quoted the report, as indeed Mr Hamill did.

Mr Hamill: Are you able to confirm the figure for the Queensland economy?

Mrs SHELDON: The honourable member asks the questions, I answer them. The November 1996 Yellow Pages Small Business Index provides a strong indication that businesses in Queensland are expecting a strong turnaround in economic conditions in the coming 12 months.

Mr Hamill: We have read it.

Mrs SHELDON: The honourable member can read it; these are the facts.

The Yellow Pages reports that 47 per cent of respondents anticipate better economic conditions in the coming 12 months, while only 10 per cent expect worse conditions.

Mr Hamill: They say it can't get any worse.

Mr SPEAKER: It is going to get worse. I warn the honourable member under 123A.

Mrs SHELDON: Can he get any worse, one asks? This means that 90 per cent of small businesses consider that the economy will be unchanged or will improve. This represents a significant turnaround on current perceptions, where only 14 per cent of small businesses consider the economy to be in growth mode and 22 per cent reported the economy to be in recession. Treasury forecasts economic growth for Queensland of 4 per cent in 1996-97, well above the national forecast of 3.25 per cent. Although it is expected that growth in GSP will be modest in the second half of 1996, it is expected to improve in 1997 to meet Budget forecasts.

Factors underpinning confidence in 1996-97 forecasts for Queensland include a pick up in retail turnover in real trend terms in Queensland.

Mr Hamill: Four per cent this year?

Mrs SHELDON: The honourable member should just listen. He is an embarrassment to himself and to the House.

There will be a pick up in retail turnover. In real trend terms, retail turnover in Queensland increased by 0.8 per cent in the September quarter 1996, following a growth of 0.6 per cent in the June quarter. This compares with a national increase of 0.2 per cent and 0.4 per cent respectively.

New motor vehicle registrations in the September quarter were up by 0.8 per cent on the previous quarter, while nationally they fell by 0.9 per cent. Motor vehicle registrations have now risen for the past three consecutive quarters. Building approvals in the September quarter increased by 1.8 per cent in Queensland, and were down 0.4 per cent nationally. The latest quarterly dwelling commencement figures show a 3.1 per cent increase in Queensland, compared with a national increase of only 0.3 per cent.

Employment growth in Queensland continues to outperform national growth. Since February, when the coalition Government took office, 35 per cent of all new jobs created in Australia have been created in Queensland. The breaking of the drought in many areas and a recovery in the State's agricultural sector will also support growth.

I leave the last word to the President of the Property Council of Australia, Angus Harvey Ross. He was quoted in the *City News* of 21 November as saying—

> "Now we're starting to see confidence in business and businesses have been prepared to expand."

Queensland Wine Industry

Mr RADKE: I ask the Minister for Tourism, Small Business and Industry: can he inform the House of the initiatives the coalition Government is taking to promote the Queensland wine industry?

Mr T. B. Sullivan: Late night sittings.

Mr DAVIDSON: After the late night sittings I feel as though I have been on the red wine. I thank the honourable member for Greenslopes for his question. I know he has

had a long interest and involvement in the Queensland wine industry.

Mr FitzGerald: From a number of perspectives.

Mr DAVIDSON: Yes, from a number of perspectives. No matter whom I talk to within the Queensland wine industry, they all speak very highly of the member of Greenslopes and his commitment to and involvement in the industry.

I know that this subject is dear to the hearts of most members in the House. Obviously, a previous Minister for Tourism has done some groundwork in ensuring that the Queensland wine industry could expand and grow. I believe that in the last nine months we have continued that work at a very fast pace. It has been an absolute pleasure to be involved in this industry.

A month or so after I was appointed Minister, I provided the funding for the Queensland wine industry to be represented at Australia——

Mr Gibbs: What would you recommend to accompany a fine piece of sole?

Mr DAVIDSON: The Bald Mountain chardonnay is one of my favourite Queensland white wines. I provided the funding for the Queensland wine industry to have a stand at the Wine Australian 96 Expo in Sydney. Since then, I cannot believe the enormous press coverage of Queensland wines throughout the State and throughout Australia. Hardly a week or a day goes by when I do not get some sort of press clipping on my desk promoting and recognising the quality of wine produced in Queensland.

I would like to make members aware of the importance of this industry and the enormous potential it offers to Queensland. At the moment, it generates around $17m. We believe that we can double that figure in the next three years. As a commitment to the industry of our hope to achieve that we have appointed a wine project officer to the TSBI office in Toowoomba. That person will be able to work with the industry, the CSIRO, wine growers and vineyards throughout Australia to develop the Queensland wine industry to its fullest potential.

As I said, the department assisted the wine industry in participating in Wine Australia. This year, at the Australian Small Winemakers Show held in Stanthorpe, 90 Queensland wines won 30 medals. That is a fantastic achievement—our greatest achievement ever. Queensland wines have also won the right to be the official suppliers for the 1997 IndyCarnival, where they will be exposed to thousands of corporate guests and State, national and international guests. That has been a really great achievement for the industry and I thank the Indy board for recognising the quality of Queensland wines and allowing them to be the official suppliers for the 1997 IndyCarnival.

A couple of weeks ago, we had a wine tasting in my office. Twelve Queensland wineries were represented. I invited all department heads and CEOs of Government and many leading business CEOs from around town. An enormous number of people were exposed to Queensland wines for the first time. Their appreciation of the quality of the wine was unbelievable. One of the leading restaurateurs in town is now featuring Queensland wines on the first page of his wine list. That was a really positive outcome.

We will continue to promote Queensland wines. I believe that the industry offers enormous economic potential for the State, both from an industry point of view and, hopefully, in time, from a tourism point of view.

Dental Waiting Lists

Mr SCHWARTEN: I refer the Minister for Health to his statement reported in the *Fassifern Guardian* on 20 November, in which he claimed that Rockhampton's dental waiting list times have been cut to 10 weeks to 12 weeks. I also refer the Minister to his answer to question on notice No. 955 in which he said that the waiting times for Rockhampton and Gladstone were 68.5 weeks. I table a letter from Mr Paul Franks of North Rockhampton in which he says that he has been told that he will have to wait for more than 18 months for dental treatment. I ask: will the Minister agree that his claims about reduced waiting lists do not represent reality? Will he apologise to Mr Franks and thousands of other Queenslanders for his misleading statements about dental waiting lists?

Mr HORAN: Was that about dental waiting lists or general waiting lists?

Mr Schwarten: Dental.

Mr HORAN: Within the area of dental waiting lists, one of our achievements has been retaining the $10m in funding that the Federal Government cut from the Budget this financial year. There is no reduction whatsoever in any funding.

Mr SPEAKER: The time for questions has expired.

MINISTERIAL STATEMENT

Mr D. Barbagallo

Hon. R. E. BORBIDGE (Surfers Paradise—Premier) (10.30 a.m.), by leave: Yesterday during question time the issue of the manner in which the former Premier's one-time private secretary and closest personal adviser, Mr David Barbagallo, became chief executive of the heavily taxpayer subsidised Distributed Systems Technology Centre housed at the University of Queensland was raised by the Government Whip. The question was raised by the honourable member in the context of the recent attacks on the Honourable Police Minister and the Honourable Minister for Public Works and Housing over a small consultancy—about a $10,000 consultancy—paid to a person who had been adversely mentioned by the CJC.

The ancient injunction about being the first to cast a stone is forever valid. It certainly is in this case. The stone that the Opposition threw yesterday is a mere pebble against what has come to light as a result of our inquiries. I dealt with some disturbing aspects of the Barbagallo matter yesterday. Since then, I have had the opportunity to cause a considerably deeper investigation. It has not finished.

What I have discovered to date is so disturbing in relation to the operations of the office of the former Premier that it is appropriate under all the circumstances to make a further statement on the matter and to table a considerable number of documents. Before I go into this in some detail, I would like to provide the House with a bit of background.

Mr Barbagallo was, from February 1992 until he resigned in November 1993, the principal private secretary to the member for Logan when that member was Premier. Prior to that, from January 1990 to his appointment as the then Premier's principal private secretary, he had been a senior policy adviser to the Premier, particularly in the area of information technology, which was a role that he retained as principal private secretary. Immediately prior to that, when the ALP was in Opposition, he was an ALP organiser in north Queensland.

Certainly from the time he became the former Premier's principal private secretary, Mr Barbagallo was active in seeking to achieve very significant levels of taxpayer funding for an organisation called Distributed Systems Technology Centre Pty Ltd. He did this not just from the key influential position as the Premier's personal adviser on information technology issues but equally persuasively as the then Premier's nominee on the Information Policy Board. It was this board through which the Government had determined it would channel some of the very significant funds to DSTC. This was quite an unusual organisation.

It will help honourable members in following the plot to understand just where DSTC came from and why it was that the Government was being asked by Mr Barbagallo and others to support it. In the early nineties, the former Federal Labor Government determined to provide financial support to so-called cooperative research centres. The Commonwealth wished to support some 50 of these operations around the country, typically in tertiary centres where, with industry, institutional and Government backing, research would be encouraged.

One of the relatively few of these centres established in Queensland under the program has been the Distributed Systems Technology research operation based at the University of Queensland. Simply put, Distributed Systems Technology is the technology of the Net—computer networks. So that is the sort of organisation that we are essentially dealing with. The public funding proposals for this outfit, particularly from the Queensland Government, were both confused, confusing and ultimately extremely generous. If Labor had remained in office and Mr Barbagallo continued to be persuasive, on the evidence of the bureaucrats, cash and kind support could have reached $9m plus.

Opposition members might like to read what I am about to table. However, it is enough for the moment to simply understand that both the Commonwealth and the State were committed to providing millions of dollars to supporting the Distributed Systems Technology Centre at the University of Queensland over a period of several years from 1991. But the Queensland Government—and this is where it starts to get very interesting—had ultimately placed a curious caveat on the provision of significant elements of its funding to the firm.

In June of 1993, via the Information Policy Board, which included Mr Barbagallo, the Government sought that a number of matters be dealt with by the centre before it would hand over any of the $375,000 that it had suggested would be paid to the centre in 1993-94. It wanted to see the appointment of a full-time chief executive officer. It wanted to see the appointment of a research director, it wanted to see the formulation of a business plan and it wanted to see results.

What the Information Policy Board said was that Distributed Systems Technology Pty Ltd would get $95,000 for achieving each or any of these milestones. Conversely, it would not get any of the $375,000 if it did not achieve the milestones. That sets the scene for the resignation of Mr Barbagallo from the Premier's staff in November 1993. In the same month that Mr Barbagallo resigned he was appointed to the job of chief executive officer of Distributed Systems Technology Centre, with which he had been so intimately engaged both as an adviser to the Premier and as a member of the Information Policy Board, drumming up cash on—wait for it, Mr Speaker—$150,000. In the same breath with which he resigned his role as information technology adviser to the Premier, lo and behold he gets the very job with the very firm for which he had long sought taxpayer funding on almost double the pay he was on with the Premier. I will table a letter raising concern at the scale of that package from then Prime Minister's Department and related material.

Yesterday the member for Logan maintained that it was outrageous to suggest that there was anything improper in this extraordinary set of circumstances. He purported that it was all very normal and all aboveboard. I would humbly suggest that as the matter unfolds here today—and perhaps subsequently—that positioning by the former Premier will be very, very sorely tested indeed, because it goes on and on and on.

However, first let us establish beyond any doubt the key point that Mr Barbagallo was a champion of establishing strong public funding for his future and, indeed, his very generous employer. I will table a letter dated 27 May 1992 from the then Director-General of the Premier's Department to the then Director-General of the Department of Business, Industry and Regional Development. It begins—

> "On March 11 the issue of State Government funding for the Distributed Systems Technology Centre, which is operating under the Cooperative Research Centres Program of the Commonwealth Government, was discussed between Messrs Barbagallo, Ford, Luttrell, Parker, Pope and Swan.
>
> It"—

the meeting—

> "resolved that DBIRD provide the following funding for a three year period: first year"—

which was 1992-93—

> "$250,000; second year $375,000; third year $500,000."

The letter establishes that this money, discussed by Mr Barbagallo, was to be paid in cash grants. It goes on to state that the meeting also agreed that project funding "be contributed at best endeavours, to the following extent, subject to satisfaction that agreed outcomes were being met: second year—$375,000; third year $500,000".

So in support from these sources alone, which involved the influential positioning of Mr Barbagallo, the project was to receive some $2m. The director-general went on in this letter to indicate that the latter funding would be underwritten by the department of the man whom Mr Barbagallo was carefully advising on information technology matters.

The next piece of correspondence that I will table is a letter from June 1993 already referred to, which makes the payment of the second-year sum of $375,000 subject to four conditions.

The next relevant piece of correspondence is Mr Barbagallo's letter of resignation to the then Premier dated 9 November 1993. It includes the paragraph—

> "I appreciate the trust you have placed in me over the last six years, particularly in relation to information technology matters. I hope that my initiatives in this area continue to serve the Government well."

I table Mr Barbagallo's resignation letter, the date of which will shortly be seen to be very interesting.

The next piece of correspondence that I will table is a letter from Mr Barbagallo to the then executive director of the Information Policy Board within the Department of the Premier on 15 March 1994. Mr Barbagallo signed the letter as the new $150,000 chief executive officer of Distributed Systems Technology. I will table Mr Barbagallo's 14 October application for the position of chief executive officer of Distributed Systems Technology Centre Pty Ltd. In the letter, Mr Barbagallo has his hand out for the taxpayers' money that he helped organise for himself when he was at the side of the member for Logan. It was so brazen that elements of it deserve to be quoted. It begins—

> "I refer to your letter of 18 June regarding Information Policy Board funding of the Distributed Systems Technology Centre for year two.
>
> The letter defined various deliverables that were required by the

Information Policy Board before project funding would be approved.

I am writing to outline progress to date on these issues and consequently seek payment according to the terms of your letter.

You will be aware that I have been appointed as the full-time chief executive officer . . ."

There is no doubt the executive director of the Information Policy Board would have been well aware of Mr Barbagallo's appointment, because he had had to work with him as the Premier's personal representative on the board—the board which influenced the public funding that he was receiving! He had been on the board as the Premier's personal representative since September of 1990. So he had the place surrounded. He had all the angles covered. He was the original inside trader!

The next piece of correspondence that I wish to table is a letter to Mr Barbagallo from the executive director of the IPB on 22 March 1994. In it, the director says—

"I have today directed that the payment of $190,000 be made to the Distributed Systems Technology Centre forthwith. This payment is in accordance with conditions contained in our letter of 18 June 1993. In particular the payment is in respect of both the appointment of a full-time CEO, and a research director."

The letter also states—

"It is also appropriate that I inform you that the board has sought to secure $500,000 funding for the D.T.S.C. next year. With the prospects of tighter constraints, I cannot guarantee such funding, as this will be subject to normal budgetary considerations, nor can I indicate whether any conditions will be attached to any such finding."

I table that correspondence. I also table page 92 of the annual report of the Department of the Premier and Cabinet for 1994-95, which establishes that the payment of $190,000 was made by the Premier's Department in relation to the 1993-94 year and in response to what I suspect was the reluctant undertaking of the executive director of the IPB. And this is where the money story gets even grubbier.

I will table any document anybody wishes to see in relation to this affair, but for the sake of time, I will paraphrase for honourable members what was going on. Bear in mind that I have the documentation and I can table it. Bureaucrats in DBIRD and in the Premier's Department quickly became increasingly concerned—increasingly deeply concerned, and particularly in the wake of Mr Barbagallo's appointment—about whether the Government was throwing good money after bad into this venture run by the member for Logan's former principal private secretary. They began to resist the proposition that more public money ought to be put into Mr Barbagallo's company. There were a number of reasons for that attitude. The business plan was still not complete. The results that the executive director sought by way of a demonstration model of some information technology were not happening. And when the plan did finally emerge, it turned the very concept on which the centre had been based right on its head.

The original idea behind it was that the product, or the intellectual property, that DSTC developed would be commercialised—become a money-spinner for shareholders, which of course included the taxpayer. It was envisaged in the beginning that academic research, conducted with the combined brain power of four universities and with the help of millions of dollars in taxpayers' and corporate funds, would generate products and ideas that would be saleable and which would, over time, reduce the centre's reliance on the public purse by returning a dividend to taxpayers. But instead, under Mr Barbagallo's leadership, what the public servants saw was an attempt to simply corral the product and the ideas developed by the centre; they were locked up for the exclusive use of the participants, the club. So the public servants felt that what was happening was that the taxpayers were being asked to pour millions of dollars into a sort of gigabyte playpen for a few propeller heads who would happily take the taxpayers' dollars and the profits, if any. That is not what the Commonwealth Government had in mind at all. It is not what the public servants involved, particularly here in Queensland, thought was proper. And it was not what the current Deputy Leader of the Opposition suggested would be the reason for being of the centre when he opened it for DBIRD as yet another Labor Minister.

A lot of this thinking by the public servants—and I admire them for their courage and their commitment to probity—was reflected in a letter prepared by or for one of the former Government's other many Ministers for DBIRD, in this case the former member for Mulgrave, who told Mr Barbagallo—with some bluntness, I might add—that there would be no funding for the centre beyond the 1994-95 commitment. I will table that letter, which also makes the point that, despite the fact that

there were, in all, nine cooperative research centres in Queensland under this Commonwealth/State program, Mr Barbagallo's little outfit received about $2.5m, or more than half the total funds available for these centres. More than half for one outfit!

Mr Barbagallo's little baby got millions while the tropical fruit pathology CRC got $100,000 all up. Mr Barbagallo's outfit got millions while the alloy and solidification CRC was due to get just $695,000. Mr Barbagallo's outfit got millions while the cattle and beef meat quality CRC got $250,000 all up. Mr Barbagallo's outfit got millions while the CRC dealing with waste management and pollution control was scheduled to get $695,000 all up. Almost 90 per cent of these research efforts had to share less than 50 per cent of the available money! Clearly, as always, it is not what you know but who you know. Mr O'Connor, adversely mentioned by the CJC, can find work worth a few thousand. Two Ministers and him get attacked and vilified for that. But when a person is properly connected in the Labor Party, that person can cop an adverse mention, $150,000 a year and millions in cash for their outfit!

But even then, Mr Barbagallo—even after he had done so very well compared with every other CRC—was not of a mind to give up, to accept that he had had a very, very good deal indeed from the taxpayer and get on with it. And he knew his mark when he did the Oliver Twist impersonation. He went to the former member for Mulgrave's colleague the member for Kallangur—yet another DBIRD Minister. He bypassed the public servants, who knew what was going on, and he went back to the Labor Party, back to the Ministry, and got a more sympathetic hearing. I table the correspondence of a Minister who still recognised where the real power lay. Mr Barbagallo also went around the public servants, direct to the Treasurer. He got the nudge-nudge, wink-wink treatment there, too. I table that correspondence.

Finally, Mr Barbagallo went back to his old mates in the Executive Building. He did not do too badly there, either. Despite the reservations of some of the most informed public servants, the second tranche of the 1993-94 money—another $185,000—went off in the mail on 30 November 1994 from the Premier's Department. The first tranche of 1994-95 money—which several people had fought hard to keep down to $375,000 tops—went out in a $185,000 cheque from the Premier's Department, despite all the reservations that had been expressed, in early December 1994. One of the final submissions to the former Premier on the topic sought to top off that allocation, send out the remaining $185,000. And that was paid, too, because the annual report of the Premier's Department for 1994-95 shows the payment for the financial year totalled $560,000. Clearly, therefore, another cheque for $185,000 was approved personally by the Premier when he got the memos sent to him in May 1995 from a very senior officer in his department seeking that the payment be made before the end of the financial year.

I should say again that every attempt was made by the public servants in the Premier's Department to sort out the mess and to establish a proper procedure where it was difficult to find one as far as the saga of Distributed Systems Technology Pty Ltd and Mr Barbagallo was concerned. But as usual, with a little help, he found the cream.

There is a lot more where this came from if honourable members opposite want to get down into the gutter, if they want to engage in the tactics that they have used against the Minister for Police and Corrective Services and against the Minister for Public Works and Housing. They should read this documentary evidence, they should read the documents that I have tabled today, because this is just an entree.

PRIVILEGE

Mr D. Barbagallo

Mr W. K. GOSS (Logan) (10.50 a.m.): My point of privilege is that the Premier has made an offer to all members of the House that he will table any document that any member requires. I would like to see tabled—and if the Premier does not have it, I will table it—the minutes of the board meeting of DSTC of November 1993.

The reason that is important and I presume the reason the Premier has not made reference to it—and I would like to see him table it if in fact he has it—is that the central allegation involving the two Ministers and the central allegation that he made in relation to Mr Barbagallo was that the selection of Mr Barbagallo for the job was rigged. As these minutes, which I will table if the Premier will not, show, the process was one of honesty and rigour. This is not Mr Barbagallo's company, as the Premier has implied. It is a private sector company with 70 employees. As I explained yesterday, its board consists of very respected businessmen such as Roy Deicke, and it was Mr Roy Deicke and others who are mentioned in these minutes

who carried out the final selection process. As I said yesterday, Mr Roy Deicke is one of the most conservative and respected businessmen in this State's history. If Mr Borbidge is suggesting the process was rigged, then he is casting a slur on Mr Deicke, a person who I understand is the uncle of the Treasurer.

Mr BORBIDGE: I am happy for the former Premier to table that document. I did not because my copies of the documents had some notation——

Mr Beattie interjected.

Mr BORBIDGE: It is still available. I was just going to explain to the Leader of the Opposition that the document that I had seen had some notations on it which referred to certain other matters. I am quite happy to provide further documentation next week, and I am quite happy if the——

Mr SPEAKER: Order! We have had enough debate on this issue.

TRANSPORT (GLADSTONE EAST END TO HARBOUR CORRIDOR) BILL

Second Reading

Debate resumed from 14 November (see p. 4133).

Hon. J. P. ELDER (Capalaba—Deputy Leader of the Opposition) (10.52 a.m.): The Labor Party will not be opposing this legislation. We have a number of reservations, but on balance we believe the Bill should be passed. A rail loop is necessary to allow QCL efficient access to expand its capacity at its Gladstone operations.

The effect of the planned expansion of roads in the Gladstone area, as many of us believe, would have been unacceptable and I am happy to see that the Government has adopted this approach. It is already a matter of public record that previous Labor Governments helped to facilitate the project so that coral dredging could be stopped in Moreton Bay. Much of the land through which this rail loop will pass was and is already held by the Government. In general, the private land-holders who will lose their land because of the new rail loop have accepted the construction.

In relation to land-holders who are having problems, in particular the McInally family, I have sought several assurances from the Minister. The Minister has written to me, assuring me that every possible option has been considered and that the only viable option is the one proposed through the McInally land. The Minister assures me, at my insistence, that all possible options have been fully discussed with Mrs McInally's son and that they have been thoroughly evaluated.

In accepting the Minister's assurance on this matter, I put on the record that I have been led to believe by the Minister that all the proposals have been considered and that consideration of those proposals had led to this one and only option. I say that because it was brought to my attention only this morning in an article in the *Gladstone Observer* about an offer from Ticor. I assume that the proposals considered included the proposal as discussed by Ticor.

Mr Slack interjected.

Mr ELDER: That is fine. That is the first time I have seen this. I assumed it was one of the proposals the Minister considered. I accept those assurances.

Naturally, it concerns members on this side of the House to see residents' rights of judicial review removed from the decision-making process. As I said, the Minister advised me that his best advice points to the Government winning any particular case if it were lodged for judicial review and that any review would have been of significant cost to both parties had that course of action been taken. In light of that, I accept that assurance from the Minister as well.

There is no doubt that losing land such as this is causing Mrs McInally considerable distress and in that regard—and I would again accept the Minister's assurances—the Government is providing—and must provide—adequate financial compensation. As I said, based on the Minister's assurances—and I have always known him to be a truthful man—with those issues up front, the Opposition will be supporting the Bill.

There is another matter I would like the Minister to consider. Concerns have been raised by local residents about the depletion of ground water around the mine site at Mount Larcom. They say there are significant environmental issues there which need to be addressed. No mine operating in this day and age can cause such impacts as this on land users without the concerns of those landowners being addressed. The Government has to assure those land-holders that it will allocate the resources to solving the problems of the residents. It has to do the research and solve the problems if those problems exist. I would hope that the Minister would do that. In fact, I would say that it would be incumbent upon him as a responsible

Minister to do it; it would be irresponsible not to do so.

The residents can be assured that the Labor Opposition will pursue the issue with vigour if the Government and the company do not fulfil what we would consider to be good-neighbour obligations. On the basis of what we have been informed and on the basis of the discussion I had with the Minister, we will be supporting the legislation.

Mr LUCAS (Lytton) (10.57 a.m.): I rise to support the legislation before the House today. However, it is unfortunate that it has come to the need for special legislation for the acquisition of the land involved. It should be noted, as my colleague the Deputy Leader of the Opposition pointed out, that in practical terms the Bill merely brings forward an acquisition which is within the statutory powers of Queensland Rail. Having said that, there are very legitimate property rights of the owners concerned and I would call on the Government to pay the maximum reasonable and fair compensation involved in acquiring the land.

It is important that the House recognises Labor's very proud record in relation to this issue. Prior to the Labor Government addressing the issue during the term of the Goss Government, there was open slather coral dredging in Moreton Bay and also, of course, the debacle at Mount Etna. It was through people, principally Tom Burns, that great champion and defender of the bay, and through organisations that operate at a local level such as the Australian Marine Conservation Society, Moreton Bay Branch, the Bayside Environment Network, and also aided by some very responsible journalism on the part of the *Wynnum Herald*, that the arguments were argued and the good fight was fought to end coral dredging in Moreton Bay.

Of course, the Goss Government announced the phase-out by 1997, which in his second-reading speech the Minister indicates the then Opposition, now Government, supported. It is very important to remember that Moreton Bay, being a marine environment, is particularly sensitive to the degradations and depredations that can take place as a result of coral dredging. It is also important to note that it was the Goss Government that proclaimed Moreton Bay as a marine park. The Goss Government recognised that, if it was good enough to have no coral dredging on the Great Barrier Reef marine park, then the men and women, the workers and the fisherpeople of Moreton Bay and Lytton deserved similar treatment for the Moreton Bay marine park. It is interesting to note that, as far as I am aware, Australia is the only western country that did allow marine coral dredging.

When I was selected as the Labor Party's candidate for Lytton in the by-election, I thought it was very important that I familiarise myself with the issues involved in the electorate in an environmental sense as far as I could. Unlike any of the other candidates, I made it my personal business to inspect the islands immediately outside the electorate of Lytton, namely Mud Island, St Helena Island and Green Island, to see what they looked like before and after coral dredging. I found that most informative. I always suspected that coral dredging in marine environments was not a really good idea, but when one actually inspects what has happened to islands such as Mud Island, it brings it home in no uncertain terms.

For the benefit of honourable members, I hold up some pictures that were taken on Mud Island prior to the commencement of coral dredging. The photograph at the top of the page shows the island in its original condition. Below that honourable members will see pictures of what happened to Mud Island after dredging commenced. It looks like something one would see in the desert. I table black and white photocopy pictures of Mud Island.

Mr T. B. Sullivan: Have it incorporated in *Hansard*.

Mr LUCAS: I do not seek leave to table these pieces of coral, but when I went to Mud Island with Mr Keith Spencer from the Moreton Bay Protection Society he showed me what happens with the coral. The dredge picks up the dead coral and also dislodges pieces of coral which fall to the sea floor. In heavy seas those pieces are washed up against the island. That has two impacts on the island. First of all, it rubs against the mangrove trees and ringbarks them and kills them; hence the photographs. However, it also creates a bund all around the island so that salt water cannot circulate inside that environment. People who know anything about marine environments know the importance of mangroves to the delicate marine ecosystems.

It is very sad that Mud Island is effectively destroyed as a life-giving or life-sustaining force in Moreton Bay. I give notice that one of the issues that I intend to pursue in this Parliament is examining what we can do to ensure that Queensland Cement and Lime is held responsible for restoring the island to its original state.

Moreton Bay is a finite resource and a unique resource. It has many species of fish and similar sea animals. The bay has a very important dugong colony and a very important seagrass colony. The Minister is probably aware that there is a burgeoning bloodworm business taking place off Fisherman's Island. That business has received permission from the Commonwealth Government to export bloodworms to Japan. It is an economically sustainable project and one that will earn excellent local returns for businessmen and for the economy.

The Port of Brisbane is the largest port in this State and it is next door to that sensitive marine environment. I believe that the two can co-exist in an environmentally responsible way, bearing in mind increasing technological and scientific innovations. However, some activities are incompatible with the delicate marine environment, and coral dredging is one of those. I endorse the Goss Government's decision to phase out dredging of Moreton Bay by 1997. My personal view, and the view that I believe is the more correct one, is to have an immediate cessation of dredging.

The Opposition will be supporting the Bill. It is always unfortunate when there needs to be site-specific legislation, but I would ask that the maximum compensation that is reasonable and lawful be paid to the individuals involved. I intend to monitor Queensland Cement and Lime's conduct at Mount Larcom. The people in my electorate have a real interest in what takes place in their backyard, and the people in Gladstone and the surrounding areas have a very distinct and important interest in what happens at Mount Larcom.

Mrs CUNNINGHAM (Gladstone) (11.05 a.m.): Some of the issues relating to this Bill, namely the land parcels involved in the corridor, date back five years at least. Much of the corridor land was involved in the Aldoga land use study. May I say that one of the unique features of my electorate is the cooperative spirit between business, industry and the residents in relation to industrial development. The situation is no different with regard to this issue. I wish to quote from a recent *Courier-Mail* article in which the following statement by Mr Slack appears—

> "Most of these landholders agree that the Government has good reasons to build a railway and have accepted that some of their land will be given over for that purpose."

Of all the people who have been involved in or affected by the Queensland Cement and Lime proposals, I have heard of only two individuals who have said that they do not want the expansion. One of those individuals made his statement in the heat of a public meeting. In the heat of the moment the man just said, "Let them go overseas." Neither of those persons is directly affected by this Bill.

Generally the residents of that district are very supportive of the QCL expansion. However, they are concerned about the impact of that expansion. The reason for the need for the corridor was primarily predicated by the move by QCL from Darra. The Moreton Bay coral issue has already been cancelled. The scepticism in the community that is expressed in some of the documents from which I will quote during my speech was generated when the project was announced to be proceeding prior to the completion of the environmental impact study. That was before the July 1995 election. The community was involved in the EIS process. The normal process is that the EIS is completed and it is then decided whether the project will or will not proceed. The announcement was made that the project would go ahead before the EIS process was finalised.

As the member for Lytton mentioned, there have been a lot of problems in the community with regard to negotiations over water with QCL. This concerns a different group of residents, but nevertheless it is still a problem. Landowners in that district feel frustrated. A group of landowners in the East End area have got together to work for their own cause. I want to quote from a fax that was sent by EEMAG. In part, the fax stated—

> "There is an option to move the railway loop and line onto QCL owned land and affect only one landholder who actually does not reside here at East End. Numerous options have been suggested and the option that this Bill supports has the greatest possible impact on the cluster of residents in the East End rural community. Particularly when it must be remembered that the railway line shall be used 24 hours a day, seven days a week. (The noise levels—120 dB A)
>
> The resident landowners in this area have had an ongoing battle for their rights and social justice issues with QCL and the Government for the last 20 years! QCL has been advantaged over the landholders!! This is exemplified by;
>
> - The Franchise Agreement of 1977 between the Bjelke-Petersen Government and QCL

- The mining warden's recommendations pertaining to the case of 1975 being withheld from the landholders and thus preventing any avenue of appeal!
- The fact that the Special Lease conditions of 1976 had reference to ground water. Yet ground water, surface water and the Department of Natural Resources were not included in the draft Terms of Reference for this expansion. The landholders had to take on this task, themselves, for these to be included.

THERE IS A DEPLETION OF GROUND WATER and QCL's policy is continuing to dewater their mine pit, and pump the water away."

That is a summary of the group's concerns.

The problem at hand is predominantly with two landowners. I know that the son of one of those landowners, Maurie McInally, has spoken with the member for Fitzroy. Indeed, we have had a number of conversations about the issue. The land owned by these land-holders is affected by the QCL rail line between the QCL mine and the Fisherman's Landing cement plant. One of the land-holders is Mrs McInally. She is a lady in her eighties. She was born on the property. Indeed, the Minister and I visited her property and the first thing she did was show us the room in which she was born. She has a very strong, long-term link with the property.

Mr Elder: It was a good chocolate cake.

Mrs CUNNINGHAM: I know. That was hospitality gone wrong, unfortunately. It was a gooey cake. I picked it, but it was terrible. We thought we were doing a really neighbourly thing. Mrs McInally was born on the property, she raised her family on the property, and she is still there.

At the other end of the loop line is Mrs Christina Bashford. Mrs Bashford is a pensioner. She has a significant gravel resource on her property. More importantly, her home site will be approximately 300 metres from the train line. Given the regularity of the train trips, her quality of life will be significantly impacted upon.

Mr Bashford's frustration is heightened by a recent news article in the *Observer* which stated—

"Ticor"—

which is a sodium cyanide plant—

"is offering the State Government the opportunity to build a rail spur through its property rather than buy land from Yarwun landowners.

. . .

Mr Dean"—

who is leaving his position today—

"said the offer had been made to Queensland Rail some time ago, but it had been ignored."

Incidents such as those give landowners a heightened sense of frustration. I am not sure what is involved in that offer, but I certainly encourage the Minister to explore the proposal. I acknowledge that both property owners have been approached by the Government for full purchase and unfortunately those negotiations did not reach an agreed conclusion.

The landowners feel aggrieved and that is exacerbated by the situation in which, in their efforts to defend their cause, they have been denied access to material under FOI. In July, Queensland Rail wrote back to Mrs Bashford and stated—

"Insofar as Queensland Rail is concerned, Section 199 of the Transport Infrastructure Act 1994 (copy enclosed) provides that the Freedom of Information Act does not apply to a document received or brought into existence by a transport Government Owned Corporation (GOC) in carrying out its 'excluded activities'. This Section of the Act then defines 'excluded activities' as 'commercial activities'."

It is really a conglomeration or mixture of incidents and issues that have created that very volatile sense of frustration, particularly with those two landowners in relation to the rail line and the other landowners surrounding the mine in relation to water. Initially, in relation to the water issue, I had been talking to landowners and then the company. From both perspectives, there appeared to be some good progress being made. Unfortunately, a letter from QCL to the landowners exploded any confidence. The situation has deteriorated since then. The company has given no concrete assurances; there has been a lot of "Trust me, we'll look after you". However, because of what has happened over 20 years and the baggage that that has brought, the landowners want more than assurances; they want to see concrete undertakings—pardon the pun—by the company to not only say, "You'll be right for water" but also something that is definite that states, "And this is how we will do it." Cost will come into it, but where does the viability of a person's farm and a

person's investment in a farm end? Water is the farm. Where the company is depleting—and in some instances totally eradicating—water supplies to properties, that must be a serious consideration for primarily the company but also Government.

I acknowledge that both Calliope Shire Council and Gladstone City Council support the proposed process, that is, the passing of this Bill and the taking of that land. I reiterate that the landowners themselves are not against the project. Although I, too, support the need for wise development in our region and I recognise that we have probably the best infrastructure, the best service availability and the best community environment in the Gladstone/Calliope area of anywhere, I cannot support the removal of the landowners' fundamental rights to appeal or judicial review.

Only a few months ago in this House we approved legislation that had a similar impact on the Morayfield shopping centre development. We removed the final judicial review rights of an opposing developer who wanted to use judicial review, we believed, to delay the Morayfield project. In that instance, the developer had been through all the local government appeal provisions and had had a significant opportunity to have his day in court. From recollection, in each of the instances the appeal of the owner of the existing shops was overturned in favour of the Morayfield developers. The judicial review freedoms of the owner of the existing shops were limited because he had had his "day in court". However, these people have had no opportunity. They have had discussions—and perhaps, from the Minister's perspective, they have been endless discussions—on options that are available to them. However, to my knowledge they have not had any formal appeal opportunities, because the process has not reached that point. I reiterate that neither the principal people, that is, the two landowners who are specifically involved in the railway line, nor the landowners at QCL whose water supply will be affected oppose the development. I have not heard that. Nor do the vast majority of people in the district object to the development, nor do they wish to stop it. They want development to be done and they want it to be done sensitively. However, they want justice to be done. It is on that basis that they have significant concern about the passing of this Bill to remove their rights of judicial review.

I reiterate that the Minister has spent a lot of time in the area talking to them, but that does not deny the fact that, in this instance, this Bill will remove from them the fundamental right to local government planning appeals; it will remove from them the fundamental right of judicial review. On that basis it must be of concern to this House.

Hon. D. J. SLACK (Burnett—Minister for Economic Development and Trade and Minister Assisting the Premier) (11.17 a.m.), in reply: I thank the members who have spoken on this legislation before the House for their positive contributions. I particularly thank the Opposition for its support of the legislation and for its acceptance of the reasons for the legislation as explained by the member for Capalaba. My department and I have briefed members of the Opposition on the issues that are involved in the legislation before the House. As the member for Gladstone has indicated, I have spent some time with the member for Gladstone and with the people who have objected to the proposals for the resumption of their land—the two instances that have been referred to—in trying to resolve this matter.

I thank the member for Gladstone for her contribution in the attempts that we have made to resolve the issue. As has been said by the Deputy Leader of the Opposition, we believe that all the avenues that were open to us have been exhausted, except to allow the current judicial review provisions to operate, which was an option. The problem with that option, and this has been explained to the member for Gladstone, is that we are operating within a time frame. That time frame puts an onus on us to have that railway line commenced and completed within a certain time. I am advised that, if we were to allow the judicial review provisions to operate, it would take at least six months for that appeal to be heard in the court system. During that time, as I stated in my second-reading speech to the Parliament, we would run certain risks. As a Minister—and I know the Opposition also feels this way—I cannot put taxpayers at risk. The other risk, which we supported, related to environmental issues in Moreton Bay. They have been outlined quite well by the member for Lytton. At the end of the day, having exhausted all avenues to try to resolve those issues with the two land-holders involved, we felt that that was the only course left to us under the circumstances. I am pleased that the Opposition has acknowledged that. I believe that the member for Gladstone also understands the issues involved.

It could cost considerably more money to the taxpayers to have an alteration to the line. That is what we are facing. In our negotiations with Mrs McInally and her son Maurice, we pointed out that we have made every effort to

relocate the line on their property to cause the least amount of disruption to their property and the least amount of noise and dust. The line was moved from the originally suggested location—at considerable envisaged cost—to accommodate it at the extremities of the property. I reiterate that the line is not in a position to threaten the house or the position in which Mrs McInally now lives. That is the reason that we arrived at this position.

The issue of the spur at the Ticor facility was raised. At the moment, a press document is circulating in the Parliament about that. My comment to that option is that it has been under consideration for a number of months. However, it is a spur line; it is not an alternative line. The spur would be an extension off the loop as it is currently designed in the location currently proposed.

Mr Elder interjected.

Mr SLACK: Yes, off the loop. Early consideration was given to taking a direct route past the Ticor plant to the QCL plant but this was a more expensive option from a construction perspective than accessing the Ticor plant via the QCL plant. A spur to the Ticor plant would be in addition to the loop at the QCL plant, not a replacement for it. Had a direct route to Ticor been adopted, there would still be a need to resume land from other land-holders not currently affected. There would be a big cost involved. It has been considered and it has been dismissed as a possibility. The map that has been supplied with the briefing that I have just received makes it fairly obvious that that is the way that it would naturally go as a spur line off the loop that is currently being proposed to be constructed to service the QCL area.

In respect of the compensation factors that were raised by the member for Gladstone, the member for Lytton and the member for Capalaba—yes, there is no question that the Government is looking to pay adequate and fair compensation. Because of the sensitivities in this area, I have instructed my officers that, if they are to err, they are to err on the side of generosity. As members would acknowledge, that instruction has been given and it was given some time ago. The Government did look at options of purchasing various areas of the property—all of those sorts of issues were looked at. In actual fact, nine alternative routes were proposed to try to overcome the problems that we were to encounter. However, apart from the one that we went away from to protect the McInally's interest, they were all considerably more expensive and considerably more expensive than the one that we have ended up with. In all fairness, I believe that we have arrived at a fair solution to this particular issue.

The issue in relation to water has been raised. I know that that has been an ongoing issue. I have had representations on this particular issue, as has the Natural Resources Minister. Currently, the community liaison group, which has been in place for 10 months to 12 months, is addressing ground water issues. That group consists of members of the community group and QCL, and they are working through the water issues. The Government is represented on that group by officers of the Department of Natural Resources and the Department of Mines and Energy. EEMAG members are also represented on the community liaison group. As I said, officers from Water Resources and the Department of Mines and Energy are included in that group in an advisory capacity.

The member for Gladstone raised the issue of the FOI provisions. I point out that they do not apply to QR as it is a commercial entity. However, information has been made available on request from my department. I have spoken to Maurice McInally and I have forwarded to him information relating to alternative routes, our costings and all of those sorts of things. As far as I am aware, and to my satisfaction, I have at all times been up front with him. I explained the options to him, one of which was this option as a last resort. I say that, to us as a Government, it is a last resort. I believe that I did everything that I could to try to resolve this issue without having to come to the Parliament to resolve it. I believe that, in respect of judicial review, that is the ultimate solution to some of these problems. We came into the Parliament with the proposal and the Parliament has had time to look at it. That is one of the reasons why we did not introduce this legislation while the pressure was on, which we could have done. We believed that the legislation should lie on the table because there were some important issues involved that affect us all, and we do not like to see the consideration of those issues transgressed. However, the circumstances were such that I believe that the Opposition supports the Bill, which is appreciated and recognised from the Government's point of view.

Motion agreed to.

Committee

Hon D. J. Slack (Burnett—Minister for Economic Development and Trade and Minister Assisting the Premier) in charge of the Bill.

Clauses 1 to 6, as read, agreed to.

Clause 7—

Mrs CUNNINGHAM (11.26 a.m.): I have a question of the Minister. I ask this question on behalf of one landowner, Mrs McInally. She is an aged lady who is very emotionally attached to her property and the retention of her property. Mrs Bashford is younger, and she has had some significant assistance in making her representations. I acknowledge that Maurie McInally, Mrs McInally's son, has been helping her in her representations, as has her daughter, Theresa Derrington.

This clause relates to access to land. I know that even throughout the process to date, Mrs McInally has found it very difficult to accept that there has even been a lease over her property. She has found it difficult to accept the legal implications of that lease. I ask the Minister if he would give some consideration as to the manner by which that land is accessed by not only members of this department but also the other people involved.

I know that this is a legal clause but, when applying this access provision, I ask the Minister to consider not only Mrs McInally's age but also her emotional attachment to the land.

Mr SLACK: I thank the member for Gladstone for her contribution. I understand Mrs McInally's position. I recognise what the member is saying. The department has no intention to in any way usurp any of the rights of the McInally family. It will give every consideration to the delicate position that Mrs McInally is in. The member can have my assurances on that.

Clause 7, as read, agreed to.

Clauses 8 to 11, as read, agreed to.

Schedules 1 to 4, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

MINISTERIAL STATEMENT

Amendment to National Resources Legislation Amendment Bill 1996 Explanatory Notes

Hon. H. W. T. HOBBS (Warrego—Minister for Natural Resources) (11.30 a.m.), by leave: I wish to advise that the Explanatory Notes to the Natural Resources Legislation Amendment Bill 1996, which is presently before the House, have been amended by omitting paragraph (n) on page 7 for the proposed section 25N of the Bill and inserting the following words as circulated to members—

> "(n) The effect of section 25N is to 'freeze' the prescribed actions and matters (with exception) at a time a notice is issued. This means that the status of those actions and matters remains static or consistent until such time as a plan is approved or the Minister gives notice of an intention not to proceed further toward making a water management plan."

NATURAL RESOURCES LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 30 October (see p. 3662).

Mr PALASZCZUK (Inala) (11.30 a.m.): There are three virtually pristine regions in the State. One of those is the Channel Country, whilst the other two are Cape York and the Gulf of Carpentaria. Queensland's Channel Country holds a unique place in the early history and exploration of our country. The region supports a well-established cattle industry and is also abundant in native fauna and flora. It is totally unsuitable for irrigation as it is arid, and the potential environmental impacts of an irrigation proposal, its health risks and impacts on the established cattle industry are all unknowns.

As the shadow Minister for Natural Resources I have visited the region, inspected the proposed site of the irrigation project and met with members of the Coopers Creek Protection Group and other locals. The visit further strengthened my resolve to fight the project all the way. It is my contention that the Channel Country's future lies in beef cattle production and both eco and cultural heritage tourism. Irrigated cotton growing is incompatible with all of these.

At this stage, it is important that I inform the House about the grazing property at the centre of the current controversy. Currareva is a grazing property near Coopers Creek, around 10 kilometres north of Windorah. It has a preferential pastoral lease with approval for grazing and agriculture, although grazing is the only industry that has been carried out in this region over the past century. Currareva has two existing irrigation licences to irrigate from the Coopers Creek. Both licences were

issued in 1983. There are four subartesian bores licensed for stock watering. The present owners of Currareva property propose to install eight pumps on Coopers Creek to irrigate over 2,000 hectares for cotton and other summer crops.

Why the new owners would even consider irrigation in a region that is devoted to the production of beef and wool escapes me. Perhaps these people, who are interlopers from New South Wales, hold very little regard for the local pastoralists. They believed that they could sneak the proposal through, without any resistance from the local producers. How wrong they were! The local producers would not be bullied or intimidated. They formed a protest group and took the fight to the southerners in a manner that was unheard of in the west. The west united as one against this proposal. The meetings of cattlemen in Queensland's west focused attention on the proposal to grow cotton in their beloved Channel Country. They recognised that the irrigation proposal could potentially change the nature of inland Australia for all time. They could see the area's clean, green beef image destroyed, its wildlife placed at threat and its tourism potential stalled. They also knew what had happened to the Macquarie Marshes in western New South Wales as a result of a similar irrigated cotton proposal.

This proposal came at a time when Queensland's western graziers had just completed a market research tour of Japan. They were there to test the market for the sale of natural grass fattened beef—beef produced in an area stretching from Thargomindah to Birdsville. With the recent mad cow disease scare in England and its resultant decline in the beef market worldwide, producers from the Channel Country were on the threshold of marketing their product as a clean, green product. I understand that the delegation was well received by the Japanese market, which was overawed by the fact that the beef is naturally chemical free—it has no herbicides, it has no pesticides and no fertilisers are used. Imagine what the Japanese buyer would think if he or she discovered that cotton and its resultant pesticides would be produced side-by-side with cattle production? Their belief in that beef would be killed off forever. Chemicals used in cotton production are not compatible with the clean, green image that the region has worked so hard to develop.

Over the past six months, I have made three trips to Endora, a couple to Quilpie, and one each to Thargomindah, Cunnamulla and Birdsville. Each time, I met with concerned residents who offered their opposition to the this cotton-growing proposal. I well remember my first meeting at the Windorah general store with Sandy Kidd, Bob Morrish and Bill Scott. I was accompanied by the honourable member for Mackay and the honourable member for Maryborough.

From the first instance, I was impressed with the commitment of the locals to their country. After all, Sandy Kidd, being a fifth generation grazier, certainly knows the area very well. These people, together with like-minded supporters, formed the Coopers Creek Protection Group, whose charter is to defeat the proposed irrigation program. They organised protest meetings, they set up a fighting fund, produced press releases and put together two major events to get the message across to the Queensland Government and Australia as a whole.

The first event was to gather prominent scientists from around Australia at Windorah from 3 to 5 September to discuss the threat to the Coopers Creek system from cotton irrigation. To a person, the scientists recommended that the Queensland Government reject the proposed cotton growing project for Currareva. They said that, as one of the last great unregulated rivers in the world, the Cooper is far too precious to be given up to irrigation and that its production is a national obligation. They also said that all future intensive agriculture projects involving cultivation and/or irrigation on Lake Eyre basin rivers be rejected and that an interstate Lake Eyre basin catchment management structure with appropriate resources and powers to ensure the long-term ecological integrity of the basin be established. This is one of the few times that conservationists, scientists and cattle producers rubbed shoulders and worked together towards the common goal of rejecting this cotton-growing proposal.

Credit must be given to the Queensland Conservation Council for its contribution towards the final outcome of the protests, culminating in the debate on the Bill today. The final protest was held at the Barcoo festival which included activities on Friday, Saturday and Sunday. Honourable members would be surprised to know that Windorah, with a population of 65 and growing, was able to promote a bush poetry reading activity on the banks of the Coopers Creek, which attracted well over 300 people. The images of that night, the excitement and the passion will stay in my mind for many years, and I am quite sure they will also stay in the mind of my colleague the honourable member for Bundaberg.

The highlight of the evening was when the winner of the children's poetry section passionately recited her own poem on how cotton growing would destroy her beloved country. She is a young primary student from Thargomindah who understands fully the potentially destructive impact of irrigation in her region. On Saturday morning, the main street of Windorah became the focus of another protest with 121 mounted horsemen and women involved.

Mr Carroll: Are we going to hear the horse poem?

Mr PALASZCZUK: If the honourable member for Mansfield thinks that this is such a laughing matter, I seriously suggest that he reconsiders his position. He is fast gaining a reputation in the House for being its clown. He should change his mind and his opinions, and become a responsible member of the Parliament.

Mr TANTI: I rise to a point of order. I do not want Frank Carroll taking my title.

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

Mr PALASZCZUK: Helen Rickett, the Coopers Creek Protection Group secretary, said—

> "This protest was one of the most successful visual statements made by opponents of the scheme. It really brought together a lot of people who had concerns."

I agree with those sentiments. I do not believe that this State or country will ever be treated to such a sight again.

Finally, at the protest rally, the many speakers included Senator Robert Hill, Vaughan Johnson and me. We all voiced our opposition to the scheme. Unfortunately, the Minister for Natural Resources was not at that protest rally. At that meeting, I announced that the Labor Party in Opposition would consider introducing a private member's Bill to ensure a result in the interests of the cattle producers. I was supported by the Minister for Transport, the honourable member for Gregory, and the community there. That is basically a brief history of the events that led to the debate on this Bill today.

However, I believe at this stage that the actions of the Minister for Natural Resources on this issue need to be noted. I believe that in his own mind he was against the cotton-growing proposal but sent out the wrong signals to the cattle producers. He whipped up such a backlash against himself that one of the true icons of the west, Sandy Kidd, was even prepared to nominate as an Independent at the next State election. I understand that graingrowers from around the Dalby area were prepared to back Sandy Kidd with substantial sums of money to fight his campaign—moneys in the vicinity of $100,000. Knowing Sandy Kidd, I believe that he would have either gone very close to defeating or would have defeated the Minister for Natural Resources. However, I certainly hope that the Minister for Natural Resources will not take the opportunity during this debate to berate Sandy Kidd; if he does, he will do so at his peril.

However, sanity prevailed and the Minister finally capitulated and announced the introduction of this Bill. The Minister also took the unusual step in writing a direct mail letter to his constituents to explain his position in June. This did nothing to ease the fears of the producers throughout the Channel Country. I believe the Minister was badly advised, and as a result the producers there hurt for months. There are times when it is not wise to take the counsel of departmental officers. At times, it is wise to think for oneself and to make one's own decision.

What did this do to the people in the Channel Country? Firstly, the phones rang hot, the fax machines worked overtime and the energies of the people living there, instead of being directed towards cattle production, were directed to fighting a campaign against a cotton irrigation proposal. I understand that many of the phone bills of the cattle producers have gone up by thousands of dollars over the past six months. We have to remember that phone calls to those regions are all STD. These people deserve an apology from the Government for the heartbreak that was brought on them by a Government that is really supposed to look after them.

I will quote the Minister from an article by David Fagan which appeared in the *Australian* on 13 September 1996. He stated—

> ". . . it's all very well for scientists and environmentalists to oppose the Currareva application but they must back their opinions with solid facts. The issue will be decided on fact and not emotion."

I will also quote a letter published in *Queensland Country Life* on Thursday, 14 November 1996. The letter was sent from somebody in New South Wales and, therefore, we can probably gauge the feelings of the person who wrote it. It states—

> "Sir: So the Minister for Natural Resources, Howard Hobbs, finally bowed to political pressure and canned the Windorah cotton project.

> What a pity for Queensland and Australia. The screws must have been really tightened as he evidently didn't even wait for the final departmental report.
>
> Then there are the victors.
>
> No doubt the champagne corks were popping at the cattle graziers' celebration barbecue and the metropolitan environmentalists luncheon featuring cucumber sandwiches, all for what?
>
> So that the environmentalists can notch up another halted (for the time being) job and wealth creation project, and the graziers can relax back into their 1920s time warp of low value beef production.
>
> What price on entrepreneurial, innovative development projects of any type, in Queensland now?
>
> —Barry E Dugan, Trangie, NSW."

The message that I would like to send to Barry E. Dugan, of Trangie, New South Wales, is: yes, people in the Channel Country, in Brisbane, in Queensland and in places as far away as Western Australia celebrated.

Mr Campbell: And South Australia.

Mr PALASZCZUK: And South Australia. It was a great victory for commonsense and the cattle producers.

The Opposition will not oppose the Bill but will support it. In conclusion, I wish to quote an article which appeared in the *North Queensland Register* on 28 November 1996. The first couple of paragraphs really sum up how the Minister performed in dealing with this problem in the Channel Country. It states—

> "National Party Minister Howard Hobbs has had his ups and downs ever since he took over the reins of the Natural Resources Department after the Mundingburra by-election.
>
> His biggest 'down' would have had to have been the Cooper Creek cotton fiasco which saw him having to say "no" to an application from NSW cotton growers to farm the crop on Cooper Creek near Windorah.
>
> This was after Mr Hobbs had allowed the consortium the luxury of thinking that they were going to get a free and easy ride from the Queensland Government. There was embarrassment on both sides."

That basically sums up the performance of the Minister in this fiasco. However, the Minister did see sense, and we will support him in this piece of legislation. We will be raising a few issues during the Committee stage.

Mr CAMPBELL (Bundaberg) (11.48 a.m.): I congratulate our spokesman on the speech he made on the Channel Country cotton fiasco, as he called it.

Mr Grice: Did you check this out with Terry? Are you right?

Mr CAMPBELL: It is all right—no worries at all.

An honourable member interjected.

Mr CAMPBELL: I suppose that we all need help, especially members on the Government back bench. Given the questions being directed to the Ministers, they need a lot of help.

I appreciate that the Minister made a ministerial statement before the second-reading debate to foreshadow the amendments that would be moved by the Government. That forewarning was appreciated by members of the Opposition.

The agricultural activities proposed for the Channel Country were inappropriate activities for that area. Similar examples can be found in many parts of Queensland. We have to be very vigilant in protecting the environment. Of all Australian States, Queensland now has the reputation of having the largest area of land damaged through inappropriate agricultural practices, soil erosion, water erosion and so on. We should be taking more care to prevent inappropriate agricultural activities.

It is very difficult to tell land-holders what they can and cannot do. It is very difficult to wave the big stick. I do not think we can do that. However, when land-holders and primary producers want to participate in Government assistance schemes—to receive the benefit of various subsidies, grants and programs—if they are not undertaking appropriate agricultural activities, they should not be able to participate in those schemes. I know that it is very hard to tell people what they can and cannot do. But we should not be supporting through Government assistance activities that could be regarded as being not in the best interests of the environment.

This Bill continues the great work done by the Labor Government. Over the years some superb legislation was introduced in this area, which is a major management problem in terms of our rivers. In recent years we saw the introduction of the integrated catchment management strategy. I believe that these water management strategies, programs and plans are a further development of the

integrated catchment management strategy. We participated in the Murray-Darling cooperation agreement, which had and will continue to have a significant impact on water quality. We undertook to improve the rural Queensland water supply. Many areas, especially remote areas, participated in that scheme.

The Great Artesian Basin Rehabilitation Program was another very significant policy that was introduced to protect our Great Artesian resources. I just hope that it has not come too late, because some of the artesian bores are suffering reduced flows. In addition, we undertook management of riverine vegetation. All those initiatives helped to improve water quality and enhanced the protection of our rivers.

This amendment Bill will see the introduction of approved water management plans for a nominated area. That is an important step. The problem with irrigation and management of our rivers is that in just about every area of Queensland where irrigation occurs there is overallocation of water. The demands by various irrigators may have caused these problems, and the fact that the department was not strong enough also contributed to them. In Bundaberg irrigators are now on 50 per cent of their allocation because the dam is so low—the water is just not there. I appreciate that the Walla weir has been given the final go-ahead and will hopefully be constructed over the next two years. But it will not make any difference to the allocations in that area; it will only give more security to the allocations that have already been provided.

The allocations under the Bundaberg irrigation scheme were based on 1970 sugar assignments and the vegetable-growing industry that existed at that time. The problem is that there has been a significant increase in sugar assignments. More significantly, there has been a massive increase in the horticultural industries, which have high irrigation needs. Bundaberg is now the largest tomato-growing centre in Queensland and, I believe, Australia. In one year the region produced 6 million cases of tomatoes. We are also getting quite a reputation for orchard crops, mangoes, avocados—all of which require water. The demands for this limited resource are becoming higher. Because of past pressures the existing allocations are overallocated.

Mr Gibbs: Did you know that in southern markets people actually refer to them as the Campbell tomato?

Mr CAMPBELL: Is that right? They obviously have a very lovely taste—they are sweet and attractive!

Mr Palaszczuk: That also happened with the Bundaberg tartan.

Mr CAMPBELL: We would like to have a Bundaberg tartan, if not a Queensland tartan, in time.

There has also been significant population growth. This has caused even higher demands on the limited resource of water. When the coalition parties were in Opposition they claimed that nothing was being done for irrigation in Queensland. The initiatives that I have outlined already illustrate the significant policy input by Labor into ensuring the proper management of irrigation and our rivers. In addition to those, the Sugar Industry Infrastructure Package put millions and millions of dollars into irrigation. The Russell Mulgrave Water Management Project put just over $2m into irrigation in that area and resulted in the formation of a water board. The Murray Valley Infrastructure/Riversdale Water Management Program was a $10m-plus irrigation program for the expansion and protection of sugar production. The Herbert Water Management and Expansion Program, which involved two schemes, resulted in close to $6m of development in this area. The project resulted in the amalgamation of four existing water boards: Ripple Creek, Foresthome, Mandam and Loder Creek. There was also the Klondyke-Lilliesmere Irrigation Program of just on $1m which participated in the expansion of the sugar industry, with the North Burdekin Water Board accepting responsibility for the program. In Queensland there are now something like 73 river improvement trusts, water boards or drainage boards all participating in what I hope is the appropriate protection of our rivers.

The Sandy Creek Irrigation Project was a close to quarter of a million dollar irrigation project, with the responsibility given to the South Burdekin Water Board. The Teemburra Creek Irrigation Project was the major program under the Sugar Industry Infrastructure Package. It involved a $60m-plus program to allow the Pioneer Valley Water Board to facilitate expansion in that area. The Small Weirs Irrigation Project was allocated $400,000 and involved the Geeberga and Narpi Weir projects. That was another important program. In Bundaberg there were two major projects. The first is the Walla Weir Irrigation Project, which has now been allocated close to $14m. Hopefully, construction will be undertaken this financial

year. The second project was the development of the Avondale Irrigation Scheme, which saw water provided to cane farmers in that area. The other interesting project under the Sugar Industry Infrastructure Package was the Eli Creek Effluent Irrigation Project under which water was able to be utilised for irrigation after treatment.

I know that debate is still occurring over the definition of "a person aggrieved" and "dissatisfied person". I hope that we can clear that up to ensure that very clear information is given and that all appropriate people are able to lodge appeals under this legislation. Overall, this legislation is a further step in the right direction. I know that it is very much needed. We support this amendment to the Natural Resources Act.

Mr PEARCE (Fitzroy) (12 noon): In rising to support the previous two speakers, I say to members in this place who do not really know central Queensland that it is one of the most important export-earning areas of the State. Not only do we have extensive coal mining; we also have beef, grain, cotton, citrus and many other primary industries. Mining and agricultural operations are dependent upon a reliable water supply, so there is a need to look at new dams and increasing the holding capacities of existing dams and weirs.

I have a major concern about the downstream environmental impacts and I think we have to be vigilant in our monitoring of environmental degradation of the streams and rivers in our State. The decisions that we make today will impact on the environment of tomorrow with devastating effects, and we must be conscious of the decisions that we make.

I want to raise a couple of issues that concern me and the landowners who live along river systems in my electorate and other areas of central Queensland. The Isaac River, Nagoa, Comet Mackenzie, Dawson, Don and a number of major creeks all feed into the Fitzroy River which runs through my electorate and through the City of Rockhampton. The department has approved the installation of an inflatable crest on the existing Bedford Weir and is considering a similar project for the Bingegang Weir downstream from the Bedford Weir. The increase in height by approximately three metres will enable extra water to be made available in the Nagoa/Mackenzie River system.

A positive outcome of additional water will provide opportunity for an increase in agriculture, jobs and economic benefits for the region. We must support those types of initiatives. The negatives of these increased water-holding capacities is the impact on landowners whose properties are threatened by inundation. The department has to come up with adequate financial compensation for those producers. There will also be opposition from environmentalists as time goes on. The other concern for landowners in the immediate area of the resources of those downstream from the storage is the way that water will be allocated. I understand that the Water Resources division intends to auction water licences. This could mean those closest to the source will not benefit because they will be outbidded by those who have established their irrigation infrastructure and who have the capital to pay the high prices. This means that those who have built up their properties along the river will not be any better off. Despite having land with enormous agriculture potential, they will not be able to access the water because the enterprises with the big dollars will simply buy up the allocations.

This is unfair for producers in my area because I believe that access to water should be on the basis of equity. I am a little bit disappointed that the National Party is ignoring the needs of its own constituents in allowing a system of sale to favour the cotton growers and the citrus fruit producers of the Emerald area who are already well established, who have the dollars and who will be able to outbid those people downstream, particularly at a time when rural areas are trying to recover from a long drought.

People need to understand that an increased storage capacity at Bedford Weir near Blackwater will not necessarily benefit the producers in that particular area. It means that less water will have to be released from Fairbairn Dam to top up downstream water storages such as Bedford Weir. This means that there is more water for sale at the top end. As I said, this is unfair on downstream water users, in particular landowners who rely on water from the river system. I do not think the department should underestimate this, because I believe it will become a big issue. The increased storage capacity of weirs only extends the supply reliability to those current users of the water in the weir.

This brings me to what is a major problem in the provision of water for mining, agriculture and urban needs, that is, water allocation. I would like to look at a few of the current problems. Despite the potential, water is a major limiting factor to development in central Queensland in agriculture such as cotton and peanuts, and in the coalmining industry, with consideration for big developments like the

BHP ammonium nitrate plant, coalbed methane, the power station and the cotton gin—all those things that have significant economic benefit for the region.

The Water Resources division of the Department of Natural Resources has a monopoly on the ownership and the management of water. It is not under any real threat to perform. Management decisions from Brisbane have been influenced by what I call—without any disrespect to the departmental people in the lobby—yuppie bureaucrats. Local water advisory committees can only make a recommendation to the Water Resources division, and frequently they are overruled by the department here in Brisbane. Local water boards should be considered in order to gain some cost improvements via the local management of the water resource.

Sustainable allocations of water means allocations only within the safe yield of the system. This principle has not been practised by the Water Resources division of the Department of Natural Resources since 1990, when it introduced a 75 per cent reliability allocation policy. This conflicts with section 4.18 of the Water Resources Act. As to overallocation—75 per cent reliability is 25 per cent greater allocation than the safe yield, and this causes rivers, dams and weirs to fail in dry years. Good rainfall years become average yield years and average rainfall years become just sufficient years.

Large irrigators who have purchased extra water allocation since 1990 have essentially taken water from all the small and medium water users. Large irrigators can cope with the 75 per cent reliability because they have large quantities of water and manage their farms to suit, while small irrigators who have not purchased extra water since 1990 have had their usable water reduced with no compensation. The Water Resources division of the Department of Natural Resources has told the owners of small and medium-sized farms that if they want their reliable water supply again, they will have to pay for the new weirs and dams.

The proposed water price is too high. The Water Resources division wants to make a profit from the rural sector. The rural sector are price takers, not price setters. The whole Australian economy relies on cheap primary products. Local water boards could operate better and more cheaply. The Water Resources division is holding up industry projects by not allowing farmers to sell their water allocations to industry. I personally do not support transfer of water allocations for profit. As part of a property sale, I say that is more acceptable, but if a transfer offers opportunity for development of, say, a major project such as a mine, then it should be supported because it provides opportunity for jobs and economic benefits for the region.

What are the solutions? In the short term, we should clearly identify the safe yield of each water resource system, for example, Fairbairn Dam and the Mackenzie River section, and make departmental officers accountable for overallocation. We should clearly identify the total allocations of each system and allocate them with the intent of sustaining the supply for the maximum period during extended rain-free periods. We should allow water allocations to be sold between rural users and industrial mining users and, as part of the transaction, we would surrender a portion of the allocation, which would help to reduce the overallocation. That is one way of pulling back that overallocation of which I have been speaking.

Subsidy payments to farmers to use new irrigation technologies have led to a saving in water of up to 40 per cent, but there should be provision to trade back or buy back some allocation in return for Government subsidy. We should buy back licences where licences are not being properly utilised and help reduce the overallocation. We should build additional water storages, not little weirs. Central Queensland can cope with big dams because the grazing land is cheap and there is little environmental damage. A rubber bladder for a weir is expensive in the long term because of the short life of the bladder. Large dams on major tributaries of the Fitzroy River will allow recalculation of the safe yield of each section of the system, which makes more water available on the Upper Mackenzie above the junctions of the Comet and Dawson Rivers. In saying that, I reinstate my position on the environmental impact of downstream creeks and river systems. We cannot ignore the possible impacts.

For the long term we should offer water allocation licences as "reliable" and "opportunity"; that is, that the total reliable allocations are within the "safe yield" and opportunity licences would be similar to water harvesting licences where water could only be pumped in good and average rainfall years when there is extra water flowing down the system.

I believe that mismanagement of our water resources is one of the greatest threats to both the environment and our competitive

agricultural advantage. During the current drought many of the State's dams and rivers have failed. This situation has primarily been caused by overallocation and not drought alone. These dams were originally designed to overcome droughts—and in the 1960s we had one of the worst droughts in recent decades—but overallocation greater than the "safe yields" has caused them to fail more quickly. In turn, overallocation is resulting in unsustainable farming practices and rural hardship. One cannot simply presume that dams will be topped up on a regular basis. Weather pattern history confirms that this is a stupid and unsustainable way of allocating water.

Currently the Queensland Department of Natural Resources—formerly the Water Resources division of the Department of Primary Industries—is implementing a policy of allocating water resources, both surface and ground water, with reliability down to 75 per cent. That means that the quantity of water allocated is 25 per cent in excess of the safe yield of the particular water resource such as the local river, creek or groundwater aquifer. Last year, DPI released a discussion paper titled "The Sustainable Use and Management of Queensland's Natural Resources" which mentions water allocations but does not recognise the problems of overallocation or unreliable supply and does not provide any basic undertaking of allocations within safe yields to ensure sustainable water management goals. So the department responsible for water resources still refuses to apply principles that are accountable and achievable.

One might ask: why does the department responsible for water resources do this? One might say that the answer is to create a water market where we have supply and demand versus water prices. Classic economic theory indicates that a resource in short supply will attract a higher market price. One really has to question the credibility of that principle.

This policy came about some six years ago because a few yuppie DPI bureaucrats were convinced that all farmers and water users could tolerate some failure of their water sources. At that time the weather patterns were reasonable and there were adequate water resources available. Therefore the risk of water resource failure had been low. Traditionally the then Queensland Water Resources Commission—then the Water Resources division of the Department of Primary Industries and now the Department of Natural Resources—had been reasonably conservative by only allocating water resources up to and about the safe yield. At the same time, the New South Wales Department of Water Resources had implemented an overallocation policy for cotton farmers in the north west of that State with reasonable success, but only because the weather patterns were reasonable.

The Water Resources division saw reduced reliability or overallocation as a simple means to sell water allocations without having to construct expensive water conservation structures. Unfortunately, it appears that the department undertook little, if any, research on an overallocation policy, and the consequences of water resource failures, farming profitability, etc., were not taken into consideration. The Water Resources division believes that it had consulted the public, but it did not produce any public documentation, had not sought public comment and had not received ministerial approvals. The division consulted only irrigators, and even then the policy was discussed with only the large irrigators who had both the finances and planning to purchase extra "nominal" allocations in excess of their normal needs. When water resources were scarce those large irrigators could still survive on the small amount of "announced" allocation.

The small irrigators, who traditionally had adequate allocation and did not see any need to purchase extra allocation for no foreseeable benefit, have now come to realise that the reliability of their allocation has been severely reduced and their traditional allocation licences are not worth the paper they are written on. As well as that, the division does not admit to any responsibility for causing this mess.

In effect, the department has knowingly and deliberately driven water resources to fail. This causes rural hardship, conflict and unsustainable farming practices and has increased the need for Government assistance during times of drought. In reality, the amount of funds that the department has gained from overallocation is far exceeded by the economic consequences of the failure of water resources.

One might ask: why does DNR continue to do this? One might answer that DNR stands to reap huge income from increased water prices. It is easier than dragging funds out of Treasury. We all know how difficult that is. I believe that senior DNR staff are out of touch with ordinary rural Queensland and are taking advantage of inexperienced city-based politicians in Queensland. Traditionally, many water conservation structures have been constructed on the basis of political decisions

supporting development projects and with little engineering planning required.

However, the Queensland Government now has a reasonably tough policy on funding water conservation/resource projects in that it requires sound social, environmental and economic planning. Water Resources is struggling to come to grips with the notion of sustainable use, development and planning. I am afraid the department is going to have to come to grips with it very quickly.

Traditionally, the price of rural water has been based on a "beneficiary pays" system, namely sharing economic cost/benefits in the whole State by obtaining primary products as cheaply as possible and maintaining a competitive advantage. The diversity and magnitude of the State's economy has been built on this cost/benefit sharing principle. If DNR implements a pure user-pays system of increased rural water prices—increased primary product cost—then naturally our secondary industries may seek cheaper primary products from alternative sources. A user-pays water price system appears reckless. It is a too narrow economic view of a State resource and it is not supported by economic research. Indeed, none of the existing water infrastructure and subsequent projects throughout the State would have been developed under a user-pays system.

In summary, I would like to see this issue raised within the department because I believe that sustainable irrigation practices are under great threat in Queensland and in New South Wales by overallocation of water resources. I believe that farmers can tolerate environmental flows and other water management procedures if they can be assured of obtaining the water allocations that they pay for. Farmers would be better able to plan their crops and their businesses and strive to achieve sustainable land use practices if fundamental issues such as reliability of water resources were not so important to their survival.

In closing, I say to the Minister, "Don't let the people in the department hoodwink you over this issue of allocations". It is a serious matter with serious consequences and it would be a foolish Minister who sat on his hands and did nothing. As a member representing a rural area who will have a lot of graziers affected by the future water policies of the department, I assure the Minister that I will be watching what happens very closely because I will be out there defending their rights to have water.

Hon. H. W. T. HOBBS (Warrego—Minister for Natural Resources) (12.09 p.m.), in reply: I would like to thank Opposition members for their cooperation. I also thank the shadow Minister for his support for this legislation. Obviously it is a very sensitive and important issue for the Channel Country. I respect that. One of the important things that everybody must remember is that there was no choice in the way the matter was handled. We have a legislative process which is the law of the land. That is what I have to uphold. The previous Minister for Primary Industries also found himself in exactly the same position. Some might say that I had been given a hospital pass. That was a legislative responsibility that I had to carry through.

At the end of the day, we have been able to do the right thing by the people of Queensland. We upheld the law of the land. I believe that the fair and just thing has happened. Upholding the law and due process have enabled everybody on both sides of the argument—the developers and the landowners in that particular case—to put their point of view fairly so that, at the end of day, judgments can be made. Therefore, there was no embarrassment on my behalf. I felt a lot of pressure to make a decision. Had I made a decision earlier, due process would have been circumvented. I do not believe that I, as a responsible Minister, could possibly have done that under any circumstances.

The member for Bundaberg talked about land damage and Queensland's reputation. It is difficult to understand why that is the case. In the past, a lot of pressure has been applied by those in the conservation movement who have spread many rumours about Queensland in relation to inappropriate activities, such as tree clearing and dam building. I believe that we have come well beyond that, particularly now that we are in the process of conducting the regional forest assessment.

Mr Gibbs: Whatever happened to all those Green people—the people from the conservation movement?

Mr HOBBS: They are presently following the progress of our tree-clearing guidelines. Those guidelines will be put in place with or without the support of the conservation movement. We would prefer to have their support; however, sustainable guidelines will be put in place just as the regional forest assessment will be conducted.

Future irrigation areas will be assessed. If there is any possibility of salinity in those areas or potential damage, we will try to limit the amount of irrigation that is allowed in those regions. We do not want to follow what

happened to the lands surrounding the Murray-Darling system or other areas where salinity is possible—salinity that degrades our lands.

The member for Bundaberg mentioned water allocation. Many areas are not overallocated; we have just been through some dreadful droughts. On average, the water is there. Obviously, we cannot supply 100 per cent of the allocation in times of drought. That is just one of those things that we have to live with in Australia. It will not end here; it will continue for many years to come. The Walla weir is an important issue mentioned by the member for Bundaberg. I thank the Opposition for its support for the Walla weir. That project did have the support of the previous Government. Recently in this House I mentioned that the shadow Minister stood outside Parliament House and supported a rally with Pam Soper and the anti-Walla weir protest group. They intended to tear down the doors of Parliament House. It was reported that the honourable member was with them, that he walked away and that they followed him. I now realise that he told them his position and that he was running and they were following. The placards were not being waved at the Government but at him. We thank him for his support. We would love to have him present when we open the Walla weir.

Mr Gibbs interjected.

Mr HOBBS: The honourable member can come, too.

The member for Fitzroy made some interesting points in relation to agriculture. I appreciate the thought that he put into his speech. I thought it contained a lot of detail. It was worthwhile to spend some time talking about the issues. He talked about putting the bag on the Bedford and the Bingegang Weirs to increase the water supply. In a sense, I think that they are pretty good value, because they are quite cheap. Although they may not last forever, they will certainly give a great boost to that particular area. Generally speaking, in most of the areas where those bags are put on the weirs, an existing infrastructure is in place; therefore, we do not incur the additional cost of more channels. That increases reliability for producers as well, so I think that there are benefits there.

As to the way that water is allocated—the member is afraid that, if we go ahead with auctions, those who are close will benefit and perhaps the farmers with the big dollars will get the most benefit.

Mr Pearce: The upstream ones, because they have already got the money and the infrastructure in place.

Mr HOBBS: That could be the case but, by the same token, when water property rights come in, that will also allow the smaller guy to buy water as well. That will have an effect both ways. When water is sold by auction, we want to try to make it as fair as possible by ensuring that we tailor the volumes of water that are required in parcels for the schemes. In this day and age of the Trade Practices Act and other legislation, it is important to consider principles of equity when determining water allocation. Horticulturists, cotton farmers and dairy farmers want water. Do we decide to be judge and jury and say, "You can have this, this and this"? That has some complications. That is why we feel that correct apportioning of the needed volumes of water by the auction system will allow a better distribution. We would not auction off a lot of water at one time; we would ensure that allocations were made in following years. Therefore, those who are building up their enterprise or those who have missed out in the first round may be successful in the second round. This is an issue that needs to be talked through a bit more. I think that we are on fairly common ground. I appreciate the concerns raised by the honourable member; however, I do not think that the circumstances are quite as bad as that. We need to convince the public that they will get a fair go. I am quite happy to talk the matter through further with the member and other members of the House.

I thank the Opposition for the support that it has given for this legislation. It is an important piece of legislation and one that I believe will be well supported by people throughout the State. I mentioned that the Coopers Creek Protection Group has been very active on this issue. I appreciate the work done by that group. Its members were responding to a very urgent need. It was very important that they were able to do that because their input balanced the argument. I thought they played a very important role. I thank them for their cooperation and support.

Motion agreed to.

Committee

Hon. H. W. T. Hobbs (Warrego—Minister for Natural Resources) in charge of the Bill.

Clauses 1 and 2, as read, agreed to.

Clause 3—

Mr HOBBS (12.30 p.m.): I move the following amendment—

"At page 4, line 10 to page 5 line 6—

omit, insert—

'Amendment of s 3 (Constitution of the Burdekin River Improvement Area)

3.(1) Section 3(3) and (3A)—

omit, insert—

'(3) A regulation may add to the Burdekin River Improvement Area (the "principal area") or to another river improvement area (also the "principal area")—

(a) all or part of the area of 1 or more local governments (the "added area"); or

(b) all or part of 1 or more other river improvement areas (also the "added area").

'(3A) In a regulation under subsection (3)—

(a) the whole of the Burdekin River Improvement Area may be the principal area but not the added area; and

(b) a part of the Burdekin River Improvement Area may be the added area; and

(c) if the added area is the added area under subsection (3)(a)—a river improvement area (other than the Burdekin River Improvement Area) may only be the principal area if each local government whose area, or part of whose area, is the whole or a part of the added area makes a written request that the regulation be made.

'(3B) A regulation made under subsection (3) may—

(a) for a river improvement area other than the Burdekin River Improvement Area—change the name of the river improvement area (the "expanded area") consisting of the principal area and the added area; and

(b) if the added area is only a part of a river improvement area—apportion the assets and liabilities of the trust for the river improvement area; and

(c) if the added area is the whole of a river improvement area—transfer the assets and liabilities of the trust for the river improvement area to the trust for the expanded area; and

(d) provide for any other matter necessary or convenient to give effect to the addition of the added area to the principal area.

'(3C) Subsection (3D) applies if—

(a) an expanded area is established under subsection (3)(b); and

(b) the added area did not consist of the whole of a river improvement area; and

(c) a local government had representatives on the trust for the river improvement area (the "original area") of which the added area was a part; and

(d) the part of the original area that is not the added area no longer contains any part of the area of the local government.

'(3D) When the expanded area is established, the representatives mentioned in subsection (3C)(c) go out of office as members of the trust.

'(3E) Subsection (3F) applies if—

(a) an expanded area is established under subsection (3)(b); and

(b) the added area consisted of the whole of a river improvement area.

'(3F) When the expanded area is established, the trust for the added area ceases to exist and all of the members of the trust go out of office as members of the trust.'.

(2) Section 3(5) and (6)—

omit, insert—

'(5) A regulation may—

(a) abolish a river improvement area other than the Burdekin River Improvement Area; and

(b) abolish the trust for the area being abolished; and

(c) provide for the vesting of the assets and liabilities of the trust being abolished; and

(d) provide for any other matter necessary or convenient to give effect to the abolition of the area and its trust.

'(6) When the trust is abolished, the members of the trust go out of office as members of the trust.'."

Amendment agreed to.

Clause 3, as amended, agreed to.

Clauses 4 to 10, as read, agreed to.

Clause 11—

Mr HOBBS (12.30 p.m.): I move the following amendment—

"At page 18, lines 19 to 21—

omit, insert—

'(a) for a decision about an application for a licence or for the renewal of a licence—the applicant; or

(ab) for a decision about the amendment, variation, cancellation, revocation or suspension of a licence—the person who was the licensee when the decision was made; or

(ac) for a decision about an application for the transfer of a licence—the transferor and the transferee; or'."

Amendment agreed to.

Clause 11, as amended, agreed to.

Clause 12, as read, agreed to.

Bill reported, with amendments.

Third Reading

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

PRIMARY INDUSTRIES LEGISLATION AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from 30 October (see p. 3660).

Hon. R. J. GIBBS (Bundamba) (12.32 p.m.): It is unfortunate that the timing of this legislation to come before the Parliament today coincides with allegations of corruption within the Government. Regrettably, the legislation that we are debating before the House this afternoon signals a return of what could only be described as legislative corruption in this Parliament.

The regrettable fact is that this amendment wipes out the open and accountable procedures in relation to the policy committees of the Department of Primary Industries. It replaces the numerous sections of relevant Acts with just two lines. This Bill replaces the provisions which spell out the role, the membership, the process for selection, the make-up of, and the selection panels with the most corruptly worded language ever to be incorporated in Queensland legislation.

The Bill replaces numerous sections in relation to policy councils with the words—

> "The Minister may establish an advisory committee or other body to assist the Minister in the administration of this Act."

With just 20 words, this Minister has returned Queensland to the bad old days of Bjelke-Petersen—the days when the spivs, the crooks, the quacks and the healers ran the State. The amendment states that the Minister "may"—and that is the relevant word, "may"—establish an advisory committee or other body. If the Minister feels so disposed, he will establish a committee. Of course, if the National Party machine men tell him to form a committee, he will do as he is told. If he does not want to form a committee, he simply has the power to not form one and to rely wholly on the advice of the public servants within the Department of Primary Industries.

I am the first member to say that the system that we are changing by this legislation certainly had cumbersome aspects. I must say that in the short time that I was the Minister for Primary Industries, there were aspects that I was prepared to reconsider because I believed that some changes were necessary. The former Government would have effected those changes. However, the regrettable fact is that what is happening through this legislation is that there will no longer be a system in place where the best possible people can be found for appointment to a wide variety of policy committees under the auspices of the Department of Primary Industries. The reality is that, under the former Labor Government, the system was that an independent chairperson was found and then it was basically the responsibility of that chairperson, in conjunction with the members of the current advisory councils—for example, if there was a vacancy—to sit down and make a recommendation to the Minister of the day as to who should be considered a qualified person to fill that vacancy at that particular time. In the case of total changes to an advisory committee, it became incumbent that there was an independent chairman and a number of people selected from various organisations throughout the State who, it was considered, had the necessary expertise to make value judgments on people who could actually form those committees and add to those committees not only a vibrancy but also

an expertise that would go a long way towards assisting the industry, such as the beef/cattle industry or the Brisbane City Markets—those types of things—so that we knew that we were getting quality people appointed to those committees.

One of the cumbersome problems with that system was that the time factor had to be considered. I know that, over a period—often I thought through poor advice within the DPI—one was not advised of a vacancy until virtually the end of the term of a member of a council and a vacancy was created. Of course, one then had to rush through the system and make decisions fairly quickly. However, I certainly believe that the system had merit and we should not be throwing it completely out the window.

Of course, the other question to be asked is: how many people will be appointed to these committees or other bodies if the Minister in his infinite wisdom should decide to appoint them? In theory, he could appoint five people, 20 people, 50 people, 100 people or 1,000 people. This legislation makes no mention of how many people will comprise an advisory committee. If the Minister wished, he could—and this is what concerns me—appoint an entire National Party branch as a committee. Yet the people of Queensland would never know about that as the legislation contains no selection process. That concerns me here because at least under the former administration there was a system of guidelines, checks and balances in place so that the very best people were selected to serve on those committees without fear or favour because of their political beliefs. For example, under a Labor administration it was impossible to stack these committees with Labor Party appointments or Labor Party hacks who may not have the necessary expertise to make a contribution. As I said, quality was the criterion when appointing people to fulfil a role on these committees.

As I said, I have a huge concern that we are going to see a return to the bad old days of the Bjelke-Petersen era where it was simply a case of jobs for the boys or for the girls. In other words, the Minister can appoint whom he wants, when he wants, with the people of Queensland not being any the wiser. There are no safeguards in the process for the selection of persons to these committees because there are no legislative guidelines. I might add that there will be no further need for memorandums of understanding between lobby groups and this Government. That is probably a good thing. However, the downside is that the Minister could simply appoint the group to a committee, or appoint a representative of the group to an existing committee in order to buy off a favour or to shut people up. For example, if such a provision was contained in the Police Service Administration Act prior to the Mundingburra by-election, the Minister for Police could have put the entire Police Union executive on a committee. Nothing would be in writing; just an understanding made on a handshake or a wink of an eye.

This is secret Government at its very worst. This steps the whole of Queensland back to the dark days of Bjelke-Petersen. No-one will know who is on these bodies, how and why they were appointed, the details as to how they report to the Minister, or the funding arrangements. Given the brown paper bag era of the previous coalition Government, one would not be at all surprised that one could, in fact, buy a position on a number of these bodies. This corrupt Government could have a nice cosy arrangement whereby a donation was made to the National Party, the Minister for Primary Industries is made aware of the donation and then that person or body is appointed to a committee. The public is in the dark. Indeed, theoretically the only way one could find out about appointments would be by paying $30 and lodging an FOI request to the Minister's office and/or the department.

The amendment Bill is also silent on the functions of these committees. What will they do? How often will they meet? What secretarial services will be provided to the committees from the Department of Primary Industries? What funding will be provided for these committees to operate? Will the Department of Primary Industries have to provide the air fares or other travel arrangements to get members to meetings in Brisbane and the accommodation and meals of the members of these committees? Is this the National Party's answer to the gravy train for its supporters?

The amendment Bill does not outline whether meeting fees and allowances will be paid to members of those committees. Will the Minister simply direct the department to pay meeting fees without the legislative authority? If this is to be the case, the Opposition will look forward with great relish to the Estimates committee next year. In this year's Estimates committee, the Minister unfortunately became famous as the Minister who placed the most number of questions on notice. When he did not know the answer, he madly directed the question to his senior public servants, who then directed it further down the line.

Mr Perrett: I wanted to give you the total answer.

Mr GIBBS: The reality is that the Minister simply did not know his portfolio. Of every Minister in the Government, the Minister's performance and his reputation are pathetically bad. He is on record as the Minister who placed the most questions on notice. He did a soft-shoe shuffle, passing the questions to public servants. In many cases, it was significant that a number of those people were unable to answer our questions on the spot either.

Will these committees provide information as to the membership, the role and the functions of the committee, the achievements of the committee and the budgets allocated to the committee to be included in the annual report to the Parliament for the Department of Primary Industries? These provisions are contrary to open and accountable Government. There will be no merit selection and, in my opinion, it institutionalises legislative corruption. It is a disgrace that the Minister has the audacity to bring such a Bill into the Parliament. It goes to show that this excuse of a Government has learned nothing from the Fitzgerald inquiry. It learned nothing of the principles of good Government for the people of Queensland.

Other provisions of the amendment Bill that the Opposition takes exception to include the omission of section 19(2)(f) of the Dairy Industry Act 1993, which states that the office of a member of the authority becomes vacant if the member "becomes a patient within the meaning of the Mental Health Act 1994". That subsection is to be replaced. I understand the importance and the need to have a subsection of that nature, but I believe that the amendment has been very badly drafted. The amendment states, "becomes incapable of performing the duties of a member because of physical or mental incapacity". As I have said, theoretically, who is going to determine the physical or mental incapacity of a member of the Queensland dairy authority? The Minister? The Governor in Council? For example, the interpretation of this little gem could mean that the provisions deliberately exclude people who are disabled. It could exclude people in wheelchairs, people with walking sticks, people with pacemakers, and people who have broken an arm or a leg.

I can see that you, Mr Speaker, are showing great concern at this, which I fully understand. As a fine specimen of a fellow, you walked around this place for years with severe hip problems. You have now had replacement operations but under this legislation, introduced by your own Minister, a fine physical specimen such as yourself could be considered not fit and proper to sit on one of these committees. I think that that casts a dreadful aspersion on your character and abilities, Mr Speaker.

Mr SPEAKER: The honourable member has made a very valid point.

Mr GIBBS: Thank you, Mr Speaker. I also wonder whether the provision breaches the Anti-Discrimination Act. However, the Government has shown its total disregard for that legislation as it moves to close down the commission next month and has plans for a Clayton's commission to be established somewhere within the bowels of the State Law Building.

The Opposition also raises questions in relation to the amendments to the Meat Industry Act 1993. The amendment Bill proposes to insert a new subsection into section 24 of the Act which states—

> "The authority must perform its functions efficiently and effectively."

This is a meaningless provision. What is efficient and what is effective are very often in the eyes of the beholder. The Minister should have used more specific language than that commonly used by first-year Government students. The Opposition is opposed to legislating for an administrator under the Meat Industry Act just in case the Government needs to appoint one. The Government should come clean—either it wants to appoint an administrator or it does not. I was appreciative of the fairly confidential discussion that the Minister and I had in relation to that body. I was aware that there were a number of problems and, from my point of view, I will go on record here today as saying that I think the sooner an administrator is appointed, the better off the industry will be.

It should be noted that, if the Government does appoint an administrator, that person will also have the additional functions of implementing structural change to the authority's resources and functions to give the Minister a quarterly report on the finances, functions and other matters that the Minister wants included in the report. That person will also have to produce a final report. It should be noted that under the administrator only the final report is required to be tabled in this Chamber. The quarterly reports for two years could well be hidden away in the Minister's office. If an administrator is appointed, in my opinion all reports should be tabled so that the Parliament can be made fully aware of the

decisions that the administrator has made. I believe that that in itself will be of benefit to the industry.

The amendment Bill removes from the statute book of Queensland the reforms that the Labor Government put in place to ensure that the Government of the day was being advised by the most able and competent people in their chosen fields. The Labor Government ensured that the policy councils were beyond reproach, that the selection procedures were based on the principles of merit and equity and that the processes of selection were written into the law. These processes could be read by anyone who purchased copies of the relevant Acts. Unfortunately, under the coalition Government the processes have once again been removed from the public eye into the backrooms for the intrigues of the National Party itself. By and large, the Opposition condemns this legislation. We will be opposing it on the second reading.

Mr CAMPBELL (Bundaberg) (12.47 p.m.): I rise to support the sentiments of the Opposition spokesman. The amendment Bill implies that the present members on the industry boards and selection committees do not have the necessary expertise, are not respected in some way and do not competently fulfil their roles. I reject that implication totally.

The primary industry boards were set up under the Labor Government, and one of their features is that they have not been the subject of any scandals. There have been no Peanut Marketing Board scandals or dairy industry scandals, because the boards were truly represented. Their members were good people and, in the very difficult times that we had with drought and so on, the boards proved to be successful.

The only reason that the Minister has given for these changes, which will allow National Party cronies to be appointed to the boards, is that the selection committee process adds too much unnecessary time and cost. It is very important that we ensure that the proper people—people with expertise who are respected—are appointed to the boards because they will ensure that the right thing is done by the industry, rather than follow self-interested goals. For too long under the National Party many board members were motivated by self interest rather than the interests of the industry as a whole.

The Minister has made quite a long reference to the meat inspection process. For quite a while I have been concerned about the present standard of food hygiene, not only in Queensland but also throughout Australia. There have been three serious poison outbreaks this month. Another case of salmonella poisoning has been reported in Melbourne, where 20 people have been affected. Therefore, when changing the legislation, unless the Minister keeps the integrity of the food inspection process, we will lose the clean-food image that our primary industries have. The Minister is not doing the right thing by the industry by moving these amendments.

Mr MULHERIN (Mackay) (12.50 p.m.): I rise to speak briefly in opposition to the Primary Industries Legislation Amendment Bill. The former Labor Government had a proud record of reform in the primary industries sector. On coming to Government in 1989, the Primary Industries Minister, Mr Ed Casey, and his successor, the Honourable Bob Gibbs, embarked on an ambitious program of modernising this important sector of the Queensland economy. I might add that the industry leaders whom I have spoken to said that the Labor Party did more to help primary industries in six years than the coalition did in 32 years.

On coming to office, the Labor Government had the challenge to bring this important sector of our economy out of its 1950s-style time warp. Primary industries in this State were bogged down with overregulation and vested interest. There was no plan or vision to respond to the demands of the local market, but worse still there were no plans to meet the challenges of competition from other States and the challenges of the international market. Visionaries within the industry were often scorned as they called on successive coalition Governments to respond to the challenges of the ever-changing markets domestically and internationally.

Successive coalition Governments ignored these visionaries within the industry and instead took advice from the advisory groups who were appointed based on political patronage rather than merit. The coalition wanted to protect the vested interests of a few of its mates rather than advance these industries and the wealth of the State. It appointed its mates who would not rock the boat and who would not see the Government capitulating to the visionaries.

The Labor Government set about the reform of primary industries by establishing closer relationships between producers, manufacturers, retailers, consumers,

employees and employer organisations. I might add that during the six years of Labor reign there was less industrial action than there has been in the nine months under the coalition. The Industry Policy Council set about overhauling the legislative and structural inefficiencies. Statutory organisations were revamped to reflect the changing and challenging markets. Marketing, administrative and judicial functions were evolved into a single statutory organisation.

These major reforms were achieved, as I said, by establishing policy councils which were responsive to industry needs and worked cooperatively with the Government through the Minister of the day so that the goals could be achieved. That enabled the industry to agree on growth—growth that was planned around market share, and growth that was sustainable. Growth also allowed new players into the industries—something which the old legislative arrangements did not do.

Policy councils differed from the old advisory committees. Membership of the policy councils was based on merit selection, not political patronage, as was the case with the advisory committees. The people with the best qualifications were appointed to the councils to oversee industry policy. Finally, this legislation is about winding back the clock to the bad old days when the National Party appointed its mates who, once again, will preside over the stagnation of this important sector of the economy.

Hon. T. J. PERRETT (Barambah—Minister for Primary Industries, Fisheries and Forestry) (12.53 p.m.), in reply: I thank honourable members who took part in the debate for their contributions and for the fact that they entered into the spirit of what we are trying to do by keeping their contributions as brief as possible but still raising points of concern.

Before I comment on some of the points raised, I indicate that I will be moving three amendments, the most significant of which refers to Part 11 of the Bill, which relates to the Sugar Industry Act. We are all aware that a very significant review of the Act is taking place at present. We are not proposing to change anything in the Sugar Industry Act until after that report comes to hand in a few weeks' time. The amendment will allow Part 11 of the Bill to be proclaimed at the appropriate time.

The member for Bundamba indulged himself in a dramatic overstatement about the proposed advisory committees and selection committees. But he admits that the processes did not work; that they were cumbersome and took too much time. And they cost money—money that could be better utilised in other areas. This Bill does not throw the good points out the window. If there were good things, we will carry them forward.

The honourable member's contribution was also confusing because he said that policy councils were selected by selection committees. That is not true. Members of the advisory committees will be selected in exactly the same way that policy council members were chosen. The member for Bundamba also asked about sitting fees. I assure the member that fees will not be payable to members of advisory committees. They will not have budgets. Unfortunately, the member does not understand his portfolio.

As to the honourable member's concerns about the mental incapacity provision of the Dairy Industry Act—the amendment brings the Act into line with the Anti-Discrimination Act. The member's own Government placed an identical provision into other Acts. This was done on the advice of Crown law. The amendment respects the law, and I reject totally the member's remarks.

As to the Meat Industry Act—I thank the honourable member for the positive remarks he made. The Queensland Livestock and Meat Authority's primary role of protecting the quality of meat cannot fall by the wayside. That is vitally important.

The member for Bundaberg spoke in positive terms about the good work of many people who serve on statutory bodies. I can assure him, as I said in my second-reading speech, that merit will continue to be the basis for the selection of members. Under these amendments, it will be truly possible to select the best people for the job. Industry leaders will not be locked out simply because they are the leaders. The member for Bundaberg also mentioned the integrity and wholesomeness of meat. It is our desire to protect those standards. I thank also the member for Mackay for his contribution.

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

AYES, 42—Baumann, Beanland, Borbidge, Cooper, Cunningham, Davidson, Elliott, FitzGerald, Gamin, Gilmore, Goss J. N., Grice, Harper, Healy, Hegarty, Hobbs, Horan, Johnson, Laming, Lester, Lingard, McCauley, Malone, Mitchell, Perrett, Quinn, Radke, Rowell, Santoro, Sheldon, Simpson, Slack, Stephan, Stoneman, Tanti, Veivers, Warwick, Watson, Wilson, Woolmer *Tellers:* Springborg, Carroll

NOES, 41—Ardill, Barton, Beattie, Bird, Braddy, Bredhauer, Briskey, Campbell, D'Arcy, De Lacy, Dollin, Edmond, Elder, Foley, Fouras, Gibbs, Goss W. K., Hamill, Hayward, Hollis, Lucas, McElligott, McGrady, Mackenroth, Milliner, Mulherin, Nunn, Palaszczuk, Pearce, Purcell, Roberts, Rose, Schwarten, Smith, Spence, Sullivan J. H., Welford, Wells, Woodgate *Tellers:* Livingstone, Sullivan T. B.

Pairs: Littleproud, Nuttall; Connor, Robertson

Resolved in the **affirmative**.

Sitting suspended from 1.03 to 2.30 p.m.

Committee

Hon T. J. Perrett (Barambah—Minister for Primary Industries, Fisheries and Forestry) in charge of the Bill.

Clause 1, as read, agreed to.

Clause 2—

Mr PERRETT (2.31 p.m.): I move the following amendment—

"At page 8, line 7, 'and 9'—

omit, insert—

', 9 and 11'."

Amendment agreed to.

Clause 2, as amended, agreed to.

Clauses 3 to 21, as read, agreed to.

Clause 22—

Mr PERRETT (2.32 p.m.): I move the following amendment—

"At page 14, lines 1 and 4, '27'—

omit, insert—

'28'."

Amendment agreed to.

Clause 22, as amended, agreed to.

Clauses 23 to 80, as read, agreed to.

Clause 81—

Mr PERRETT (2.32 p.m.): I move the following amendment—

"At page 32, lines 10 to 12—

omit, insert—

' '(3) However, a complainant lodging a complaint more than 21 days after the ground of complaint arose must have discovered the ground of complaint within 3 months after it arose.'."

Amendment agreed to.

Clause 81, as amended, agreed to.

Clauses 82 to 93, as read, agreed to.

Bill reported, with amendments.

Third Reading

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

CASINO CONTROL AMENDMENT BILL

Second Reading

Debate resumed from 13 November (see p. 3992).

Hon. D. J. HAMILL (Ipswich) (2.34 p.m.): In relation to this Bill there are a number of issues that I wish to address briefly, but in so doing I want to indicate that the Opposition supports the passage of this legislation this afternoon. The Casino Control Amendment Bill reflects the very competitive situation which is prevailing not only in the State's gaming industry but also in gaming in Australia as a whole.

As I have stated in this place on other occasions—in the debate that we had in relation to the Lotteries Act amendment, which was recently before the House—gaming is a very volatile source of revenue for the Government. If we look across the revenues that have been obtained by Government through gaming over the years, we find that products come and go. There is the impact of fashion and taste in relation to gaming products. That is being experienced also by the State's casinos. It is because of the very difficult times that casinos have experienced in recent months that the Government has brought forward these changes to the taxation which is applied to high rollers.

It is certainly the case at present that high roller play in Queensland casinos attracts, in the case of the casinos in the southern part of the State—that is, Brisbane and the Gold Coast—a tax of 20 per cent and, in the case of the casinos in the north of the State—that is, the Sheraton Breakwater in Townsville and the new casino in Cairns—a tax of 10 per cent. It was announced in the middle of the year that those rates would be reviewed and reviewed downwards. The impetus for that had come from developments interstate, particularly from Victoria, where the Victorian State Government had lowered the rates of taxation which applied to high roller play at that State's new casino. The result has been a shift among the high roller players to other casinos where they believe that at the end of the day they can get a better return on the funds which they are prepared to speculate.

It illustrates something which was highlighted in the FitzGerald Commission of Audit report and something which I believe this Government and the next Labor Government

will have to be very cognisant of, that is, the degree of competitiveness which occurs among the different States in relation to their revenue-raising activities. A couple of examples spring to mind. Back in the 1970s the Queensland Government became the first in Australia to abolish succession duties on the probate of estates. That led to a similar revision of the taxation laws of other States over a period, with the result that each of the revenue bases of the States was diminished. We have seen that occur on a number of occasions in different areas of the States' revenue bases. We saw an initiative of the former Labor Government in relation to stamp duty, where duty on share market transactions was reduced amid the condemnation from State Governments in both Victoria and New South Wales at the time. Those other two State Governments, of course, fell in line with the Queensland initiative.

Dr Watson: Tit for tat.

Mr HAMILL: I take the interjection. It was tit for tat. We actually did all right out of that one because we got in first and the Labor Government had done a deal with the Australian Stock Exchange whereby the stock exchange would relocate to Brisbane an important part of its activities and its infrastructure. I recognise that the ASX was good to its word, and there are about 50 people now working in Brisbane as a result of the undertaking that had been given by the ASX and the inducement that had been given by the former Labor Government by way of reducing the stamp duty that would have been payable on share transactions.

Dr Watson: That was a good decision.

Mr HAMILL: That was a good decision, because it generated jobs and it generated business activity in this State. But I use it to illustrate this point: not all of the competitive tax initiatives, so described, are necessarily beneficial because it can come down, to use an old adage, to cutting off one's nose to spite one's face where we get led down something of a Dutch auction in relation to our State revenue base. We all know that the revenue bases of the States are very narrow and that the States are largely deprived of a growth tax.

The only real growth tax that we have is payroll tax, and maybe stamp duty, but payroll tax certainly is a major revenue raiser. However, it is not the sort of growth tax that is generating the revenues necessary to service the population increase and the demand for services that comes with population increase. That is why it seemed somewhat strange when in July this year this Government announced that it was going to further cut into our revenue base by reducing the rate of tax on high rollers. In the case of the casinos in the south of the State, the tax would be reduced from a 20 per cent rate down to the new rate of 10 per cent, and in the case of the casinos in the north, from the erstwhile rate of 10 per cent down to 8 per cent, and that was to be effective from the middle of the year. That, of course, came at a time when the Government was talking about increasing a whole range of other imposts in the lead-up to the Budget. It seemed that high rollers were lucky but that ordinary Queenslanders were facing increases in motor vehicle registration, tobacco tax and bank account debits tax, to name but three of the seven deadly taxes which were contained in the Treasurer's Budget.

At the time, I corresponded with the casino industry in this State, and we indicated then that we understood the rationale for this legislation. We understood that that part of the gaming industry in the State was being threatened by the ability of its interstate competitors to offer a better deal to the high roller section of the market and that we were losing as a result of that. The fact that casinos have found it difficult can be amply demonstrated by having recourse to the Treasurer's Budget papers themselves.

Last year it was expected that casino taxes would generate around $80m for the State. When the accounts were finalised for the year, the sum was actually $71.5m. It was more than 10 per cent below what had been forecast in Mr De Lacy's 1995 Budget. That in itself demonstrates the sorts of things that have been happening in the casino industry and the reason why this legislation needs to be supported.

It is also worth noting that even though these concessions are being made to the tax regime as they apply to the casinos, casino generated revenue for the State is not going to increase very greatly this year either. I think that the projection is $74m. That is a fairly flat prospect in terms of the forecast revenue to be derived from casinos. It is appropriate that we look to the revenues that we expect from the casino industry and that we do not unduly fetter the industry in its ability to operate.

For those reasons, we support this legislation. We support the reform to the high roller tax rate, and we also support the retrospective nature of this legislation. The announcement was made that it would be effective in the middle of the year. We supported it at that time and it is only

appropriate, having given that notice to that industry, that the undertakings are honoured by providing for its retrospectivity in the passage of the legislation this afternoon.

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (2.44 p.m.), in reply: I thank the shadow Treasurer for his support. I think he fairly accurately depicted the situation in which casinos in this State find themselves as a result of gambling taxes. There is no doubt that when the Crown Casino opened in Melbourne, it came in with the objective of taking over the high roller end of the market. Indeed, our casinos were feeling the effect of that. They would have lost any advantage that they had, and they certainly would have lost their share of the market. That was quite clear.

At the time that I announced that we would introduce this legislation, there was some concern in the community that it would affect the lower end of the gambling market. There was a belief that it was aimed not just at high rollers but that it would induce more people to gamble, and so on. That, of course, was not the case. By and large, the high rollers are not Australians, with possibly the exception of one or two media magnates. They tend to fly in from Asia in particular, stay for a few days, spend big money in the casinos and then fly home again. If we missed out on that revenue base, those high rollers would still fly in but they would not fly in to Queensland. Hence, we would have had less revenue for this State to spend on schools, police, education and all the things that are important to us.

I note also that since this announcement was made, the people from Jupiters have told me that they have improved their competitive position, so it looks as though it really has worked. I thank the member for Ipswich for his support.

Motion agreed to.

Committee

Clauses 1 to 10, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mrs Sheldon, by leave, read a third time.

REVENUE LAWS AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from 13 November (see p. 3992).

Hon. D. J. HAMILL (Ipswich) (2.47 p.m.): The Revenue Laws Amendment Bill (No. 2) covers similar subject matter to the earlier Revenue Laws Amendment Bill which had been debated and passed by this House a few weeks ago. The earlier Bill, Revenue Laws Amendment Bill (No. 1), dealt with the Government's initiatives in relation to payroll tax rates and the bank account debits tax, which was increased by some 35 per cent in the recent State Budget. I remind Government members that at the time that measure was opposed most strenuously by Opposition members.

The other element in the earlier revenue laws amendments legislation related to the increase in tobacco. That is another measure which we strenuously opposed. We did so on the basis that the Government had breached its solemn undertaking to the people of Queensland that, if elected, it would not pursue an agenda which increased taxes or introduced new imposts upon the people of Queensland.

I made the point very clearly at that time that the Government had breached its undertaking. The then Leader of the Opposition had run around the State, claiming to have a contract with the people of Queensland, saying that his manifesto—his policy initiatives—were all of those that they could afford to deliver. Of course, we know that within weeks of the members opposite coming into office, Treasury was being asked to devise a range of proposals to generate additional revenue options, flying in the face of those solemn undertakings that had been given by coalition MPs when they were out there trying to get elected in July 1995.

We know that the range of revenue-raising measures that had been looked at not only included the bank account debits tax but some consideration of financial institutions duty, fuel tax, and certainly the implementation of the increase in tobacco tax. There was also consideration of how the coalition would not have to deliver on the undertaking given to the Queensland people in relation to land tax. This legislation that we have before us this afternoon provides the mechanism for that breach of promise in relation to land tax.

The Treasurer—the shadow Treasurer as she then was—at the launch of the National/Liberal parties' campaign in July 1995 stated in her policy statement that the land tax reduction schedule would deliver some $60m in savings over the first term of the coalition Government. Honourable members might

recall that the promise that was first delivered was that the coalition was going to abolish land tax. That promise was transformed into the abolition of land tax over a period of time. We discovered that it was going to take over 10 years. I suspect that not too many of those opposite will be in this Parliament in 10 years' time, not like the young, vibrant member for Ipswich.

Mrs Sheldon interjected.

Mr HAMILL: The honourable member certainly will not be sitting on the Treasury benches that long. That is one of the promises that the Treasurer knew in her heart of hearts that she would never have to deliver. But she could not even deliver on her promise in her first Budget. She has broken her undertaking to those sections of the Queensland community who believed her when she said that she was going to abolish land tax. They also believed her when she said, "Well, we are not quite sure that we can abolish it straight away but we will give you at least $20m in concessions in land tax each and every year for the next 10 years".

The Treasurer failed the test at the first opportunity she had to demonstrate her good faith to the people who used to believe in her. What has the Treasurer done with respect to land tax? She fudged. She did not provide the $20m of concessions in land tax as promised. What she has decided to do—and she is doing it through this legislation—is to provide an averaging arrangement on land values. In that way one can look to an average over three years for an assessment of the value of land for the purposes of the payment of land tax.

We are not opposed to that measure. What we are opposed to is the two-faced attitude of this coalition Government which believes it can go to the people of Queensland and promise one thing and then, once the votes are in the ballot box, come into this place and do quite another thing. The Government has done that with the tobacco tax. The Government has done it with payroll tax. The Government is now doing it with land tax. The Government has also done it in relation to the other new imposts with which the Treasurer is still wrestling. I refer to the oil tax and the tyre tax. I am sure we will hear a lot more about those matters in the weeks and months ahead.

If anyone doubts that the coalition has been insincere about its land tax promises, I refer them to Budget Paper No. 2, which indicates that it is the Government's expectation that the concessions on land tax this year will not be $20m but $6m.

Mrs Sheldon: $13m.

Mr HAMILL: No, Treasurer, it is $6m, not $13m. The actual collections of land tax last year were $226.4m. The Treasurer's forecast for this year is $220m. That is not the $20m that the Treasurer said she was going to deliver each and every year. The Treasurer could not even deliver on that promise.

In relation to stamp duty, the measures that are contained in this Bill deal with changes in relation to how instruments involving securities are to be assessed. This indicates that dramatic changes are taking place in financial markets. The Stamp Act, which is one of the State's older pieces of legislation—it goes back to the 1890s—needs to be kept abreast of changes that are taking place in the State's financial markets.

We support the measures that are being proposed in relation to the amendment of the Stamp Act. What is very interesting in relation to the question of stamp duty is that it is one of those revenue measures of the State which gives some indication as to the health or otherwise of a State's economy. What do we find if we have a look at stamp duty collections? We find that stamp duty collections look to be very flat indeed. They are little changed this year from what they were last year. Last year's receipts totalled $934.7m. This year the Government anticipated that stamp duty collections would total $933.9m. In fact, that is slightly less than the amount collected last year.

Queensland has a growing population. If we can believe one of the two press releases that the Treasurer has issued in relation to economic indicators since the Budget came down, she said that Queensland was seeing enormous growth. We know that the Treasurer rushed in where wise economists would fear to tread. We found that those figures upon which the Treasurer relied were not reliable. The Queensland Treasury figures showed that the State's economy was growing much, much more slowly. What we know from the stamp duty collections is that there is not much happening in the Queensland economy. The Queensland economy is flat. The Treasury's own projections would indicate that that very subdued level of economic activity will persist.

This morning in question time, I asked the Treasurer whether she was intending to revise the economic growth forecast for this year. In the Budget papers the Treasurer had forecast that economic growth would be at 4 per cent. The Treasurer made great play of the belief

that economic growth in Queensland would far outstrip the level of growth across the Australian economy as a whole. Was that not true?

Mrs Sheldon: Yes.

Mr HAMILL: What we know is that growth across the whole of the Australian economy seems to be faltering somewhat. Indeed, that was much of the import of the statistics which the Treasurer rolled off this morning when pointing to factors such as negative growth in relation to motor vehicle registrations across Australia.

That is why I asked whether Queensland's Treasurer was going to be reining in her expectations in relation to economic growth figures for the year. Certainly the Budget papers and the projections of revenue collection in relation to stamp duty suggest that there is very, very little for the Treasurer to crow about in relation to economic activity. This major problem with the economy is further borne out by the fact that unemployment figures are spiralling. Queensland now has the highest rate of unemployment in seasonally adjusted terms of any mainland State—10.1 per cent on the last set of figures published. Even more alarming than double-digit unemployment in relation to this seasonally adjusted series is the fact that on the trend figures—so beloved of the Treasurer—unemployment has risen month after month after month since this coalition Government came to office. The Opposition has been warning the Government repeatedly that this would be the outcome of an economic policy that seemed hell-bent on kicking to death any spark of economic activity in the real world of Queensland, an economic policy that gutted economic activity by slashing budgets, freezing capital works and failing to expend the money that Parliament had appropriated for capital works in the last Budget. Almost $200m of appropriated funds for capital works were carried over into the coalition's first Budget.

Mrs Sheldon: Don't forget you were there for eight months of that.

Mr HAMILL: I will take that interjection by the Treasurer, because she used to parade around town saying that a coalition Government would always spend its capital works money. In common with this Treasurer's record in relation to delivering on land tax promises, she has failed her first test. The first time that she has charge of a Budget and charge of funds that have been voted on by the Parliament—and by the likes of the Minister for Emergency Services—what happens? She fails the test. They cannot spend the money and therefore they do not deliver facilities and services to the people of Queensland. A serious issue is involved.

Mr Veivers: Take it easy. Tone it down a bit.

Mr HAMILL: It seems that I have even been able to permeate the minds of such Government members as the Minister for Emergency Services! He understands that a serious issue is involved and that the Government's credibility is on the line.

The Government could not deliver on its solemn promises to the people of Queensland with respect to tax. It broke its promise not once, not twice, but seven times in the Budget. It broke its promise about spending moneys on capital works. It is alarming that despite the evidence contained in the Budget papers and in the analysis of public accounts that we undertook during the Estimates process, despite the independent evidence that is revealed by industry surveys such as that which the Treasurer remarked on this morning, that is, the Yellow Pages Small Business Index—the Treasurer told the Parliament that more small businesses in Queensland believed that the Queensland economy was in recession than believed that it was growing—the Government is not listening. It takes no heed of that evidence and ignores it. The Treasurer uses the "Mother knows best" philosophy of economic management. Under this Treasurer, Queensland has won the wooden spoon for economic performance. That is a tragedy, because Queensland should be leading the country, not bringing up the rear.

Mr Lucas: Mother Hubbard's made the cupboard bare.

Mr HAMILL: Mother Hubbard has made the cupboard bare; indeed, there is not much left. The Government has no credibility left when it comes to its economic management.

Another element of this Bill relates to the debits tax. It is described as a measure to clarify the levying of bank account debits tax. That has become one of the favoured taxes of this Government. It was a major revenue-raising measure in the Budget which was promised to be a Budget that would contain no new taxes and no increases in tax. The people of Queensland remember the Treasurer going out into the community and promising that those would be the tenets on which her first Budget would be framed. For the record and for the benefit of those who love reading debates in this House on Treasury Bills, I point out that debits tax

collections will rise by $31m or $32m thanks to the increased level of taxation being imposed by the coalition Government that promised no increases in taxation.

The debits tax has been described as many things. "Insidious" is one of the adjectives that is frequently used because it is the tax that everybody pays, that is, everybody who has an account with a chequeing facility, an account that can be actioned by EFTPOS or credit cards. So people who are on low or fixed incomes, for example pensioners who have their pensions paid into a bank account with a chequeing facility, will pay an unfair share of the burden. That is an unfair tax. It reflects poorly on the Government that it should choose that highly regressive measure to generate some $31m or $32m in extra State revenue in 1996-97.

The last of the four taxation measures canvassed in this Bill is payroll tax. The Government has made much play of the fact that payroll tax exemption thresholds are being lifted. It has been the practice of successive Queensland Governments to progressively lift the exemption levels at which payroll tax is not paid. The point being sought to be addressed by this Bill is one of tax avoidance. Certain entities seek to avoid their responsibility to pay their fair share of payroll tax by setting up trusts in order to disaggregate the numbers of employees and, in so doing, avoid the tax. Of course, this measure is designed to overcome that sort of a scam. We support that measure.

Early this afternoon I made a number of comments about the need for States to be chary about those who would seek to undermine the existing very narrow revenue bases. The mechanisms that those amendments to the Payroll Tax Act seek to deal with are nothing more and nothing less than a barefaced attempt to undermine payroll tax as a source of revenue.

Dr Watson interjected.

Mr HAMILL: The member for Moggill is correct; they are artificial. They are contrived for the sole purpose of enabling the party concerned to avoid their social and community responsibility. The Opposition will have no truck with those who would seek to avoid their responsibility in that way.

Although payroll tax exemption thresholds have been adjusted, the payroll tax collections further illustrate the point that I was making in relation to the level of economic activity in the Queensland economy as a whole. As stamp duty allows us some insight into the degree of economic and business activity, so too do payroll tax collections. Even though payroll tax is paid by only 5 per cent of Queensland businesses, it makes a very significant contribution to the overall level of State revenue with over $1 billion being collected. Last year, the figure was almost $1,053m. The expectation for this year is $1,091m. That is quite modest growth. Indeed, when one considers that Queensland is still experiencing quite strong population growth, that is very modest growth.

I further make the point—and I hope that the Treasurer is listening—that the economic indicators are telling us that the Queensland economy is in desperate need of a kick start. At present, the Queensland economy is showing all the signs of economic malaise. I am not seeking to be a prophet of doom; I am seeking to do what a constructive Opposition should do—to highlight to the Government its failings in relation to what is a very important part of the Government's task, and that is the management and stewardship of the State's economy.

It is not just the Opposition that has been making these warnings and expressing these concerns about the absence of economic activity in much of the State's economy; business has been saying it, the welfare sector has been saying it, sectors of industry such as the housing and construction industry have been saying it, and they have been saying it very loudly indeed. This morning, we heard that the Government's Works and Housing Minister has really let the side down when it comes to calling tenders for public housing. That Minister has let the side down when it comes to making a contribution to economic activity in what is one of those industries that is traditionally seen as an economic barometer—the housing and construction industry. It is little wonder why right throughout the boardrooms in Brisbane and right throughout small business in the State more business folk—the coalition's natural constituency—are saying, "You are not up to it. You have breached faith with us. You have not delivered on the things you promised us." Frankly, those people think that the Government is not up to it. Unless the Government lifts its performance substantially in the new year, those people will drum the coalition from office at the first available opportunity.

The measures that are contained in the Revenue Laws Amendment Bill (No. 2) are broadly accepted by the Opposition as an attempt by the Government to maintain the State's revenues. However, in that glaring case of land tax, it stands out as a beacon of

this Government's duplicity in not keeping faith with the people who put them into office. It stands alongside the Government's breaches of its election promises in relation to tobacco tax, the debits tax, the oil tax and the tyre tax, the national park tax and the TAFE taxes, which this Opposition has vowed to oppose in this place and will continue to oppose. When it comes to the issue of this Government's electoral integrity, the Opposition is not prepared to let the Government off the hook. In relation to the Bill, the Opposition supports these measures.

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (3.14 p.m.), in reply: I thank the shadow Treasurer for his support for what are obviously very good initiatives in this Bill. It is a pity that the member wandered so far from the Bill and spoke about various issues, but I guess that it is fairly late on Friday afternoon and he was taking a bit of licence.

I will make a couple of points to clarify the issues that are contained in this Bill. Certainly, the Government is restructuring land tax. Indeed, the Government would have been able to totally fulfil its promise of abolishing land tax over 10 years if Labor had not left it with an economic mess—a $240m deficit in our Budget and a blow-out in Health of $75m. All of those moneys have to be taken into consideration. Of course, our contribution to the Federal deficit left by Paul Keating was over $250m. Indeed, the Government sought to do what various sectors of the whole business community have been asking it to do with land tax, and that was to average it over three years as a first step and then reduce the rates. That is what this Government is committed to do, and that is what it is doing.

One would have to agree that that is a very positive initiative. May I also add that this legislation gives retrospective effect to the administrative system that allowed stamp duty on certain new forms of securities to be accounted for by return. Honourable members may remember that on 15 July this year the Australian Stock Exchange introduced instalment receipts, which are a new form of security and represent beneficial interest in the Commonwealth Bank shares. A similar form of security that is proposed for introduction by the Australian Stock Exchange is CHESS units of foreign securities known as CUFS. This Bill gives effect to the publicly announced scheme by clarifying the stamp duty liability of instalment receipts and CUFS.

Importantly, the Bill also signals clearly the coalition Government's commitment to ensuring that everybody pays their fair share of tax and does not by artificial means avoid the tax that they should be paying, hence placing greater burdens on those people in the community who cannot afford to get accounting or legal advice in relation to tax, who do not have their businesses set up in such a way, or who are PAYE taxpayers and really cannot come into these systems. It is only fair that we all pay our fair share of tax. So, by putting these provisions in the Bill, the Government demonstrated clearly that these avoidance schemes were not going to be tolerated. We will achieve this equity in three ways: by closing off opportunities for minimising debits tax through account structuring, by ensuring that payroll tax is payable where entities are interposed between workers and employment agents, and by ensuring that a complex scheme whereby the benefit of multiple payroll tax threshold deductions may be obtained by employment agents is ineffective. We were finding that, through these artificial means, some employment agencies were avoiding paying payroll tax.

One point that the member for Ipswich did make, which I think is something that we on both sides of the House have to pursue, is the need for a restructuring of Federal/State taxes. There is no doubt that most of the taxes that the State imposes are limited. They are punitive—payroll tax, land tax, stamp duty and other taxes—and they are often paid by businesses. The State does not have other forms of revenue open to it, but the Federal Government does in the form of growth taxes such as personal income tax and excise duty. As I have said before, if we could just keep the money, or even the bulk of the money that we pay as a State on Federal fuel excise, then we would have considerable billions of dollars to spend on our roads and other infrastructure that we need so desperately. I think that we must all take up the cudgels in that battle and make sure that this restructuring does occur because as States we cannot continue with the inequities that we are currently experiencing.

The member also mentioned the economy and said that the Government was doing nothing to kick start it. He was right in one sense in that the whole Federal economy is flat. Obviously, that is affecting our State. However, as a State—and as I relayed this morning—on certain indices in comparison with other States and nationally, Queensland is not doing too bad, although certainly there is great need for improvement. One of the areas where the coalition Government saw

that it could really make an improvement was by putting into its Budget a major infrastructure package—a $1.6 billion rejuvenation infrastructure package. That is now starting to kick in. One has to realise that the Government brought down the Budget in September and it was not passed until about a month or so later. Now those projects are taking place. We are conducting a monthly audit of what capital works are being spent, where they are being spent and what the forward planning is for the spending of those capital works. We will see that giving effect to our economy in the form of jobs and economic growth.

Mr Palaszczuk: Oh, yes.

Mrs SHELDON: Yes, I say to the member it will indeed. It certainly did not happen under his Government, but it will happen under this Government.

The shadow Treasurer drew attention to the fact that the capital moneys in 1995-96 had not been spent. I would like to remind him that indeed his party was in Government for eight of those months and we inherited that situation. Our capital moneys will be spent. That capital money provides a very important injection into our community, to get our economy going and to create the jobs that are so important to all Queenslanders. I thank the member for his support on what are, as I have said, extremely positive and important initiatives for our State.

Motion agreed to.

Committee

Hon. J. M. Sheldon (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) in charge of the Bill.

Clauses 1 to 4, as read, agreed to.

Clause 5—

Mr HAMILL (3.22 p.m.): Clause 5 flags changes to the land tax regime. I would be remiss if I did not make some comment about the remarks made by the Treasurer in her summing-up in the second-reading debate. The excuse given by the Treasurer for provisions at clauses 5 to 9 and so on being less than the coalition's undertaking to the people of Queensland is the alleged economic straits in which the Government found itself—the economic straits which the Treasurer has repeatedly and falsely claimed to be caused by a Budget that was left in deficit by the former Labor Government.

We know from the published records of the Queensland Government, the Queensland Treasury, the Federal Treasury and the Treasurer's own Budget Speech that her claims were nothing other than spurious political rhetoric to try to justify why the coalition Government is hell-bent on breaking its commitments to the people of Queensland. As I have indicated, one of those commitments has been blatantly broken in the area of land tax. The commitment that was given for a relief package of $20m per annum for 10 years has not been delivered in this Bill and it was not delivered by the Government in its first Budget. This year, only $6m has been provided for land tax relief, yet the same Treasurer can squirrel away $259m into a reserve fund and, while doing that, still justify additional taxation imposts on the people of Queensland totalling in excess of $120m.

The Treasurer cannot have it both ways. On the one hand, she cannot claim that she cannot afford to provide the tax relief she promised, while at the same time increasing taxes to add to the sum of money that she is holding in reserve.

Mr Johnson: The only reason why they are increased is because of your mismanagement while in Government.

Mr HAMILL: I am disappointed to hear the member for Gregory parroting the line of the Treasurer. The other day I pointed out the taxation increases which he is responsible for—increased charges on motor vehicle registration in breach of the coalition's promise and the introduction of speed cameras not for road safety purposes, as I demonstrated, but to generate substantially increased revenue. The Opposition was not prepared to let the coalition get away with that, so we ensured that the additional revenue being taken from the Queensland motorist through fines from the use of speed cameras is used for road accident trauma rehabilitation and road safety programs. We took the initiative, and the Government came kicking and screaming into this place and had to support us. The Treasury is still weeping tears of blood because that additional source of revenue has been kept out of its clutches.

The Government failed to deliver on the promises it made in so many areas of taxation—the tobacco tax, the debits tax, the new oil tax, the new tyre tax, the national parks tax, the TAFE tax, increases in motor vehicle registration, the revenue that is being generated through speed cameras——

Mr Johnson: It is a road safety initiative; you know that.

Mr HAMILL: It is a road safety initiative now, thanks to the Opposition. There are also

kangaroo licences, cattle loading and the list goes on and on and on. The one thing that the Government can do is tax. It is a very taxing time for the people of Queensland. This provision of the Bill demonstrates that, even when it promises tax relief, the Government cannot be trusted to deliver.

Clause 5, as read, agreed to.

Clauses 6 to 35, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mrs Sheldon, by leave, read a third time.

REVOCATION OF STATE FOREST AREAS

Hon. H. W. T. HOBBS (Warrego—Minister for Natural Resources) (3.28 p.m.): I move—

"(1) That this House agrees that the Proposal by the Governor in Council to revoke the setting apart and declaration as State Forest under the Forestry Act 1959 of—

(a) The whole of State Forest 779 containing an area of about 1,150 hectares;

(b) All those parts of State Forest 42 described as Areas A and B and shown hachured on plan FTY 1718 prepared under the authority of the Primary Industries Corporation and containing in total an area of 1.9321 hectares;

(c) All that part of State Forest 611 described as Lot 178 on plan CG 6094 and containing an area of 1.215 hectares;

(d) All that part of State Forest 127 within stations A–B–C–D on plan CP 841936 and containing an area of 9.51 hectares;

(e) All that part of State Forest 169 described as Area A and shown hachured on plan FTY 1702 prepared under the authority of the Primary Industries Corporation and containing an area of about 7,182 hectares;

(f) All that part of State Forest 69 within stations 2–3–4–2 on plan CP 869099 and containing an area of 0.3221 of a hectare;

be carried out; and

(2) That Mr Speaker convey a copy of this Resolution to the Minister for submission to Her Excellency the Governor in Council."

These proposals make provision for the revocation of whole or parts of State forests near Childers, Cairns, Caboolture, Blair Athol and Brisbane. Careful consideration has been given to each of these proposals and detailed consultation has occurred with affected Government agencies and local authorities. In each case, the action proposed is considered to be in the broader public interest.

The first proposal deals with the revocation of the whole of State Forest 779, which is located about 14 kilometres north west of Childers. In 1989 a joint Government/industry task force recommended the release of forestry land in the Isis area for sugar production. Existing pine plantations in the area are of below average productivity and DPI forestry considered that the financial performance of the total plantation estate could be enhanced by redirecting resources to more profitable plantation centres elsewhere in the State. The proximity of the land to existing irrigation infrastructure and the nature of the soils make the land suitable for agricultural production purposes and, if converted to sugar production, would improve the economies of scale of the Isis Central Sugar Mill. It is a win/win situation.

In August 1994 Cabinet authorised the revocation of the whole of State Forest 779 and the disposal of the land for agricultural development in accordance with the provisions of the Government Land Management System. The Department of Natural Resources, acting on behalf of the Department of Primary Industries, has prepared a proposal inviting expressions of interest from persons or companies for the development of the land in keeping with the Government's preferred option.

The State will retain ownership of pine trees on the reserve and will arrange logging and removal of the timber with an expected completion date of 30 June 1997. Under the provisions of the Government Land Management System, DPI Forestry will be entitled to retain 50 per cent of the net proceeds of the sale. These funds will be allocated to the purchase of alternative plantation land. A land use planning exercise is now in train to identify areas of State Forest 840 to the north of this reserve that should be subject to the same process.

The second proposal provides for the exclusion of about two hectares from State

Forest 42, which is located about 50 kilometres north west of Cairns. About one and a half hectares is required to provide practical legal access from Pinnacle Road to Lot 109. The balance area plus an area of Lot 109 will be included in adjoining Lot 999 and reserved as national park. Legal access to Lot 109 is currently provided by a corridor of land running north along the eastern boundary of Lot 999 to Pinnacle Road. Practical access to the lot is via a constructed track on State Forest 42. The Department of Environment, by agreement with the previous owners, has acquired Lot 999 for national park purposes.

As part of the compensation negotiations for this lot, the owners have requested that the constructed track in the State forest be included in their adjoining Lot 109, and have agreed to surrender for inclusion in the proposed national park an area of Lot 109 no longer required for access purposes. The action now proposed will reduce the amount of compensation payable to the owners and formalise access to their land in a more practical location. The Department of Environment has agreed to meet all costs associated with the proposal, and the Department of Natural Resources has supported the action.

The third proposal deals with a small area of State Forest 611 about eight kilometres east of Caboolture. The Caboolture Shire Council has sought to have the area set apart as a reserve for water supply purposes under its control. The land is required for the construction of intermediate reservoirs and elevated tanks in connection with the council's trunk water main from Caboolture to Bribie Island. After a thorough investigation of all available sites, this part of State Forest 611 was found to be most suitable because of height and location. The land adjoins the Bribie Island road and is external to the fire protection system of the State forest. Exclusion of the area from the forest estate will have no adverse impact on the management of the balance of the reserve.

The fourth proposal deals with the excision of 9.51 hectares from State Forest 127 near Blair Athol. The area has been sought by the Department of Transport for a rail line loop as part of the Wotonga-Blair Athol mine railway. The exclusion of this railway corridor will not compromise the forestry values of the remainder of State Forest 127. A survey of the area has been completed, and revocation of the land from the forest estate may now proceed. The proposal is supported by the Department of Natural Resources.

The fifth proposal involves the revocation of the major part of State Forest 169. Good Night Scrub State Forest is located on the Burnett River about 36 kilometres west of Childers and comprises about 780 hectares of pine plantation and some 7,000 hectares of native forest. Following the decision to cease harvesting rainforest timbers from native forests on State land in Queensland, consideration was given to transferring the native forest areas of this reserve to the control of the Department of Environment. The majority will be reserved as national park.

To accommodate possible future water storage requirements, part of the area will be set apart as a resource reserve under the joint control of the Department of Natural Resources and the Department of Environment. The Department of Environment has indicated that about 36 hectares in the north of the State forest which is currently held under special lease tenure is not required for inclusion in the proposed national park. Because of its size, its lack of productive capacity and its isolation from the plantation areas of the reserve, the land is no longer required for forestry purposes, and its revocation from the forest estate will permit further dealing by the Department of Natural Resources.

The sixth and final proposal provides for the excision of about 3,000 square metres of land from State Forest 69, which is located in Brisbane's northern suburbs, for road purposes. Lot 4, which adjoins the southern boundary of the reserve, is the subject of a rezoning and development application. As part of the project, the developers are required to provide better access from the subdivision onto Bunya Road. The developers have agreed to exchange part of their land for the small area of State Forest 69 required for road purposes. When finalised, this action will both improve public safety through better access to the development and maintain the area of State Forest 69 available for public recreation. I strongly support each of these proposals and commend them for the approval of the House.

Mr FITZGERALD (Lockyer—Leader of Government Business) (3.36 p.m.): I second the motion moved by the Minister for Natural Resources.

Mr PALASZCZUK (Inala) (3.36 p.m.): The Opposition has no intention of opposing any of the six proposals for revocation given notice of on 25 July. However, the honourable member for Bundaberg, after extensive consultation with people in his area, will express his grave concerns about the

allocation of State forest land for sugarcane production on SF779 and SF840. Naturally, being the member for Bundaberg and as the chairman of his local Landcare committee, he intends to present to the House the reasons for his concerns.

The honourable member for Caboolture intends to speak on the proposed excision of land from State Forest 611, located near Caboolture. I understand that the honourable member for Archerfield will also express some concerns about a revocation of forests to a national park. The Opposition will support the proposals.

Mr CAMPBELL (Bundaberg) (3.37 p.m.): In relation to the first proposal, I wish to raise serious concerns presented to me by many community groups in the Bundaberg district. I refer to the proposal to excise approximately 1,150 hectares of land from State Forest 779. This issue was looked at by the department back in 1989. The conditions that existed in 1989 are different from those which exist today. That is why the community as a whole does not support this proposal. At that time, the Isis mill was looking for extra cane land. However, community groups are now seriously concerned about the lack of water.

At present, existing farms are on 50 per cent water allocations. The growers are concerned that we are opening up new land for agriculture. They oppose it. However, the Isis sugar mill and the Isis Shire Council support it. I wish to quote from an article in the *News-Mail* headed "Groups oppose cane plan". The article states—

> "Timber workers, cane farmers, the Bundaberg City Council and Landcare have slammed a State Government plan to open up Gregory and Bingera State forests for cane farming.
>
> . . .
>
> Burnett Saw Mills logging manager Wayne Perkins said 100 jobs plus contract work in the local timber industry were jeopardised by the State Government move."

However, we are not just losing out in that regard. State native forests are already being lost, and we are also concerned that there will be insufficient timber to sustain a timber industry in the region in the long term. As a community, we should be supporting timber growing in the area.

The article continues—

> "Moore Park cane farmer Daryl Anastasi said cane growers were worried about salt intrusion and lack of water resources in the region.
>
> 'The current situation's got to be rectified and we don't want more expansion until that time . . .'
>
> Bundaberg Mayor Nita Cunningham said she was 'very concerned' about the Premier's announcement and the inference that water would be drained from the Walla Weir to irrigate the new cane fields."

Not just one body but many different bodies are concerned about this matter. When this decision was made back in 1989, there was support for it. However, I believe that we should have the flexibility to take the present circumstances into account.

The local Landcare group also raised the problem when it stated in a press release—

> "The Bundaberg and District Urban Landcare group has resolved to oppose the loss of forestry land to intensive agriculture.
>
> . . .
>
> The Bundaberg Landcare group is concerned that forestry areas should be reserved at all costs. If it is inappropriate to continue with some plantations then native forests should be encouraged and established.
>
> Members felt there was a need to ensure there was adequate timber available to maintain viable timber mills in our region.
>
> Major areas have already been cleared over decades and the loss of further trees in our district is not environmentally desirable.
>
> The Landcare group promotes tree planting and tree preservation while this decision will denude significant areas of trees.
>
> The other major concern was the lack of water for new areas of sugarcane or other horticultural crops. Water supply is insufficient to meet current demands without opening up new crop areas.
>
> New areas will also put pressure on water supplies to established cropping areas, especially in drought periods.
>
> It is difficult to condone major increases in intensive agriculture and subsequent increased water demand when there is a shortage of water for current needs."

All those arguments are valid. All those arguments are strongly supported by people in the region. For example, Councillor Neubecker, Mayor of the Burnett Shire, said—

> "If the Premier is promising to turn State forest into cane farms and to provide them with water from Walla Weir, we would like to see urban residents get an allocation from Walla Weir to alleviate what has just about become a critical situation . . .
>
> . . .
>
> Why should Burnett Shire residents be under restrictions . . . because the department won't allocate more water when the premier is promising more cane land supported by water from Walla Weir . . ."

They are the concerns about this revocation.

There is another point that is fairly important to make. It really makes a mockery of the one billion trees program to knock down and sell off plantation timber without its replacement, especially in a location in which there are already very, very significant areas of agriculture. Danielle Cronin wrote a *News-Mail* editorial which put it very succinctly—

> "But, what's the point of planting more sugar cane if there is not enough water to sustain the crops?
>
> The Walla Weir is expected to provide 'short term' relief for the water shortage in the district.
>
> However, we have to look at 'long term' solutions to our water problems."

It goes on further—

> "Once the Gregory State Forest bill had been revoked, Mr Borbidge said the State Government would call for expressions of interest to buy the land.
>
> In reality, more sugar cane means a greater demand on the water supply."

Small crops growers with allocations of 10 megalitres have been told that they cannot get any more water, that there is none for them. It is very difficult making a living out of 10 megalitres of water. Most cane farmers would have an allocation of in the vicinity of 300 to 400 megalitres. Those people do not have a chance of getting extra water in the future. That is why I raise these very serious concerns at this time. I know that we are looking at this situation, but even officers in the different departments in that area are now expressing those very concerns.

It was said in the briefing paper that I have seen that the plantations were not very successful. It was suggested that an inappropriate species of pine was grown in the area and that perhaps it should have been Caribbean. I know that the member for Maryborough has a greater understanding of this matter than I do, but I reiterate that this could be to the detriment of the local timber industry and to the detriment of other water users. On behalf of the different community groups in Bundaberg, I express grave concern at the loss of this forestry land.

Mr J. H. SULLIVAN (Caboolture) (3.45 p.m.): Despite the wonderful introduction that I was given by the Opposition shadow spokesman in his foreshadowing of what we were going to speak about, I want to talk a little bit about the State Forest 779 proposal, which is the first proposal. I have just received a copy of the speech that the Minister gave in moving this motion. I refer the Minister to the bottom of page 2 and the second last and last dot points, which state—

> "Under the provisions of the Government land management system, DPI Forestry will be entitled to retain 50 per cent of the net proceeds of the sale"—

of State Forest 779. The Minister went on to state that the same process is looking to be put in place for State Forest 840 to the north of 779. The Government land management system, as far as I was concerned, was to rid us of surplus land and to encourage departments such as the Department of Transport or the Department of Education, which may have been holding surplus blocks—house blocks or even houses that the department was renting out in the private rental market—to get rid of those holdings. To encourage them to do that, they were to be able to retain some of the proceeds of those sales. As far as I understood, it was about the disposal of surplus land.

We are not talking about the disposal of surplus land here. The national forest policy statement talks about increasing the areas of plantation forest in this State. I am not wanting to enter into the issues raised by the member for Bundaberg. I am quite content with the idea that 779 might not be a terribly productive forest area and that the best DPI Forestry could say is, "Let's get rid of it and get another spot." But for goodness' sake, let us allow DPI the full proceeds of the sale in order to buy alternative areas to create plantation. To allow the department only 50 per cent is to in effect say, "You are better off to hang on to your

non-productive areas of plantation forest. You are not going to get the full proceeds of the sale, so you are not really going to be able to do anything more productive with the money." Let us be pragmatic about this.

If the forestry holding that we have is not the productive area that we need in our fibre-producing industries, let us allow the sale to go through—fine, if that is the way it is going to be—but for goodness' sake let us give the department the benefit of the full value of that sale in acquiring an alternative holding so that we can be sure that we are not diminishing the area of plantations in the State—we should be increasing it—and at the same time allow DPI Forestry to actually manage its land-holdings effectively. There could be some question about who actually owns the land given that the proposal has been put forward by the Minister for Natural Resources. However, I believe that we should be looking at a whole-of-Government approach to these issues.

We do not need Treasury to be syphoning off funds from the sale of lands that are plantation forest to use for other purposes. We should recognise that we need timber resources—we need the fibre, we need the building materials. Let us give DPI Forestry the full benefit of the value of the sale. I hope that if the process is too far advanced in relation to 779 for the Minister to be able to reverse that position, at least when we are looking at 840—which the Minister has flagged here—and any future decisions of this nature, we should ensure that Forestry does receive that benefit.

To go back to the wonderful introduction I was given by the member for Inala—I do want to talk a little bit about the third proposal, that is, the one that is occurring in my electorate where an area of land that has been used for reservoirs and pumping stations for quite a considerable period now is finally to be revoked from the State forest so that it can be used for that purpose. The main going across to Bribie Island is being replaced at the moment, and for very good reason. In about 11 years the permanent population on Bribie Island has gone from 4,500 to 14,500. It is a growing area. But it is quickly being overtaken by the population on the near mainland—places like Ningi, Sandstone Point, Bribie Pines and even the newer area of Palm Grove.

In a very short period, these places will have significant populations of their own. With that kind of growth, the supply of water in the Caboolture Shire is a matter of grave concern to us all. Recently, there has been some furore about the mayor's suggestion that we consider recycling water from the sewerage system. The community has roundly rejected that idea and I notice that the council has moved right away from that proposition. However, the issue that point raises is that the shire is in a very awkward position when it comes to water and that water infrastructure such as this is very important.

The council has thoughtfully provided me with engineering drawings of what it plans to do on this site. It is extremely thoughtful of council, but I do not have the skills to understand what the drawings mean. However, I believe that these are important matters and it is good to see at last that the tenure of the land is to be formalised.

The general thrust of these revocations is the same as the thrust of most revocations over the time that I have been in the Parliament. They make some adjustments—the Minister might call them good neighbour adjustments—on the edges of some of the forests, and it is appropriate that the State tries to deal with adjoining property holders in that good neighbourly fashion, particularly on an issue such as the fifth proposal, for which I would like to express strong support. That proposal returns native forest areas into the national park estate. Those are good things for this Parliament to be doing, good things for the future of our State and for our children's enjoyment of the State in the future. With those few words, I support the motion before the House.

Mr ARDILL (Archerfield) (3.53 p.m.): I agree with the member for Bundaberg in his remarks about forestry reserve 779. The Minister would be well advised to have a further look at this before he proceeds to revoke that declaration. When I was up there having a look at some of these areas, I crossed the Burnett River upstream of that location at a ford, and even after heavy rain that river was still not running. That was in the early part of this year, during the official Queensland wet season. There was no flow in the Burnett River. The member for Bundaberg is correct. There certainly is a water problem there, and it seems foolish to proceed with something which is clearly out of date and requires further thought, that is, the proposal to destroy forest for further cane land which is not going to be terribly productive under those sorts of circumstances.

As the member for Caboolture said, items (b) and (f) are good neighbour proposals and nobody should have any objection to them. I disagree with the member about unqualified

support of the revocation of State forest 169. I have a question about it. Of course, nobody would dare oppose the revocation at Blair Athol under item (d) while the Minister for Transport is in the Chamber. Clearly, it is a very necessary revocation.

I wish to refer to item (e), forest reserve 169 at Good Night Scrub. When I looked at it, the area from the eastern slope had been clear-felled for miles. It is a moonscape. Certainly, a lot of replanting should go on in areas such as that. We are talking about 15 per cent of the forest that was there. The eastern slope from that Good Night Scrub forest down to the Burnett River is a clear example of where planting should take place. That area, having been totally clear-felled, really does look pretty tacky.

I ask whether this land is really suitable for a national park while it has a great hole in the middle. Either the map that we received has something wrong with it—maybe it was not filled in—or there is a great doughnut-like hole in the middle of this forest. I am wondering why it is being left out of the proposal.

Good Night Scrub was settled in the early part of this century, in fact I think before World War I. There is still a community there, with a community hall and that sort of thing. I certainly agree that this land, now that it is not required for forestry, should be set aside. It eventually will make a good national park, but why is that doughnut-like hole left in it? I can understand the section down on the lowland beside the Burnett River being left aside, because perhaps when the Walla weir is in operation the water will be dammed up on the river and flow into a section of it. However, I cannot understand what purpose this very large hole in the middle of the proposed national park will serve. I ask the Minister what it is there for.

In closing, I would certainly like to support the member for Bundaberg in asking for reconsideration of the revocation of State Forest 779 in the Gregory River area.

Hon. H. W. T. HOBBS (Warrego—Minister for Natural Resources) (3.57 p.m.), in reply: I thank Opposition members for their general support for this motion. I was going to thank them for their total support, but obviously there are a few diverse views within their ranks. We have heard constructive discussion about these revocations.

Let me deal first of all with the comments of the shadow Minister. He expressed his support for this revocation and I thank him for that. He has obviously had a good look at what is proposed and he is generally in agreement with it.

The member for Bundaberg raised some points and has reservations about having the area of State Forest 779 excised. Of course, the problem is that half the area is presently clear. We cannot unscramble the egg. In a sense, it is already all over. I also mention that this was planned in May 1994 under the Labor Government. I understand that things do change, but I believe that we will be able to put in place better and additional water facilities in that region. Let us hope that the drought does not continue.

The member for Archerfield mentioned that, when he went up to the Burnett River during the wet season, there was not a lot of water in that river. It has been so dry for so long. Let us hope that these droughts do not continue. The salt intrusion in the whole Bundaberg region right through to the coast has been brought about by the drought. The rivers will not run until we get back to some normal seasons, and we hope those normal seasons come sooner rather than later.

The member for Caboolture talked about the Government land management system and said that we should be getting a better percentage than 50 per cent of the money back to put into new forest areas. I agree with his view. The member would appreciate that we are negotiating with Treasury now. This process was already under way when we came into Government. We are looking to improve that process, but we do what we can. Sometimes, State forests are being used for other purposes. For instance, if there is a need for a road or some development purposes, we try to get people to either replace that forest with a piece of land the same size somewhere else, perhaps attached to a different State forest. We always try to get a good deal.

We are working with Treasury to try to get 100 per cent of the money back. We need to remember that sometimes we are talking about a piece of land that is half the size of the original piece of land. If that smaller piece of land is of better quality, we will get better timber from it. That is taken into consideration. This deal will be okay. I am sure we can find better land for plantation than is presently being used.

The member for Archerfield talked about the doughnut hole in the middle of that map. The hole represents plantation areas within the State forest and the future of these areas will be determined at the maturity of the plantation. That is the reason for the hole. I

thank Opposition members for their general support of this proposal.

Motion agreed to.

EDUCATION (OVERSEAS STUDENTS) BILL

Second Reading

Debate resumed from 15 May (see p. 1109).

Mr BREDHAUER (Cook) (4 p.m.): The Education (Overseas Students) Bill is a Bill which relates to overseas students, and the bulk of those students are in the area of higher education. I want to take a liberty at the start of the debate and talk about a higher education issue which is topical at the moment. I refer to the indigenous higher education set of programs announced earlier this week by the Federal Government. I join with the Minister in expressing my disappointment that none of the Queensland universities has received funding under this program. Some $8.8m was allocated under this program by the Federal Government this year. Five projects have been approved by the Federal Minister for Education, Senator Vanstone. Those five are: $1.68m to the Curtin University of Technology in Western Australia; $1.8m to the Northern Territory University; $1.72m to the University of Western Australia—another one in the west; $1.8m to the University of South Australia; and $1.62m to the University of Newcastle.

I do not in any way try to disparage or undermine the value of the programs that have been approved but I think it is ironic when a State such as Queensland, which has the highest proportion of Aboriginal and Torres Strait Islander population in Australia—around 2.4 per cent of Queensland's population are Aborigines or Torres Strait Islanders—is not recognised. It is disappointing that important programs such as this do not recognise the indigenous proportion of our community. It also does not recognise the efforts that we are making in terms of higher education for indigenous people. I note that Queensland also has the second highest enrolments of indigenous students in higher education of any State in Australia. In 1995, New South Wales had a total of 1,944 Aboriginal and Torres Strait Islander students in higher education and Queensland had 1,280. The national total was 6,805. This State has roughly 20 per cent of the indigenous students in higher education in Australia.

It is a great disappointment. I am aware that most of the universities in Queensland either put in bids or were part of composite bids. I am aware particularly of a bid that was put in by Griffith University for the establishment of a centre for indigenous knowledge, management and policy. Griffith University has a strong track record in terms of involvement in this area of higher education for Aboriginal and Torres Strait Islander people. I know a number of academics from Griffith University who have been involved in my electorate in a range of issues over many years. I know that the university was prepared to make a substantial financial contribution—something of the order of $400,000 over the course of the program. I know that it had the strong support of a range of indigenous organisations in Queensland, and particularly the strong support of the Cape York Land Council, Gerhardt Pearson, and the Quandamooka Land Council as well as exchanges of support with the Northern Territory and Wollongong Universities.

It is a great shame that the Federal Government has seen fit not to fund any of those Queensland programs. I note also that the Federal Government has actually cut higher education programs for indigenous communities by $100m in the Budget. I will come back to this issue of Federal cuts in the future. On the news last night I saw the Minister saying that he would be making representations to his Federal counterpart expressing his disappointment. The Opposition shares that disappointment. I understand that there were no Queenslanders represented on the seven-person committee. The committee comprised two people from the Australian Vice-Chancellors Committee, two people from the Indigenous Australian Higher Education Association, two from the Commonwealth Department of Employment, Education and Training and youth affairs, and an independent chair. I do not know that the lack of a Queenslander on the appointment committee contributed directly to the outcome.

I think it is a great disappointment that we do not have that result. I urge and encourage the Minister to make the strongest possible representations to the Federal Government. He has the support of the Opposition because we believe it is important that we continue to generate programs like this, and particularly to create role models for Aboriginal and Torres Strait Islander people in Queensland and particularly those who are interested in higher education.

Australia's education sector currently earns approximately $2 billion per annum in export income by selling education services to full fee-paying overseas students. Almost

81,000 fee-paying overseas students were enrolled in Australian educational institutions in 1995, an increase of over 15 per cent on the previous year's enrolments and with figures showing dramatic growth over the last decade.

Educating overseas students represents a major source of export earnings both for Queensland and Australia at a time when balance of payments deficits are foremost in the thoughts of many Governments and economists throughout the country. In Queensland, in the tertiary sector alone, overseas students are expected to contribute $300m towards the Queensland economy in 1996. I noticed in today's *Courier-Mail* a reference to a statement by the Minister for Training and Industrial Relations that the international student programs at Queensland TAFE grossed $10.2m in 1995-96—a fairly substantial amount of money.

Nationally the tertiary education sector accounts for over 70 per cent of enrolled overseas students but with the secondary education sector attracting 11 per cent of students, schools continue to be a significant player in providing educational services to fee-paying students. In Queensland some 300 overseas students are currently studying in State high schools alone, a figure which represents an increase of 15 per cent over last year's enrolments.

The contribution of overseas students to the Australian economy is not simply through paying fees to the educational institutions. Indeed, many institutions seek only to cover the cost of delivering courses through the fees that they charge to overseas students. However, it needs to be remembered that overseas students also contribute towards the economy through payments for rent and accommodation, food, transport and social expenses. By increasing the economy in local areas they also contribute towards the generation of employment and, of course, the participation of overseas students in our education system, and the cooperation of education providers and other students in delivering those services provides important cultural and social links as well as potential trade links with foreign countries, especially our major source countries for overseas students in Asia.

I have to say to the Minister that I wrote this speech some months ago when the Bill was first introduced into the Parliament. I dusted it off this morning. I think it is very topical that I talk about the role of overseas students in Queensland educational institutions at a time when debate about race issues has been very topical in Queensland in particular but also throughout Australia. There is no doubt that overseas students have added a whole new dimension not just to our educational institutions but to our society generally. They have contributed culturally and socially to our community. They are active and outspoken exponents of their own culture and their own race and they have a right to be proud of their background. However, they are also active and outspoken exponents of the success of multiculturalism in Australia. Despite the pitiful bleatings of a few so-called leaders in the community, I want to stand here today and say that I am proud of the role of multiculturalism in Australia and in Queensland. I think that our overseas students add an important dimension to our cultural development in Australia.

Unfortunately, however, Australia's international reputation among overseas fee-paying students is, in my view, at some risk. Honourable members should pose the question: why are overseas students choosing Australia as the source of educational services in such dramatically increasing numbers? Why are overseas students prepared to come to Australia, to pay fees, and to be dislocated from their families and communities to seek out educational services? The answer is simple: it is because of the perception in the international community and the reality in Australia and especially in Queensland of the quality and high standard of educational services that are provided through our educational institutions at tertiary, post-compulsory and secondary levels in particular.

There can be no doubt that the actions of the coalition Government, particularly in Canberra over recent months, places that reputation and indeed the very standard of those services at considerable risk. I refer, of course, to the Federal Budget and the slashing of higher education funding that has occurred through that Federal Budget. Senator Vanstone announced the higher education budget package on Friday, 9 August. Cuts included cuts to the operating grants of 4.9 per cent between 1996 and 1999-2000. No supplementary funding has been provided for academic staff pay rises. Discretionary funding was cut by $84.5m in 1996-97 and $43m per year up to 1999-2000. This has particular implications for our overseas students and for other students in our higher education institutions, because they inevitably raise the question of the quality of educational services for overseas students. Those sorts of measures are likely to lead to increased class sizes, decreased tutorial and

lecture contact hours, decreases in library resources, decreases in course diversity, and a range of other measures are all possible as universities try to cope with the squeeze on their funding.

The coalition Government's slashing of discretionary funding directly attacks the quality assurance program of the previous Labor Government. Discretionary funding has been a source of funding for universities to purchase new technology and particularly for staff development. The squeeze on universities puts in doubt their ability to provide international student support services, which are important for people who are leaving their homes and travelling to a foreign country and for attracting students to Australian universities. It is my very strongly held view that the quality of our educational services and the perception of it are at risk. We must bear in mind that the perception of our institutions is very important; it is not just what happens on the ground, it is what people perceive to be happening. Those are real threats to our education export industry.

On 1 June, the *Australian* reported that vice-chancellors had begun discussing ways to increase revenue from overseas students as the Asian media carried negative reports about the effect of savage budget cuts on Australian universities. I am aware that that was pre-Budget; however, the Budget bore out those cuts. The article in the *Australian* went on to say that key figures in the $2 billion education export industry warned that cuts that the Federal Government was proposing at that time placed the lucrative export market in jeopardy. We need to remember that the higher education sector accounts for over 70 per cent of fee-paying students in Australia. The article in the *Australian* went on to say that two Malaysian newspapers, the *Star* and the *New Straits Times* had run stories on the Australian higher education cuts titled "Funding Cuts Likely to Hit Malaysians" and "Winter of Discontent Over Proposed Cuts in Tertiary Education Budget".

The problem does not end there, as both the Queensland and Commonwealth Governments continue to neglect their responsibilities in the TAFE sector or to increase fees in the TAFE sector, the other area that attracts a significant number of fee-paying students from overseas. It is ironic that today we are debating in this Parliament a Bill that seeks to give greater certainty to overseas fee-paying students by enabling the registration of persons or institutions providing courses to overseas students and for the certification of those courses at a time when both the Queensland and Commonwealth Governments are generating uncertainty in the minds of overseas fee-paying students about the future of the delivery of fundamental educational services in Queensland and in Australia. It is all very well to say that we can stop fly-by-nighters from operating in the market or that we can guarantee the quality of courses that are offered, but the Australian and Queensland Governments have demonstrated that they are not up to the task of providing sound Government to the people of Queensland and delivering to them the services that they have a right to expect. The Australian Government particularly is not prepared to guarantee the quality of educational services that it offers either to Queenslanders or to overseas fee-paying students, particularly when it has cut funding and proposed increasing HECS fees—although the Federal Government has now struck problems in the Senate with the proposed increases in HECS fees—at a time when it is expecting specific education providers to guarantee the quality of the courses that they offer.

I seek clarification from the Minister of a number of issues in respect of specifics of the Bill. I invite the Minister to canvass these issues in his speech in reply. If he would prefer, I can raise them in the context of the clauses at the Committee stage. I note that the Bill provides for an application for registration accompanied by a fee prescribed under regulation. I seek advice from the Minister as to the level of the fee that it is anticipated will be charged and also an undertaking that the establishment of the fee will be essentially on a user-pays basis to cover the cost of registration and not be used as a revenue-generating exercise for the Government.

I point out also that the Commonwealth Government has also announced that it will have a provider registration fee for the registration of providers of education and training to overseas students in Australia on the Commonwealth register of international courses for overseas students and a student information services fee for the provision of information services to applicants for a student visa to study in Australia. It seems to me that the two levels of Government are double dipping in terms of charging fees to overseas fee-paying students. I am conscious of the fact that, although Australia has a reputation for quality, the price factor in this market must still be considered. If we are whacking on fees at all levels of the operation, I suspect that that could create a problem for us.

I seek an assurance from the Minister that, especially in respect of overseas fee-paying students in the State school system, fees charged are established on a full-cost recovery basis. It would be my view that, if we are offering education services to overseas fee-paying students in our State schools, particularly our high schools, that should not be at the expense of our own schools or our own students. The determination of the fees should be on a full cost recovery basis.

In the Bill that was tabled in the Parliament, the Opposition had a reservation in respect of clause 11(1), which I noted was also alluded to by the Scrutiny of Legislation Committee in its Alert Digest. I have spoken to the Minister in relation to that clause. That clause allows the chief executive the power to suspend or cancel a registration. Clause 11(1) states—

> "If the chief executive believes a ground exists to suspend or cancel a registration (the 'proposed action'), the chief executive may give the holder of the registration written notice . . . "

I understand that the intention of that provision is so that the chief executive is not compelled to take action to suspend or cancel if he believes a ground exists. The Government is trying to build in some flexibility for the chief executive; however, I believe that the way the clause is drafted is not clear. In my view, it gives the chief executive an option of whether he needs to notify the person in writing. I do not want to take away the option to proceed to suspend or expel, but I do believe that, if the chief executive does decide to proceed to suspend or cancel the registration, he or she should have an obligation to provide notice in writing. I have an amendment to move to that effect. I ask the Minister to indicate in his reply his views in respect of that.

I also note the reservation of the Scrutiny of Legislation Committee in regard to Division 4 of the Bill on delegations. This is a matter that appears regularly in the Alert Digest from the Scrutiny of Legislation Committee, that is, that legislation is not sufficiently specific about who is qualified to be delegated powers.

The Opposition will not oppose the Bill before the House today, because we understand the need to provide security to overseas fee-paying students about the reputability of providers of education services to fee-paying students and of the quality of courses that they offer; however, I invite the Minister to comment on those issues.

Hon. R. J. QUINN (Merrimac—Minister for Education) (4.20 p.m.), in reply: I thank the Opposition for its support of the Bill. In his speech, the Opposition spokesman was correct in saying that Australia has a very high quality education system, one that is held in good standing by our Asian neighbours. It is in the interests of all States and the Commonwealth to protect our reputation in that regard. This Bill builds on the good reputation that we have. There have been instances in other States where private providers have not lived up to their obligations in terms of providing the service that they said they would provide when they charged their fees. Those messy instances in those States have, in some cases, tarnished our reputation overseas.

Fortunately, that has not happened in Queensland. We have been vigilant and we have escaped those sorts of incidents. This legislation builds on that good reputation. The legislation has had the cooperation of all the industry participants and the various institutions. By and large, I think that it will move us into the position where we can safeguard that reputation for years to come.

The shadow Minister raised a number of issues. Firstly, I will address the issue of the level of fees. My understanding is that the registration fee is intended to be the smallest in Australia at $300 per annum. I am not too sure what the Commonwealth fee may be. In fact, it slides slightly up on that figure. As I understand it, Queensland intends to take over the legislative base for this particular activity and it will up to the Commonwealth as to whether or not it will charge fees in the future. I would be in accord with the member if, in fact, the Commonwealth continues to charge fees when, in fact, Queensland has the legislative base for it. I think that the Commonwealth ought to move out of the arena once this legislation goes into place.

With regard to the fees for State schools, that is an issue that we address every year in terms of trying to make sure that our fees are on a competitive level. We realise that Queensland is in competition with the other States of Australia to attract students to its State school system. Periodically, we review the level of fees in accordance with movements in the CPI. I think that there is probably one coming up pretty soon in that regard. Overall, we try to keep our fees as attractive as possible but at the same time try to make sure that the presence of overseas students in our schools does not detract from the funding obligations that we have to our own students. At the moment, I think it is of

the order of $8,000 per year per student. That covers the costs of accommodating those students in our schools.

The member raised the issue of moving an amendment. The Government is in accord with the intention of the member's proposed amendment. However, we think that we have a simpler way of doing it—simply changing the word "may" in clause 11 to "must". I think that will achieve the intention that the member opposite wants to achieve in respect of that clause. We have no problem with that. I also flag that the Government has another minor amendment to move as well.

I thank the Opposition for its support for the legislation. As I said before, I think that it builds on Queensland's reputation as a high-quality provider of education in an overseas market which is extremely competitive. One of the very strong arms that we have going for us in terms of marketing our product overseas is our good reputation, and this Bill intends to protect that reputation.

Motion agreed to.

Committee

Hon R. J. Quinn (Merrimac—Minister for Education) in charge of the Bill.

Clauses 1 to 8, as read, agreed to.

Clause 9—

Mr QUINN (4.25 p.m.): I move the following amendment—

"At page 10, after line 18—

insert—

'(5) A period of registration mentioned in subsection (4)(a)(iv) or (b)(iv)(B) must not be longer than 5 years.'."

Amendment agreed to.

Clause 9, as amended, agreed to.

Clause 10, as read, agreed to.

Clause 11—

Mr QUINN (4.25 p.m.): I move the following amendment—

"At page 11, line 5—

omit—

'may'

insert—

'must'."

The amendment simply deletes the word "may" and inserts the word "must". I hope that that satisfies the member's concerns.

Mr BREDHAUER: I want to speak to this amendment. I appreciate that the Minister is wanting to accommodate the intention of my amendment. However, I am not actually sure that what he is proposing gives effect to what I want to do. I need to be quite clear about this, and I think that there is some advice being sought so I will just explain my reasons in some detail.

Clearly, the intention of the current clause is that the chief executive has a discretionary power if he or she believes that ground exists to suspend or cancel the registration to determine whether or not he or she should proceed to cancel or suspend the registration. So the chief executive has a discretionary power under that clause.

The Opposition does not want to take away the discretionary power of the chief executive officer. If the chief executive officer believes that a ground exists to suspend or cancel the registration but makes a determination that that ground is not sufficiently serious to warrant the suspension or the cancellation, then I believe that the chief executive could, on examination of the ground, make a decision that it is not in the best interests of the registered holder, the Government or the students to proceed. So I do not actually want to take away that discretionary power. I think that it is fine for the chief executive officer to have that discretionary power. I am concerned about the way in which the clause reads at present. It states—

> "If the chief executive believes a ground exists to suspend or cancel a registration . . . the chief executive may give the holder of the registration written notice . . . stating the proposed action; stating the ground for the proposed action . . ."

That clause is actually saying that the chief executive does not have to give notice in writing. I do not think that is what the clause intends to do. I think that the clause intends to give the chief executive discretionary power. If the chief executive decides to exercise that power and to proceed to suspend or cancel, then I believe that the person who holds the registration has a right to expect that he or she will receive notification in writing.

Although I appreciate the intention of the proposed amendment that the Minister has moved, I think that if he simply deletes the word "may" and replaces it with "must" he is effectively taking away the discretionary power of the chief executive to decide whether to

proceed to cancel or suspend or not to proceed to cancel or suspend.

We are getting further advice on this matter, so I ask members to bear with me because I think that it is an important issue to make clear. We do not want to take away the discretionary power of the chief executive but we want to ensure that if the chief executive is determined that he or she is going to proceed, in that case the chief executive must give notice in writing to the person who is the holder of the registration.

So in my view it is just a little bit more complicated. I recall the issue coming before the Scrutiny of Legislation Committee and being canvassed in the Alert Digest. I do not have a copy of the Alert Digest with me. However, I am concerned that we do not take away the discretionary power of the chief executive.

Mr QUINN: I think we have satisfied the member's concern under the heading "Procedure for suspension or cancellation". In other words, if he decides to go down that path, he must give written notice. I think that satisfies the concern.

Mr BREDHAUER: I thank the Minister.

Amendment agreed to.

Clause 11, as amended, agreed to.

Clauses 12 to 37, as read, agreed to.

Schedule, as read, agreed to.

Bill reported, with amendments.

Third Reading

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

EDUCATION (TEACHER REGISTRATION) AMENDMENT BILL

Second Reading

Debate resumed from 10 July (see p. 1469).

Mr BREDHAUER (Cook) (4.33 p.m.): In speaking to this Bill, I should start by pointing out that Queensland's system of registration of teachers has, in the vast majority of cases, been an effective and efficient tool for ensuring the quality and professional integrity of teachers in Queensland schools. The registration of teachers as a system of ensuring that they have adequate and appropriate qualifications or that they are a fit and proper person to be teaching in Queensland schools is an important principle in providing certainty and security about the quality of our education system for the students in our schools, their parents and the community. It has also been an important mechanism by which people who fail to continue to live up to the expectations of the community and the profession in respect of education can be weeded out of the system to maintain the highest possible standards across Queensland.

The Queensland Opposition will be not be opposing the Bill and the general content of the amendments contained in the Bill, but we have one or two reservations which I will outline shortly.

I note with interest that the Minister has essentially retained the same composition for the Board of Teacher Education, albeit with the appropriate new title for the State Public Services Federation, Queensland. Obviously, the Minister's penchant for smaller corporate structures on Queensland's educational institutions, regardless of the implications for community involvement or educational outcomes, has taken something of a battering since the preliminary legislative proposal for an Education (School Curriculum P-10) Bill first hit the deck. It is to be hoped that the Minister, by his backflip in that case, has learned the lesson that smaller is not necessarily better if it is to preclude meaningful involvement by parents and teachers, which is not just a legitimate expectation by their representative organisations but by the community generally. It was just coincidental that they should come so closely together.

Whilst it might be ideologically appealing to the Minister to stick the knife occasionally into the private and State school teacher unions, hopefully he has learned that both organisations have contributed not just in the industrial arena but in the professional, social and curriculum development of Queensland's education system, in the case of the QTU, for over 100 years.

Clearly, the primary obligation of the board prior to granting registration is to be satisfied that the person making the application has the appropriate qualifications to be registered to teach in Queensland schools. I note that the Board of Teacher Registration indicated publicly some months ago that it intended to set new standards for these qualifications and, in future, would require a degree standard as a minimum for registration from new applicants for teacher registration in Queensland. This is not the first time that this issue has been raised. I have recollections of the Board of Teacher Registration canvassing higher qualification

standards on at least two occasions in the last 15 years. I think in large part it reflects the trends in teacher education whereby most graduates these days do actually possess degree-standard qualifications.

However, it is interesting to note that the move by the Board of Teacher Registration towards establishing a degree standard as the minimum requirement is occurring in a climate where the higher education funding in this country is under a serious threat from the Federal coalition Government and that this may create additional financial burdens for people training as teachers. One of the concerns that I have in terms of pre-service education for teachers is that many of the students who are now being attracted to teaching as a career are people from poorer socioeconomic backgrounds. The facts that we have now a degree standard being applied by the Board of Teacher Registration, that HECS is going to increase, and so on, will actually make it harder for us to get high school graduates into education in my view.

Another important issue which the Government, and probably the Board of Teacher Registration, needs to turn to is how the education system in Queensland is able to continue to attract high school graduates of high quality into education courses in post-secondary education. Whilst the professional standing of teachers in the community is generally high, there is no doubt that many capable students are choosing other courses of tertiary studies and other careers rather than pursuing the teaching profession. If we are going to attract more quality high school graduates to pursue a career in teaching and to maintain the standards of service delivery in education to which Queensland parents and the community have become accustomed, then it will be necessary to address the issue of the professional standing of teachers, including their working conditions. This Chamber is like the Flinders Club at Hughenden on a Friday afternoon!

Mr SPEAKER: Honourable members will resume their seats.

Mr BREDHAUER: Undoubtedly, there are a number of unscrupulous individuals who, in applying for registration as teachers, are prepared to falsify or forge documents or in other ways mislead the board in terms of the qualifications which they possess to be registered as a teacher in Queensland. In such circumstances, it is clearly appropriate that the board has the capacity to initiate proceedings against such a person and for such actions to be deemed an offence under this Act and subject to penalty.

The Opposition also supports the capacity of the board to conduct inquiries into whether an applicant is a fit and proper person to be registered as a teacher in Queensland. If the decision of the board not to register an applicant as a teacher can be appealed to a District Court, then clearly the board needs certain powers to enable it to come to informed decisions about the application prior to making their final decision.

One area where the Opposition has some concern is in respect of the definitions under clause 53 of the Bill. I refer, in particular, to a new definition which has been included which suggests that the definition of the term "convicted" means found guilty, or having a plea of guilty accepted in a court, whether or not a conviction was recorded. Honourable members should bear in mind that, if a conviction is recorded, that would affect the future prospects of that person's continued employment. The court will often take this recourse specifically because it knows that to record a conviction against an individual places at risk that person's registration as a teacher and future career, and that is considered unnecessary in the circumstances of the particular incident. It is usually regarded as being too high a penalty for the nature of the offence.

I also question the necessity for the Board of Teacher Education to have the power to find a person in contempt of an inquiry body and to initiate a penalty for that contempt. I appreciate that the board needs to be able to rely on the integrity of its inquiry processes, but given that it is not a court or an official commission of inquiry, which is where contempt proceedings are normally part of the operations, I question whether normal recourse to civil law is not adequate in the case of the Board of Teacher Education and whether it does in fact need the capacity to implement penalties for contempt in its own right. With those few words, I reiterate that the Opposition will not be opposing the Bill, but I do ask the Minister to clarify those few issues.

Hon. R. J. QUINN (Merrimac—Minister for Education) (4.42 p.m.), in reply: I place on record the Government's appreciation of having the Opposition's support for this piece of legislation. As I said in my second-reading speech, it is an important aspect of making sure that we have in our schools teachers of the highest professional integrity and calibre. This is a loophole that I think has been

exploited in the past. The board wishes to have the loophole closed.

I note the member's comments about Queensland being one of the very few States to have a Board of Teacher Registration. As I said before, we have no intention of abolishing the board. We think it does a very good job in Queensland in ensuring that our teachers are of the highest possible calibre.

I will address some of the concerns of the honourable member about the clause which refers to teachers needing to have no convictions recorded against them, and the launching of an investigation by the board. That is based on past experience. It is in the public interest in general, and in the interests of children in particular, that the new extended definition of "convicted" be supported; that teachers be required to advise the board of a conviction and that inquiries continue to be conducted into all registered teachers found guilty of an indictable offence. Transcripts of cases where no conviction is recorded sometimes reveal that the determination of such a lenient sentence has been influenced by a belief, quite often unfounded, that the teacher has already been automatically barred from ever teaching again. That can sometimes weigh heavily on the judgment.

The board believes that the extended definition of "convicted" is an important additional safeguard for Queensland children, and that it is necessary for the board to be notified of such offences. There was an example on the north coast where a person tried to start up a non-Government school. As an interstate teacher, he had a record. He carried a "no convictions" record with him to Queensland. He could have been registered and could have started up his own school. That is a specific example of an instance where this legislation would have captured such a person.

The necessity of incorporating powers to inflict the penalty for contempt is covered in the respect that the board already has this power. The Bill maintains the status quo. The board's powers are refined under the amendments. The amended Bill better defines and confines the board's powers without reference to the more intrusive commission of inquiry powers. That provision has always been there, but this Bill further defines it. I thank the Opposition for its support of the Bill.

Motion agreed to.

Committee

Hon R. J. Quinn (Merrimac—Minister for Education) in charge of the Bill.

Clauses 1 to 8, as read, agreed to.

Clause 9—

Mr QUINN (4.47 p.m.): I move the following amendment—

"At page 10, lines 17 to 29 and page 11, lines 1 to 11—

omit."

Clause 9, as read, negatived.

Clauses 10 to 12, as read, agreed to.

Clause 13—

Mr QUINN (4.47 p.m.): I move the following amendment—

"At page 27, line 26, 'or (e)'—

omit."

Amendment agreed to.

Amendment agreed to.

Clause 13, as amended, agreed to.

Clause 14, as read, agreed to.

Clause 15—

Mr QUINN (4.47 p.m.): I move the following amendment—

"At page 33, line 15—

omit, insert—

'(2) After the inquiry, the board must make its order under section 45R.

'(3) However, the order may only be of a type mentioned in section 45R(1)(a) to (d) or (f).'."

The purpose of this amendment is to omit the retrospective application of a penalty order under the combined effect of proposed sections 45R and 67. The amendment is consistent with the fundamental legislative principle that legislation should not impose obligations retrospectively.

Amendment agreed to.

Clause 15, as amended, agreed to.

Schedule, as read, agreed to.

Bill reported, with amendments.

Third Reading

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

SEA-CARRIAGE DOCUMENTS BILL

Second Reading

Debate resumed from 24 July (see p. 1812).

Ms SPENCE (Mount Gravatt) (4.50 p.m.): The Opposition supports this Bill,

designed to update legislation to ensure that Queensland laws relating to the carriage of goods by sea meet the demands of commercial practice both here and abroad. We note that Queensland is the first State in Australia to introduce a Bill which redresses the inadequacies of the existing nineteenth century legislation in this area. We note Queensland's leadership role in adopting legislation that meets the demands of modern developments in the export industry and the importance of this reform to the State's economy. We understand that other States will shortly be following suit with similar legislation.

I congratulate the Minister and his department on the level of consultation with interstate and international bodies, as well as commercial interests, in the framing of this legislation. The legislation repeals section 5 to 7 of the Mercantile Act, which contains the current law relating to entitlement to sue under a bill of lading and provides new sections in this Bill which extend the right to sue to certain conditions not previously covered. It makes it clear that rights of suit in relation to any document can exist in respect of goods which are not ascertained or have ceased to exist, as when goods form part of the larger bulk or where goods form part of a large bulk or where goods are destroyed in transit. Clause 6 of the legislation makes clear who is entitled to claim possession of goods, who can assert contractual rights against the carrier and who can exercise rights of suit in the case of lost or damaged goods.

I profess no great expertise in the area of maritime law nor in the problems involved with the increased use of containerised shipping or bulk cargoes. However, I have consulted with industry representatives, and I am assured that this legislation satisfies the requirements of industry development and the needs of modern commercial practice. The Opposition will support the Bill.

Hon. D. E. BEANLAND (Indooroopilly—Attorney-General and Minister for Justice) (4.52 p.m.), in reply: I thank the Opposition for its support for this legislation. It is a leading-edge piece of legislation.

I note that the Scrutiny of Legislation Committee in its Alert Digest praised the drafter of the Explanatory Notes that were attached to the legislation. So often we get brickbats from the Scrutiny of Legislation Committee, so I congratulate the officer who largely drafted this particular piece of legislation together with the Explanatory Notes, who in fact was on secondment from private enterprise.

Motion agreed to.

Committee

Clauses 1 to 11 and Schedule, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

The House adjourned at 4.55 p.m.

J. R. SWAN, GOVERNMENT PRINTER, QUEENSLAND—1996