WEDNESDAY, 15 SEPTEMBER 1999

Mr SPEAKER (Hon. R. K. Hollis, Redcliffe) read prayers and took the chair at 9.30 a.m.

PRIVILEGE

Alleged Misleading of House by Minister

Mr BEANLAND (Indooroopilly—LP) (9.31 a.m.): I rise on a matter of privilege. On 25 August this year, the Minister for Families, Youth and Community Care and Minister for Disability Services, in a ministerial statement to this House, said that the Beattie Labor Government had accepted 41 of the 42 recommendations of the Forde commission of inquiry, the one exception being recommendation No. 14, which is to investigate alternative sites for a new youth detention centre at Wacol.

Yesterday this Parliament was informed that the Beattie Labor Government would only fund recommendation No. 4 of the Forde inquiry to the sum of $10m, not the $103m as recommended.

Mr Speaker, today I will write to you asking that you might refer the Minister for Families, Youth and Community Care and Minister for Disability Services to the Members' Ethics and Parliamentary Privileges Committee for misleading this House.

PETITIONS

The Clerk announced the receipt of the following petitions—

Fisheries Regulations

From **Mr Beanland** (106 petitioners) requesting the House to remove all sections of the Fisheries Amendment Regulation No. 3, Subordinate Legislation 1999 No. 58, relating to the legalisation of trawlers to take and sell finfish, winter whiting and blue swimmer crabs, from the legislation.

A similar petition was received from **Mr Bredhauer** (174 petitioners).

Murder of Children, Mandatory Life Imprisonment

From **Mr Lester** (19 petitioners) requesting the House to enact laws making it mandatory that any adult guilty of the murder of a child or of serious assault causing the death of a child in Queensland be imprisoned for life, that being the remainder of that person's life without provision for parole or other mode of release back into the Queensland community.

Petitions received.

PAPER

MINISTERIAL PAPER

The following paper was tabled—

> Queensland Schools Curriculum Council—Report to the Minister for Education—Statewide performance of students in aspects of literacy and numeracy in Queensland 1998.

MINISTERIAL STATEMENT

Visit by Chinese President, Jiang Zemin

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.34 a.m.), by leave: Late last week, Queensland was privileged to play host to one of the most powerful leaders in the world, the President of China, Jiang Zemin. He is someone who has now enjoyed Queensland's wonderful tourism industry and all the charm that goes with it. I was fortunate enough to spend a day with the president on the Great Barrier Reef off Cairns, and the Minister for Transport was fortunate enough to enjoy a dinner with him in Port Douglas. I am pleased to tell this House that he and his entourage thoroughly enjoyed their brief visit to tropical far-north Queensland.

Jiang Zemin is one of the most respected elder statesmen of the People's Republic of China, and he expressed a very high regard for Queensland and Australia. I cannot overemphasise the importance of this official visit to our State. This was the first visit to Australia by a Chinese president. The Prime Minister indicated, when the Premiers met and had lunch with him at Kirribilli House, that this is the most senior Chinese leader to have ever visited our country. It demonstrates the strength of Queensland's relationship with greater China, and it will significantly raise Queensland's profile in China. Australia is the first nation to be granted approved destination status by China. China is one of our emerging tourism markets, and the growth potential is huge. The other day, the Minister for Tourism attended the airport to welcome a number of tourists from China.

Even though his time with us was brief, I was able to point out the natural beauties of Queensland's coastline and the Great Barrier Reef to the president. In fact, we went swimming together in the Low Isles. I want to

advise the House that there is no truth in the rumour of there being a beached whale off Low Isles when I went swimming with the president. There is no truth in that at all, and I find those remarks offensive. There is absolutely no truth in that at all.

Mr Barton: No-one harpooned you, either.

Mr BEATTIE: No-one harpooned me, either.

As I said, even though the time was brief, I was able to point out the natural beauties of Queensland's coastline and the Great Barrier Reef to the president. Dr Ian Macfarlane, who was there, was able to—along with myself—talk to the president about the reef and explain it. He was fascinated by and interested in the Great Barrier Reef. The important point here is that we were able to showcase Queensland tourism to the world—to the international market and to the growing importance of the Chinese market. Here we were, with their president, highlighting the natural beauty of this State.

Queensland wants to attract Chinese visitors to this State because China offers huge potential to our tourist industry. It is the most populous country in the world. We are targeting the Chinese market with tourism campaigns similar to those that were such a success with other Asian markets. We are also currently working on exchange programs with the Chinese tourism market. I told the president that we are proud of our strong trade and cultural links with China and we want to strengthen them. The People's Republic of China is a country which I regard as one of Queensland's—if not Australia's—most significant emerging trading partners. I told Jiang Zemin that this State wants to strengthen existing ties with China and develop new relationships as we move towards the next millennium.

His visit gave the State—and me as well—an opportunity to continue to spread the message to our friends in Asia that Queensland is a tolerant, multicultural society that welcomes and encourages foreign investors and foreign tourists. The People's Republic of China is one of Queensland's emerging major trading partners, offering lucrative markets for our traditional mining and agricultural products as well as our new exports, such as education, health, town planning, engineering and architectural services. My message was simple: Queensland is open for business with China. I believe this visit was so successful that it will make our economic and cultural ties with China grow even stronger.

On the 747 that brought the president, he was accompanied by a very large contingent of Chinese press—television, newspapers and radio—who have been able to use that visit as an opportunity to give detailed exposure of Queensland into the Chinese market. There have been a number of visits by key Ministers to China in the 15 months that my Government has been in office. Those visits will continue as part of developing trade opportunities and jobs, jobs, jobs.

MINISTERIAL STATEMENT

IBM Call Centre

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.38 a.m.), by leave: IBM's decision to establish its Asia-Pacific help centre in Queensland is a major win for this State. IBM is the latest in a long line of companies setting up shop in our great State, and highlights our reputation as a strategic location for corporate Asian headquarters. Only recently, in the past week or so, the Deputy Premier and I attended the official opening and launch of this new centre.

More and more international businesses are taking advantage of our position as a stepping-off point to the Asia-Pacific region. IBM now joins Boeing and a string of other major corporates which have located regional headquarters here. Queensland's highly skilled, multilingual and multicultural society is a great asset in attracting investment to Queensland.

There is no doubt in my mind that this regional operations centre is a major step forward for Queensland. As honourable members are aware, my Government is committed to jobs, jobs, jobs and to developing Queensland into the Smart State. I believe that information technology is the key to achieving both. Information technology is already one of our fastest growing industries—worth around $8 billion a year.

My Government wants to make sure that Queensland is at the forefront of this ever-growing industry. We want to foster pioneer industries that will lead to investment and jobs well into the next century. That is why we have developed a five-year strategy for communication and information industries in Queensland. This is the major strategy that the Minister for Communication and Information, Mr Mackenroth, launched recently. IBM's Asia Pacific Technical Support Centre fits into this strategy.

The company joins a long list of distinguished industry names here in Queensland. They include: Excell Global Services of the US who, in a joint venture with Telstra, have formed the Stellar Call Centre; the US company RSA—a world leader in encryption technology—which has chosen Queensland for its first overseas development centre; Indus International, which is relocating its Asia Pacific headquarters from Singapore to Brisbane; Saville—an IT company from Massachusetts—which has also picked Brisbane as the site of its Asia Pacific regional headquarters; Dascom, which has moved its Asia Pacific regional headquarters from Silicon Valley to the Gold Coast; and Boeing, which shifted its Australian corporate headquarters from Sydney to Brisbane, creating new opportunities for a range of service providers and service contractors in the IT and electronics industries. These companies have all recognised the benefits of doing business in Queensland. When it comes to business investment, Queensland's doors are well and truly open.

MINISTERIAL STATEMENT

Meat Processing Industry, Toowoomba

Hon. J. P. ELDER (Capalaba—ALP) (Deputy Premier and Minister for State Development and Minister for Trade) (9.42 a.m.), by leave: I rise to inform the House about the future of the meat processing industry in the Toowoomba and Darling Downs region. Ever since the previous Government announced in October 1997 that the Government would exit the ownership of the Queensland Abattoir Corporation there has been a great deal of doubt over the future of the QAC's facilities. At Toowoomba, about 86 workers have been waiting for any word on their future so that they can plan ahead and get on with their lives.

Today, I am announcing that the QAC abattoir at Toowoomba will be closing by the end of this month. However, this Government has put in place other arrangements which will actually increase the number of people working in the industry both in Toowoomba and on the Darling Downs.

Of the 86 people working at the Toowoomba abattoir, about 25 are in the employment of Listyard, which operates a boning room on the site. The Government has negotiated with Listyard to transfer its kill to Wallangarra on the southern part of the Darling Downs, and within six months the company proposes to establish a boning room at Wallangarra as well. In the short term, this work will be undertaken at the company's Brisbane premises. Some employees will be offered jobs at the new location, as well as assistance in moving if they so desire.

However, I can also announce some developments within Toowoomba itself which will have a positive impact on employment. Listyard will build a brand new abattoir for the slaughter of goats and lambs on the Charlton industrial estate on the western outskirts of Toowoomba. This facility will be completed within two years and will employ 100 people. It will also be an export-standard abattoir with full European Community accreditation. In addition, the land currently occupied by QAC in Toowoomba will be made available for industrial purposes. There has already been substantial commercial interest in this site, which has the potential to create many more jobs in Toowoomba.

In summary, what this does is give a future to the meat processing industry on the Darling Downs and a long-term future for the workers in the Toowoomba facility. I recognise that there will be some short-term pain as the new arrangements are put in place, but the end result is a viable industry and more long-term sustainable jobs. I commend the work of the Minister for Primary Industries, Henry Palaszczuk, and the meat industry task force, which has shown a willingness to work with the private sector to identify new opportunities for business in this State and create more jobs for Queenslanders.

MINISTERIAL STATEMENT

Liquor Industry

Hon. R. J. GIBBS (Bundamba—ALP) (Minister for Tourism, Sport and Racing) (9.45 a.m.), by leave: I have recently had presented to me a report titled The National Competition Policy Review of the Queensland Liquor Act 1992.

On 30 November 1998, my Government appointed an independent panel of three, consisting of Mr Trevor Clelland as chair, Dr Margaret O'Donnell and Mr Vernon Wills, to carry out the review. Today, I place on record my thanks to the panel, which has completed an exhaustive task and one which was always going to be controversial and difficult. I also place on record that I had every confidence in the panel to act independently and to bring to the Government a report outlining the future of Queensland's liquor industry in terms of its economic and social ramifications.

The panel's report dated 5 August 1999 outlines a number of recommendations with

respect to the future of Queensland's liquor industry. Principally, the main recommendations are as follows. Premiums for the purchase of general or special facility licences should be abolished at a date to be determined. There should be no extension of the retail packaged liquor market to entities other than general licences and clubs, for members, and some restricted sales under limited licences. The panel took into consideration in this matter an extensive economic analysis of Queensland and also considered various social ramifications if the retail liquor market was to be extended to other retail outlets.

In relation to clubs, it has recommended that the current 18 litre limit of takeaway liquor sales to club members per day be abolished. Furthermore, the present restriction limiting eligibility for the general public to visit a club to people who live at least 40 kilometres from the club should be reduced to 15 kilometres. It is further recommended that the number of detached bottle shops per general licence should remain at three. However, it is proposed that the present size restriction be increased slightly to 150 square metres with no regulatory provision to govern the ratio of retail to storage room. The panel has also recommended that the allowable distance between the main premises and the detached bottle shop be increased from five to 10 kilometres and that a minimum sunset period of three years be placed on this provision so that the Government may further examine the effects of the increased distance at that time.

In relation to on-premises licences, the panel has recommended that the 20% non-dining rule be abolished in favour of allowing casual drinking without meals, provided the overall primary purpose of the various on-premises licences is being met. The panel has again recommended that a sunset clause of three years be put in place in order to examine the effects of this deregulation.

I am today releasing the report for community consultation and seek any submissions from any members of the public by 15 October 1999. I commend the report to the House and table it accordingly.

MINISTERIAL STATEMENT

Brisbane Writers Festival

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) (9.48 a.m.), by leave: From 14 to 17 October, the Brisbane Writers Festival will again demonstrate the positive results of this Government's policy and funding commitment to supporting the arts industry in this State, in particular Queensland's writers. The Brisbane Writers Festival, now in its fourth year, has grown in scope and scale since its inception. Today, it extends from a forum for promoting new talents to international and national publishers to an event including writing workshops and a major cultural tourism campaign and an important educational school program.

Two days of the festival will be dedicated to promoting reading and writing among young people and secondary school students. This is a rare opportunity to guide and nurture the next generation of Queensland writers. In recognition of this rapid growth, the festival has received an additional $17,500 this year from Arts Queensland, taking its overall allocation to $153,325. This is a sound investment in an event which has, over its short life, achieved national and international recognition. It is also a sound investment in this Government's promotion of the richness and variety of our State's literary life. That richness is demonstrated not just by established household names such as Judith Wright and Oodgeroo Noonuccal, David Malouf and Thomas Shapcott, but by the outstanding achievements of our lesser known, emerging writers in diverse and highly competitive fields such as film, television and radio.

Queenslanders won no fewer than five of the 23 awards at the recent 1999 Australian Writers Guild Awgies—the top industry awards for film, television, stage and radio writing. Once again, the 1999 Brisbane Writers Festival program will showcase a wealth of established and emerging talent, with a stellar line-up of Queensland, Australian and international writers. Among the most important events of the festival will be the announcement of the major literary awards for 1999, which this year, with the generous involvement of the Premier's Department and the Courier Mail, amount to over $200,000.

It will be my pleasure at the 1999 Brisbane Writers Festival to announce a new award of $15,000 for the inaugural Minister for The Arts Award for Poetry. Poetry remains one of Queensland's greatest literary traditions and in July this year the 1999 Queensland Poetry Festival received $25,470 in funding from Arts Queensland, with $6,000 in awards for unpublished poetry.

I will also have the pleasure of announcing at the Brisbane Writers Festival the 1999 Steele Rudd Australian Short Story Award, which this year has been increased by

$5,000 to $15,000. Other awards to be announced at the festival are the inaugural Queensland Premier's Literary Awards—six categories totalling $115,000; the inaugural Courier-Mail Book of the Year Award for $30,000; and the inaugural City of Brisbane/Qantas Prize for Asia-Pacific Travel Writing for $12,000. Another important prize will be the 1999 David Unaipon Award for unpublished work by an Aboriginal or Torres Strait Islander writer. Funded by Arts Queensland through the University of Queensland Press, this year it will be increased from $5,000 to $15,000.

We welcome the support this year of the Premier's Department, the Courier-Mail, the Brisbane City Council, Qantas and Tourism Queensland, which will again host a three-day writers' retreat on Fraser Island—a strategic marketing move which will, undoubtedly, pay off with the appearance of more Queensland tourist attractions in the best-sellers of the future.

MINISTERIAL STATEMENT

Literacy and Numeracy Report

Hon. D. M. WELLS (Murrumba—ALP) (Minister for Education) (9.51 a.m.), by leave: This is the third tabling of a Queensland Schools Curriculum Council report on literacy and numeracy in Queensland. On 26 August 1998, I tabled the hitherto unpublished 1995-96 report and on 22 October 1998 I tabled the consolidated 1995, 1996, 1997 report on literacy and numeracy in Queensland. I now table the council's latest report titled Statewide Performance of Students in Aspects of Literacy and Numeracy in Queensland 1998.

This report details the results of tests conducted in 1998 in aspects of literacy and numeracy and assessed performance of a sample of Year 3 students and all Year 5 students in participating schools. The 1998 tests show that, for the fourth year in a row, the girls continued to outperform the boys in all aspects of literacy. This is not the case in numeracy, however. In numeracy, the performance of boys and girls was generally close, except that the girls were above the boys in space and the boys performed better than the girls in respect of data, including measurement. In the previous year, the boys performed better than the girls in respect of space but at a similar level in respect of other aspects of numeracy.

Mr Borbidge: You'd know all about space.

Mr WELLS: Yes, it is between the member's ears. So we have a continued pattern over four years in which the differences between the performance of boys and girls in numeracy are minuscule and, if anything, reflect marginally better performance by the boys while at the same time and with exactly the same group of boys and girls, the performance of the girls in literacy is significantly and perhaps even dramatically better than that of the boys.

If we are seeing a developmental difference here, it is very odd that that developmental difference should be confined to literacy and not show up at all with respect to numeracy. As a matter of simple logic, either it is not a developmental difference at all but only a cultural difference or else it is a minor developmental difference which is not consistent across disciplines and which can be adjusted for by a cultural shift. The point is that either way we can do something about it.

Let me make something transparently clear here to all honourable members. The advances in girls' education which have been achieved over the past decade are not at risk by virtue of the fact that we identify this particular inequity. Gender equity can be achieved by bringing the low achievers up to the level of the high achievers. It is not a matter of cutting high achievers down to the level of low achievers. That is not what education is about.

We need, therefore, to think about the kinds of strategies which are going to generate a result that reflects equity in these circumstances. At the start of first semester this year, we put on stream an additional $17m of literacy and numeracy money. This came from the reallocation of old Leading Schools money. That was targeted mainly to the employment of teacher aides, whose role is to provide one-to-one literacy opportunities for the children who were identified in Years 1, 2 and 3 as being at risk with respect to literacy. In many schools, that has achieved a positive outcome.

Recently, I visited Victoria Point State School. At that school they received an additional 30 hours of teacher aide time. They targeted that very precisely, using that teacher aide time only for literacy with their at-risk students. In 1998, the number of students requiring reading intervention at that school was 37. In 1999, after less than six months, as a result of that program the number dropped to 19. The number of students requiring intervention with their writing dropped from 15 to a mere four. All of this was achieved in six

months. That school attributes the outcome solely to that particular program. That school is only one of very many such success stories.

The 1998 performance of students from non-English speaking backgrounds continues a pattern evident in previous years. These students were close to the middle of the cohort, although in one aspect of literacy and two aspects of numeracy fine analysis shows them to be slightly below the State average. The difference between the Aboriginal and Torres Strait Islander students and the rest of the cohort was, however, dramatic and is of a serious concern. In all aspects of literacy and numeracy, Aboriginal and Torres Strait Islander students performed very far below the State average. It is in response to this concern that I announced recently a three-year, $3.6m action research project aimed at improving literacy and numeracy among Aboriginal and Torres Strait Islander students and those whose first language is not English. This has been targeted to 20 schools which have high proportions of Aboriginal and Torres Strait Islander students.

Literacy is an extremely high priority of this Government. Literacy is not the beginning and the end of education but it is one of the fundamental building blocks without which it will be impossible to build the Smart State.

MINISTERIAL STATEMENT

Saudi Agriculture 99

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries) (9.56 a.m.), by leave: Next month Queensland will be strongly represented at one of the biggest agricultural exhibitions in the Middle East. Saudi Agriculture 99 will be held in Riyadh in Saudi Arabia from 3 October to 7 October. The Department of Primary Industries will provide an opportunity for the State's agri-food producers to have their produce promoted in one of the most promising markets in the world.

The DPI stand at Saudi Agriculture 99—a stand measuring 15 square metres—has the sole purpose of promoting Queensland produce to the Middle East. The stand will be shared by the Queensland Centre for Climate Applications and T-Systems, a Brisbane-based drip irrigation company. Members of Ridley Agriproducts and Southern Cross Grains will be participating in the mission, but not in the exhibition.

Other Queensland companies will be participating in this high-profile trade initiative by providing promotional material for display on the stand. They include P & H Rural, who are involved in agricultural machinery in Bundaberg; Janke, whose field is agricultural machinery at Mount Tyson; the irrigation companies, McCracken's Water Services from Rockhampton and PPI Corporation from Brisbane; the Australian Braford Society from Rockhampton and Better Blend Stockfeeds from Oakey.

I am very pleased to inform this House that another major aspect of this promotion comes as a direct result of the highly successful trade mission which I had the privilege of leading to the United Arab Emirates and Saudi Arabia in April. Around 25 companies have expressed interest in participating in a Queensland theme promotion in the Saudi supermarket chain, Tamimi-Safeway, the largest supermarket group in Riyadh. Industry participants in this very special trade mission include the Bundaberg company, Austchilli, who specialise in fresh and value-added chilli products, and the meat processing company IMPT Meats from Brisbane. Austchilli from Bundaberg is following up on the outcomes of its participation in the April trade mission.

A number of other companies are participating in the promotion by contributing products and promotional material. They include Gelati Italia from the Gold Coast; the Gympie confectionary company, Kaygees; South Pacific Melons, who are part of the Burnett Food Alliance in Bundaberg; Capilano honey from Richlands, and the Mexican food products firm, San Diego Tortilla Company, from the Gold Coast. This major promotion will be under the theme "Queensland fresh, Queensland best". The promotion will cover six stores in the Saudi capital of Riyadh and will extend over two weeks of full product feature on special stands in supermarket aisles. This may be extended to four weeks at the discretion of the Tamimi group. After the main feature period, the products will then go onto shelves in the supermarkets, meaning the Queensland agri-food promotion will extend over a period of two months.

This is a tribute to the quality of Queensland produce and to the initiative of our producers in taking up opportunities to enter new trading partnerships in the Middle East. It is part of a very promising picture which is rapidly emerging in the Middle East region for Queensland agri-products.

MINISTERIAL STATEMENT

CPR2000

Hon. M. ROSE (Currumbin—ALP) (Minister for Emergency Services) (10 a.m.), by leave: The CPR2000 project is about saving lives. The aim of the project is to have one in four adult Queenslanders proficient in cardio-pulmonary resuscitation—or CPR—by the end of next year. Our current survival rate is not good enough. We must strive to improve; lives depend on it.

If one has a cardiac arrest, there is no-one to give CPR and one does not get defibrillated, then one's survival chance is zero. Only 5% of people who get either CPR or defibrillation, but not both, survive. Where the victim receives both CPR from a bystander and rapid defibrillation by the ambulance, the survival rate is 17%. Unfortunately, we cannot guarantee that someone will survive a cardiac arrest, even with the best of care. However, we can reduce the number of deaths through targeted and well-managed education campaigns, and that is where CPR2000 comes in.

I would like to congratulate Queensland Ambulance Service Commissioner, Dr Gerry FitzGerald, and member organisations of the Australian Resuscitation Council for the concept and development of the CPR2000 project. The CPR2000 team has taken what can be a complex topic and broken it down into just the information a person needs to do CPR on an adult in cardiac arrest. It has presented the information in a self-help guide and provided information and training so that people without any prior experience as first aid instructors can learn how to do CPR and to teach CPR to their peers. The basic philosophy is that if someone trains 10 people in CPR, then 10 people are trained. However, if someone trains 10 peer trainers and those people each train 10 people, 100 people are trained.

We have to get the message out into the community and the message here is a simple one. Two-thirds of Queensland cardiac arrest victims do not get CPR. The vast majority of Queenslanders over the age of 40, the most at-risk group, do not ever learn CPR. Yet most victims are over 40, most cardiac arrests happen in or near the victim's home and it is usually the partner or an immediate relative who is the rescuer. We need to train adults in adult CPR if we are going to turn the current survival rate around. The QAS is seeking major sponsors to help spread the word.

All of us in this Chamber can play our role. My staff and I recently undertook the training, and I am happy to make training available through the QAS for interested members. I hope those members who do not have CPR skills will seriously consider being trained. We can all be trained in CPR and we can all be peer trainers. Every extra person who has CPR skills is potentially a lifesaver.

SITTING DAYS AND HOURS; ORDER OF BUSINESS

Sessional Order

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Leader of the House) (10.03 a.m.), by leave, without notice: I move—

"That—

(1) notwithstanding anything contained in the Standing and Sessional Orders, the House can continue to meet past 7.30pm on the Tuesday and Thursday sitting days for the remainder of this year's session.

Private Members' motions will be debated between 6 and 7pm.

The House can then break for dinner and resume its sitting at 8.30pm.

Government Business will take precedence for the remainder of the days' sitting, except for a 30 minute Adjournment Debate on Tuesdays; and

(2) the House can meet at 9.30am on the Fridays of the sitting weeks for the remainder of this year's session and on those days, the routine of business shall be as follows—

(a) 9.30am to 10.30am—

Prayers

Messages from the Governor

Matters of Privilege

Speakers Statements

Motions of Condolence

Petitions

Notification and tabling of papers by The Clerk

Ministerial Papers

Ministerial Statements

Ministerial Notices of Motion

Any other Government Business

Personal Explanations

Reports

Question Time

(b) 10.30am to Adjournment of the House—

Government Business."

Motion agreed to.

MEMBERS' ETHICS AND PARLIAMENTARY PRIVILEGES COMMITTEE

Report

Mr MICKEL (Logan—ALP) (10.04 a.m.): I lay upon the table of the House the Members' Ethics and Parliamentary Privileges Committee Report No. 35, titled Report on a Matter of Privilege—a member making a deliberately misleading statement in a "dissenting report". I move that the report be printed.

Ordered to be printed.

Mr MICKEL: The Members' Ethics and Parliamentary Privileges Committee report No. 35 stems from a matter of privilege raised by the member for Tablelands on 11 March 1999. At that time, the member for Tablelands alleged that a report tabled on 11 March 1999 by the member for Ipswich West, Mr Paff MLA, contained statements that were deliberately misleading. The committee has thoroughly investigated the allegations, including obtaining evidence in various forms from a number of members of this House.

In its report, the committee has found that, based on the evidence before the committee, the only logical finding is that, on the balance of probabilities, Mr Paff, in his report of explanation or dissenting report to the House tabled on 11 March 1999, deliberately misled the House. The committee has also made a recommendation for an appropriate response by the House. I seek to make no further comment. The committee's report speaks for itself.

NOTICE OF MOTION

Burnett Region

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (10.06 a.m.): I give notice that I shall move—

"That this House calls on the Beattie Labor Government to assist the embattled Burnett Region which is suffering as a result of—

1. the Government's failure to give meaningful support for the South Burnett Meatworks;
2. the Government's lack of commitment to the expansion of the Tarong Power Station;
3. the Government's failure to secure the future of local timber mills through the Regional Forest Agreement;
4. the Government's rejection of Yarraman as a site for a new prison; and
5. threats to the future of the Nanango Hospital."

WEAPONS AMENDMENT BILL

Mr TURNER (Thuringowa—IND) (10.07 a.m.), by leave, without notice: I move—

"That leave be granted to bring in a Bill for an Act to amend the Weapons Act 1990."

Motion agreed to.

First Reading

Bill and Explanatory Notes presented and Bill, on motion of Mr Turner, read a first time.

Second Reading

Mr TURNER (Thuringowa—IND) (10.08 a.m.): I move—

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

This Bill is about making some sense in today's world of burgeoning bureaucracy. We have come to a point where we follow a path of duplication, sometimes on a massive scale. Individual State licensing regimes fall into this category, some more than others. This amendment is concerned with the bureaucratic difficulties encountered by firearm owners who travel to and around Queensland or who have moved to Queensland permanently.

It is not legally possible for an individual who states hunting as his genuine reason to own a firearm, backed by a letter of permission from a property owner, to carry that firearm interstate under any circumstances. However, it is possible for members of approved shooting clubs to carry their registered firearms with them when they travel to Queensland. They have available to them a directory of all Sporting Shooters Association of Australia clubs throughout the State and are able to access those clubs' calendars for suitable events in which to complete during the period of their travels or in a location in which they will reside permanently.

They can presently gain temporary recognition of their interstate firearms licence

under section 32 of the Queensland Weapons Act for the purpose of participating in a shooting competition conducted by an approved shooting club or approved by the commissioner or for another purpose specified under a regulation for this section.

The Queensland Weapons Act allows an out-of-State licence to be recognised in Queensland for three months in the case of Category A and B firearms. For Categories C, D and H the recognition period is seven days. The difficulties manifest themselves for individuals who travel, either in retirement or by lifestyle choice, by caravan, motor home, boat or some other means, any of which may be their primary place of residence. The current Queensland licensing regime presents these individuals with a situation of bureaucratic absurdity.

When a firearms licence is issued by police authorities in any other Australian State it should be automatically recognised by the Queensland Police Service for the period of time spent in Queensland by the licence holder, provided that it has not expired. Additionally, a licence issued in any other Australian State should be recognised in Queensland until its expiry and the holder then be required to hold a Queensland licence if he or she continues to remain in Queensland. There are precedents for this type of action. In 1996, the Queensland Government recognised interstate boat registrations when those boats remained in Queensland waters for 12 months or less. Members of the armed forces are upon transfer to Queensland permitted to retain interstate motor vehicle registration until its expiry before being obliged to take up Queensland registration.

In January of this year, Inspector McCoomb, former head of the Queensland Weapons Licensing Branch, publicly stated that only 25% of those with guns in Queensland are now licensed. He is—or was—in a unique position to know the truth of that statement. Community perceptions reinforce Inspector McCoomb's statement. If it is too hard, people do not comply. That is almost a part of the Australian ethos. The cost of unnecessary duplication of bureaucratic process is incredibly wasteful in this age of electronic communication. The Howard Government, at the last Federal election, trumpeted the commission of a national database of firearm owners to be included on its Crimtrac program. What justification could possibly exist for firearm owners to be obliged to duplicate their currently held licence when an electronic check with the issuing authority or the Federal Police would confirm and validate the licence?

There is a growing need to address the high rate of non-compliance in Queensland. It will never be addressed by a bureaucratic procedure which is or appears to be excessively complex or duplicative. I commend the Bill to the House.

Debate, on motion of Mr Barton, adjourned.

PRIVATE MEMBERS' STATEMENTS

Job Creation

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (10.12 a.m.): Yesterday the Premier, likening himself to Solomon, modestly described his Government's record in respect of job creation as sensational. I think it is about time we started to have a look at the facts and the reality of "jobs, jobs, jobs" under the Beattie Labor Government in Queensland and at the fact that this Premier and this Government have not demonstrated the same capacity to generate jobs as their coalition predecessors.

The Australian Bureau of Statistics—ABS—figures prove the lie. The fact is that in the first year of the Beattie Labor Government economic growth was 4.75%. In the last year of the coalition Government, economic growth was 4.75%—exactly the same. The ABS data shows that for the first year of the Beattie Labor Government 40,300 jobs were created in Queensland. That same ABS data shows that in the final year of the coalition Government, with the same level of economic growth, 50,800 new jobs were created—10,000 fewer jobs created under the jobs, jobs, jobs Premier than under the previous coalition Government.

The facts continue to speak for themselves. This Premier and this Government still do not have one economic development project that they can call their own, with the exception of net bet. They cannot put their signature on one new mine or one major development in this State.

Time expired.

Cedar Hill Orchids Pty Ltd

Mr WELLINGTON (Nicklin—IND) (10.14 a.m.): On 31 August I had the privilege of attending the Sunshine Coast Export Excellence Awards presentation. The winner of the region's exporter of the year award was a local company from Palmwoods. This company has grown from three employees to

more than 65 staff and it is estimated that it will grow to 140 staff in the next few years. The company employs three research scientists. I have been informed that approximately 99.7% of its total sales are export generated and all products have a quality guarantee.

Over recent months, I have heard a lot of derogatory comments made about people who earn their income by collecting native flowers and foliage. The winner of the Sunshine Coast Export Excellence Award for 1999 was Cedar Hill Orchids Pty Ltd, the directors of which are Wayne Bennett, Mark Irwin and Christopher Doane. The company's primary business is supplying the international market with Queensland's unique but common native flowers and foliage.

In speaking on this matter today, I highlight that the words "jobs" and "job creation" have been used readily by members of the Government and the Opposition since the State election last year. I believe that Cedar Hill Orchids Pty Ltd is leading the way in my region in creating new job opportunities for many people who were previously unemployed or seeking to change their employment. I urge the Government and the Opposition to recognise, support and encourage these real new job opportunities being created by this new clean industry in my region.

I also place on record my support and appreciation of the excellent work performed by Graham Newton, the director of the State Development Centre on the Sunshine Coast, his staff, the sponsors of the award and, most importantly, the regional support received from Maroochy Mayor Don Cully, Noosa Mayor Bob Abbot and Caloundra Mayor Des Dwyer.

Dugongs

Mr TURNER (Thuringowa—IND) (10.16 a.m.): It is in the interests of commercial fishermen probably more so than anyone else in the community to keep our oceans healthy and productive. Dugong numbers have dropped dramatically, but Dr Hale, of the Centre for Conservation Biology at the University of Queensland, has stated that the dugong was not considered to be of conservation concern. He added that conservationists have blamed gillnetting but have conveniently forgotten the other causes. Fishing is not the only or necessarily the major activity to have had an impact on dugong populations.

This year, 25 dugongs have been found dead along the east coast. Many died from disease or old age, several died from shark nets put in place for the protection of swimmers and only a couple have died from fishing nets. Up to 4,000 are caught by our indigenous population. Regulations are necessary, but they attack the problem in only a very small way. We should be considering the entire ecosystem to protect all marine life. The plight of the dugong is by no means a solo battle. The damage that is costing the lives of dugong is also costing the lives of other marine life. The problem is the destruction of habitat. If food is scarce, dugong will wait years longer to bear calves, resulting in lower numbers over time. In addition, many starve to death.

The single biggest contributing factor to the destruction of our reef lagoon is mud. Mud, nutrients, fertilisers and poisons included in the run-off from land remain suspended in the ocean and settle on our foreshores and reef. An estimated 22 million tonnes of sediment and fertilisers are dumped onto the reef each year. A comparison of a study done in 1929 with a study done in 1993 found that turbidity had increased by 60%.

Once any species of wildlife is considered endangered it is difficult to reverse the situation. Due to heavy agriculture and development right to the edge of our waterways, the Great Barrier Reef is receiving a continual assault from run-off and is dying. To save the dependent marine life we need better farming and development practices. We must halt the clearing of vegetation on the banks of rivers and creeks. All buffer zones are critical habitat areas for threatened species, from the mahogany glider to the coral polyp. This is probably the most important environmental issue that we have in this country. We are the problem, but we can also be the solution.

Good News Lutheran School

Mrs ATTWOOD (Mount Ommaney—ALP) (10.18 a.m.): Last month I had much pleasure in officially opening the Good News Lutheran School's new Computer Learning Laboratory. The school principal, Mr Lloyd Fyfe, parents, staff and children at the school worked hard to make this great futuristic asset a reality. Pastor Jim Strelan blessed and dedicated the laboratory for the use of the school.

This prefabricated building by Hardies Construction was lifted into its current position by a crane and was painted in magnificent heritage colours to blend in with the school's environment. However, prior to its opening, the building was defaced by graffiti vandals, who also hit the Jamboree Heights State School.

More expenditure was required to again restore the building to its heritage colours. These graffiti vandals do not seem to care where they leave their mark and do not think about the consequences of their actions, that is, that young children will miss out on funds used to clean up the mess.

The laws regarding the sale of spray cans need to be looked at again. Shop owners sell to anyone and everyone without question. But the Good News Lutheran School is defiant that these vandals will not hinder their progress. This great new laboratory will serve this school for generations to come and is a milestone in the further development opportunities for its children.

Over 30 computers are set up in a spacious classroom environment and computer screens are able to be displayed by a projector onto the front wall. The P & F fundraised to purchase the chairs which can comfortably sit children from Year 1 to Year 7. The future of these children will depend on their ability to know how computers work, to use them in a variety of occupations and to be able to have access to a wide range of information available on the Internet. Information is a powerful tool which will be used by future employers to determine who gets the job.

The Good News facility will also allow parents to train on computers not only to keep up with their children but also to assist them with their own work and community activities. Many people are starting to realise that they cannot be computer phobic forever, that more and more of our lives are being touched in some way by information technology.

Prison Officers

Mr HORAN (Toowoomba South—NPA) (10.20 a.m.): Whilst the Premier talks about jobs, jobs, jobs, the prisons Minister is talking about sackings, sackings, sackings. About a hundred recruits in the prison system have been put on the scrap heap—put in the casual pool—when they were promised permanent jobs within prisons. They all attended interviews and were told that there would not be a problem in getting permanent jobs, but now they have been put on the scrap heap.

Mr Speaker, how would you like to be sitting by the phone all day, all week, all fortnight, hoping you might pick up one shift per fortnight as a casual? Call that a job! These people have come here from all over the State in good faith to undertake a nine-week recruitment course. Many of them have been working as temporary permanents at places such as Sir David Longland. Now they have been put in the casual pool to spend their lifetimes sitting by a phone.

There is nothing more callous than this mismanagement and bungling that has occurred under Minister Barton. For example, at Sir David Longland, 26 temporary permanent recruits have been working since earlier this year and have now graduated from the course. Twenty-one of them finish up this Friday and of that 21, only three have a chance to be able to find some sort of job at that particular prison. The five who have been offered a job at the moment have only been given a three-month job in that prison. Up to about 60 recruits at the Wolston prison have been given notice that they will lose their jobs. Around another 20 at Moreton A and B will be losing their jobs.

This number of around 100 is actually double what the Labor Party promised—50 new recruits—during the last election campaign. So put 50 on and sack 100. The Premier calls that "jobs, jobs, jobs". That just typifies the bungling, bungling, bungling that has occurred in the Corrective Services Department ever since Minister Barton got his hands on the levers. It is about time this Government did something for these people. They are good, genuine Queenslanders with families and they need a permanent job.

Time expired.

Queensland Nudgee Brothers AUSSI Masters Swimming Club

Mr ROBERTS (Nudgee—ALP) (10.22 a.m.): I wish to talk about a sporting group in my electorate that is doing wonderful things to increase its members' self-esteem, fitness and enjoyment of life. I do have more than just a passing interest in this organisation as I am its patron and my wife, Jenny, is a paid-up member. The group I am talking about is the Queensland Nudgee Brothers AUSSI Masters Swimming Club, or Blue Fins. AUSSI Masters Swimming is an Australiawide association of adult swimming clubs whose members—men and women over 20 years of age—swim regularly to keep fit and have fun. Whether you are 22 or 82 there is a place for you at an AUSSI Masters club.

The Nudgee Blue Fins are a small club of only 15 members, most of whom are women. In fact, apart from myself as the non-swimming patron, the only other male swimmer in the club is Bill Cartwright, who was proud to be elected as captain of the men's team at the

last AGM. The club operates throughout the year in summer and winter. The recently heated pool at Nudgee has been a welcome addition to the swimmer's routines.

AUSSI Masters is a wonderful concept. Its clubs and members are full of the joy of life and are to be congratulated on the excellent service and recreation they are providing to adult swimmers across Australia. At the local level, I offer warm congratulations to the members and executive of the Blue Fins team. In particular, I mention the club's office bearers: president, Yvonne; club captain, Julie; executive members Janet, Irene, Bev, Rosemary, Colleen and Denise; and coaches Vince, Kevin and Lorelle.

Health System

Miss SIMPSON (Maroochydore—NPA) (10.24 a.m.): This Labor Government has a blueprint for Health that is ripping the heart and soul out of the hospital system. The only people who think it is a good idea are economic rationalists who believe that sick people are a burden to society and that good administration on health means fewer hospitals. The distress and uncertainty across the Health Department and its staff at this moment is growing daily.

Members opposite should talk to staff at the Royal Brisbane Hospital about the Government's line that services are being provided elsewhere and they will find that their answer is proven. They know what is going on: that acute services are being slashed, that it is purely budgetary driven and that those services have not been relocated to other areas to cope with it. There have been union meetings around the State calling on the Government to come clean about the secret health review, which is at the heart of this distress. I table a memo from the Australian Workers Union. I also table a press release of the State Public Services Federation of Queensland.

It is interesting that one of the AWU demands was for a list of recommendations in the secret health review adopted in June at Cabinet. Honourable members should remember that it was revealed a few weeks ago that the Queensland Health Strategy Advisory Project recommendation went to Cabinet under Premier Beattie's and Minister Edmond's and Minister Hamill's signature.

This is a secret slash and burn report. It recommended privatisation of health care. It recommended capital charging—and what a surprise! That is another one of the recommendations that the Premier had said had only been noted. Remember the Premier said that these had only been noted, then it was rejected, then something had been accepted, and then some of it had been accepted and some had been rejected? But it turned out that his office staff admitted that nothing in this report had been rejected. The Premier did not have the decency to tell the people of Queensland that he had a radical overhaul of services in this State that meant slashing of outpatient services, closing of wards at the Royal Brisbane Hospital in critical areas of service and that the people there simply do not trust him. They know that those services do not exist elsewhere. The capital charging recommended in this report said that he would be looking at downsizing.

Time expired.

Townsville CBD Task Force

Mr REYNOLDS (Townsville—ALP) (10.26 a.m.): The Townsville CBD task force will step up its public consultation on proposed plans to revitalise the inner city area when it opens a permanent shopfront in Flinders Street Mall next month. Last week, along with the Deputy Mayor of Townsville, Ann Bunnell, I announced that the task force will officially open a permanent base in an office adjoining the historic National Bank building in Flinders Mall. New facilities will enable residents and members of the Townsville business community to view plans and consult task force staff on redevelopment proposals.

Planning for the CBD is poised to move to a new phase following progress on the planning for a pedestrian bridge linking Flinders Street East to Palmer Street and the redevelopment of the northern railway yards. The pedestrian bridge and the northern railway yards are quite clearly the focus for the task force at this stage. The task force members expect to be in a position to consider a range of recommendations from the task force chairman, Trevor Reddacliff, on both the northern railway yards area and the pedestrian link by early to mid October. There is tremendous consultation and cooperation between the State Government and the Townsville City Council in regard to the ongoing redevelopment of the CBD.

The future redevelopment of the northern railway yards would involve issues such as the relocation of the railway station and the removal of the rail loop over Ross Creek. The removal of rail infrastructure from the yards would clear the way for the site to be transformed into an inner city residential

development. Studies are also under way on the northern yards to determine whether it is feasible to include a technology precinct in the redevelopment. The proposed pedestrian bridge linking Flinders Street East to Palmer Street would also be a key inner city connection. The task force is considering a range of options for the location of the pedestrian bridge. It is exciting work that we are doing, and I look forward to an ongoing involvement in this CBD task force.

Child-Care Regulations

Mr BEANLAND (Indooroopilly—LP) (10.28 a.m.): Some 15 months ago this can't do Beattie Labor Government touted as a matter of priority the introduction of new child-care regulations into this State to ensure that basic standards existed across the community for all child-care facilities. In fact, since that time we have found a new range of priorities, whether it is Lang Park stadium or net bet, but it is certainly not the child-care regulations—anything but. I understand that these places and these facilities that are unregistered are still being advertised, that is, that our children are still being put at risk. But does this Government care? Does it have that as a priority? No! The priority is net bet or Lang Park stadium.

Now we have a new range of priorities that have been brought in by this Government. Of course, this does not include upgrading the standards of the registered child-care centres that are currently operating because at the moment they meet the essential requirements and are inspected on a regular basis by the department. What we have, of course, is this can't do Government. It is too lazy.

Time expired.

Mr SPEAKER: Order! The time for private members' statements has expired.

QUESTIONS WITHOUT NOTICE

Electricity Generation

Mr BORBIDGE (10.30 a.m.): I direct a question to the Minister for Mines and Energy. I refer to the range of power station projects which have been or are currently being considered by the Beattie Government, and I ask: when did the Minister receive an application for the expansion of the Tarong Power Station, which is yet to receive Government approval, and how long from the time of its application did the proponent of the Millmerran Power Station take to receive its approval?

Mr McGRADY: I will answer the second part of the question first. The application from Millmerran does not come to me. It does not come to the Premier. It does not come to the Minister for State Development. It does not come to anybody on this side of the Chamber. It goes to the regulator. It puts in an application to generate. That goes to the regulator. It does not come to me. It does not come to the Premier. That is the first thing.

To answer the first part of the question, which related to Tarong, the situation is that the other proposals that we have in the pipeline, so to speak, are all private enterprise projects. Tarong happens to be a publicly owned corporation and, as such, before we as a Government give the big tick we want to ensure that taxpayers' money is being invested wisely. Therefore, before we rush out to make these decisions we want Treasury, the Department of Mines and Energy and other people to go through the proposals. That is simply what occurred.

I have some good news for the Leader of the Opposition. Following the developments of a couple of weeks ago, Tarong has reassessed its situation and I understand that a new proposal has come to us in the past couple of days.

Mr Borbidge: Are you going to kill that, too?

Mr McGRADY: We will not kill anything at all. I am glad that the Leader of the Opposition has asked this question today, because when we came into office 14 months ago the headlines in the Courier-Mail and on Channel 9, Channel 7, Channel 10, the ABC and SBS every night of the week were about the blackouts, the brownouts and everything else. What is the situation now? The same sources are telling us that we have power in abundance.

We have people queuing up at the borders of Queensland to invest in this State. We have proponents of energy projects queuing up at the borders of this State to come in and invest. At the present time we have the interconnector—my old Eastlink. We gave the big tick to Callide C. We have Millmerran. We have Kogan Creek. We have the proposed pipeline from Papua New Guinea. We have Tarong. We have Swanbank. Energy in Queensland is in safe hands.

Electricity Generation

Mr BORBIDGE: Nero is in charge of the fire brigade. I refer the Minister for State

Development to the fact that three major private sector entities have now pulled out of Queensland power projects—based in large measure upon the indecisiveness of the Minister and his department—including Dynegy in relation to the Stanwell power project in Townsville, Shell Coal in the context of Callide C and, most recently, Entergy in relation to the Tarong energy expansion, and I ask: can the Minister confirm after meetings with SUDAW that it is now extremely uncomfortable and that CEPA is now increasingly anxious because the Minister cannot or will not take decisions in favour of coal-based developments in this State, and how does it feel to preside over the loss of three and possibly five major international investors in Queensland inside 12 months?

Mr ELDER: I thank the member for the question. Here we see the BST in operation—"Borbidge slippery with the truth". I have responsibility for Shell making a global commercial decision to sell down its coal reserves worldwide! I have responsibility for that, have I? Entergy decided that it would withdraw its operations in this country and go back to basics. Suddenly I am on the board of Entergy and have the responsibility to make the decisions in relation to its international operations! I never knew I was that powerful! I knew I had some power- only a little—but I never knew I was powerful enough to be able to influence the board of Shell and the board of Entergy and, for that matter, the board of Dynegy! I did not know I was that powerful. I thank the Leader of the Opposition. From this point onwards, if I have that power and am renowned internationally as having that power, I will make sure that I give him a lot more trouble.

The fact of the matter is that those companies made a decision—their boards made a decision—to withdraw from those entities. They went back to basics.

Mr Borbidge: Why?

Mr ELDER: Well, if I were on the boards, as the Leader of the Opposition assumes I am, I might be able to give him some insight into it. But these companies have made public statements that they restructured their companies and have gone back to the basics—that they have got out of certain areas. However, Shell is still out there in the Timor Sea developing gas.

The fact of the matter is: the Leader of the Opposition did not deliver one project when he was in Government. Can the acting Leader of the Opposition name just one that he delivered—one signature project that he is on?

Mr Borbidge: Boeing.

Mr ELDER: On that basis, we have delivered IBM, we have delivered Stellar, we have delivered Citibank and we have developed Saville. If we are using his criteria, then we have done pretty well in two years.

Mr Borbidge: The gas pipeline.

Mr ELDER: The gas pipeline! I do not recall that being on his agenda at the time. I do recall it being on our agenda in Opposition and I do recall us promoting and driving the project. We recall that at the time the one negative comment that came was from the acting Leader of the Opposition when he said that Comalco would not sign and that it would not come to fruition. He is always slippery with the truth, always misleading, always using untruths.

The fact of the matter is: the largest independent power project in this State is Millmerran. It is being delivered through this Government. Kogan Creek and its opportunities will come through this Government.

Mr Beattie: He opposed the legislation.

Mr ELDER: He did oppose the SUDAW legislation. From the contacts I have had with SUDAW—and they have been limited—I know that it is continuing with its proposals. All of the rhetoric of the Opposition Leader measures up to a lack of delivery of and support for job opportunities in this State on the part of the Opposition. The evidence is what he does in the Parliament and how he votes in the Parliament. He is a hypocrite. I will leave him to the dustbin of Opposition.

Mineral Exploration; Native Title

Mr PURCELL: I refer the Premier to the State Government's commitment to resolving the native title issue through consultation rather than confrontation and to repeated Opposition claims that the State Government's native title legislation is holding up mineral exploration in Queensland, and I ask: is there any truth in the Opposition's claims?

Mr BEATTIE: This is another example of the BST—Borbidge slippery with the truth. There is no truth in it—absolutely none. The short answer, as I said, is no. There is no truth in the Opposition's claims at all. All the Opposition continues to do is play politics. There is nothing constructive and nothing positive. All it wants to do is divide and cause trouble. In fact, mineral exploration has been

tied down by Commonwealth requirements to engage in a right to negotiate process which could take up to 12 months.

Let us look at the facts: no Australian Government has done more to free up exploration than has this Government. If the Commonwealth would approve our State-based regime, we would have the best model in Australia to encourage mining exploration. In fact, the native title laws we have put through this Parliament should become the model for the whole of Australia. Then there would be no need for concerns about security, disallowances in the Senate or anything else.

The Queensland native title regime for exploration is the quickest and simplest of all the States and Territories, as I explained to the Northern Territory Chief Minister, Denis Burke, only two weeks ago. I repeat: the only thing holding up exploration in this State is the tardiness of the Federal Government, in particular the Federal Attorney-General. Let us look at the actual claim and what is contained in the Queensland legislation.

My Government's native title legislation provisions defer any negotiation process to the actual mining stage and simply provide for consultation with native title holders about the impact of any exploration application, with a right of objection for high-impact exploration. For low-impact exploration, the consultation must end after two months; while if the exploration has a significant impact on the area, a right of objection is provided for native title holders, taking a maximum of six months. That is it: six months. Most exploration activity on land where native title may exist will be classified as low impact. So we are talking about a limited period.

Mineral explorers can take a mobile drilling rig along existing tracks. They can drive over paddocks and clear a drilling pad and still be categorised as low-impact exploration. So in other words, there are no impediments under this Government's native title legislation to mining exploration in this State. More to the point, it actually encourages it. That is what it was designed to do.

Once my legislation is law, Queensland will have the best regulatory environment for exploration of any State or Territory. I tabled in this House a protocol recently with QIWG, the Queensland Indigenous Working Group. It is designed to continue sensible negotiation to provide jobs and exploration.

Time expired.

Tarong Power Station

Mr ROWELL: I refer the Minister for Mines and Energy to the Premier's reply to my question without notice on 27 August, which indicated that he, the Deputy Premier and the Minister for Mines and Energy met with senior board members from Tarong Energy to discuss the expansion proposal and other matters, and I ask: is it a fact that a penalty clause in the consortium's tender agreement has cost Tarong Energy $88,000 every day since 31 July while waiting for his Government to make a decision on the expansion proposal? Is it also a fact that if the extensions and expansions do not go ahead, Tarong Energy will be forced to pay $4m for non-performance of that contract?

Mr McGRADY: The first thing I want to do is ask the Opposition a question: who speaks for the Opposition regarding Tarong, because it was only a week or so ago that the prospective candidate for the Lord Mayorship in this city, accompanied by the Federal member for Blair, were writing to the Courier-Mail trying to put all sorts of obstacles in the way of the expansions at Tarong?

Mr Rowell: You're in the driver's seat.

Mr McGRADY: Never mind who is in the driver's seat. We have Ms Austen and Mr Thompson—I think his name is—trying to put all sorts of impediments in the way of the expansion taking place at Tarong, yet at the same time we have members of the Opposition coming in here and accusing us of trying to stifle the development. Who speaks for the coalition?

Mr ROWELL: Mr Speaker, am I entitled to answer the question from the Minister?

Mr SPEAKER: Order! No, the member is not. I call the Minister.

Mr McGRADY: It just so happens that I have here a copy of the Hansard in which the four questions were asked. I sit here day after day after day, and I seldom get a question from the Opposition. On this occasion, I went to north-west Queensland to open up a mine. The Opposition knew where I was going. It is true that the Premier, the Deputy Premier and myself met with the chairman, the chief executive officer and other board members of Tarong following the decision by Entergy to pull out. As a result of those discussions, I understand that Tarong Energy have presented us with a changed version to take into account a change in circumstances.

The board of Tarong Energy are responsible for the commercial decisions of that particular project, and there is nothing at

all that this Government has or has not done which has cost that organisation money.

City West Precinct Strategy

Mr PITT: I refer the Premier to his vision for the integration of Brisbane's inner-city attractions through the City West Precinct Strategy, and I ask: does the strategy involve the QUT campus and its facilities, in particular its theatre?

Mr BEATTIE: I congratulate the member on the fortitude he has shown in pursuing a new police station for his electorate. Brisbane's reputation as a world-class city grows in leaps and bounds.

Opposition members interjected.

Mr BEATTIE: At least he got off his tail and looked after the people he represents, which is more than any members opposite do.

Brisbane's reputation as a world-class city grows in leaps and bounds. The City West Precinct Strategy will further enhance that reputation. Yes, the QUT campus does have a role in the City West Precinct Strategy. This is the pedestrian bridge linking the Gardens Point campus to South Bank. This link also opens the door—or perhaps lifts the stage curtain—for the QUT theatre to increase its involvement in the presentation of top-quality performances. Recently, together with the Minister for The Arts, I opened the new Gardens Point theatre.

Mr Foley interjected.

Mr BEATTIE: The day was a blockbuster, indeed.

This 400-seat theatre encourages community participation and, as such, is an open door for the performing arts in a wonderful setting in a central location. As I said, the footbridge across the river from South Bank will enable pedestrians and cyclists to arrive almost at its front door and will significantly boost Brisbane's reputation for cultural activities.

My Government was particularly impressed with the university's assessment that the location of the theatre next to the Botanic Gardens meant it beckoned outwards to the community and visitors to the city. It will provide plenty of scope for the drama, music and dance students from QUT who use this theatre, as well as the 80 or so community groups which it will house.

In its concept plan, the QUT pointed out how well the theatre fitted into the Government's vision, as set out in our New Directions statement on the arts, and how the precinct would realise the mixture of education, heritage and the arts that is the soul of all great urban communities. This redevelopment is also likely to encourage more small businesses into the area. And by the way, the Government allocated $1.5m for the QUT theatre.

I can also tell the House that a Brisbane project has emerged as the winner of the country's top property development prize. It means that Melbourne's Crown entertainment complex plays second fiddle to a major property development in Brisbane. And Sydney's Star City Casino is a loser to that same Brisbane project. The Property Council of Australia has hailed the development of Admiralty Quays apartments at Petrie Bight, which won its prestigious Rider Hunt Award. Apart from beating Crown and Star, the apartments beat projects from right across the country. The national council says that the Brisbane CBD development was the first residential project to win the country's foremost property development prize. Rider Hunt managing director, Dennis Corke, said that vote for Admiralty Quays had been unanimous. He said that it had been an outstanding candidate, scoring well in each of the eight benchmark categories.

Time expired.

Drug Detection Machines

Mr HORAN: I refer the Minister for Police and Corrective Services to his publicity launch of five new Barringer Ion Scan 400 drug detection machines on 22 July. The Minister claimed that these machines, which cost $90,000 each, are capable of detecting the smallest particle of narcotics and would be used to step up the assault on drugs in prisons. Eight weeks after the Minister's publicity launch, the expensive machines lie unused due to bungling of the licensing of operators by himself and the Health Minister, and I ask: what is the estimate of undetected illegal narcotics that have entered Queensland prisons in the past eight weeks as a result of yet another case of the Minister's mismanagement?

Mr BARTON: It is amazing. At least the honourable member managed to get the Health Minister in there somewhere because those of us on this side of the House had worked out that, because of his interest in health issues and seconding everything that the shadow Minister for Health puts forward, and hardly ever asking a question, his real position is deputy shadow Minister for Health.

Let us have a look at this issue. Yes, I recently announced the introduction of the particular machines that the honourable member mentioned. They are part of the broader strategy that we have put into place on drug detection. The strategy also includes the introduction of passive drug dogs and some 46 additional staff in the visits area. The drug urinalysis breakdown has decreased from in excess of 20% when we came to office to 4%. This demonstrates that this Government is effectively getting drugs out of Queensland's correctional centres.

The introduction of these machines is part of an overall program—a program that has been very successful. The machines need to be licensed by the Health Department. That is an issue that I am working through with the Minister for Health and the Health Department. I understand that these machines need to be approved by a particular committee or board that operates within the Health Department. The board has not met since the machines were purchased. However, the machines have been purchased and they are there. This matter will be very quickly resolved.

Let us have a look at some of the other pearls of wisdom that the shadow Minister raises. This Government is doing something about drugs in prisons. There have been some 250 major drug busts in prisons since the Beattie Labor Government has been in office. All we ever saw from the coalition was lip service in relation to drugs in prisons.

We have the passive drug dogs working every single day. We have put a greater number of surveillance cameras in place. We are also trying to do something about treating people in prison who have a drug problem. We have two trial methadone programs in place. We are not throwing it around. We heard the nonsense that was put up yesterday by the shadow Minister. The program is applied to people who were already on methadone programs when they came into correctional facilities. The program is very tightly controlled by the medical practitioners involved. In conjunction with the Minister for Health, we are also working through buprenorphine programs for prisons.

We are undertaking major efforts in an endeavour to keep drugs out of prisons. These issues were not tackled by the coalition when it was in Government. The Beattie Labor Government is putting in a major effort to solve the drug problems of people who are in prison.

Queensland Abattoirs

Mr MUSGROVE: My question is directed to the Minister for State Development and Trade. Can the Minister outline any assistance that the Government has given to abattoirs in rural Queensland?

Mr ELDER: The meat processing task force was established under this Government a year ago with a commitment of $20m to restructure the industry and to work with the private sector to create new jobs. We built on a report that was given to the previous Government. That report stated that 17 abattoirs would close and 5,000 jobs would be lost. The coalition did nothing with that report except leave it, along with a whole range of other reports, in a bottom drawer.

Members opposite become very upset when we start talking about the initiatives of the meat processing task force. Honourable members will recall that it was the Opposition, when in Government, that said that it would exit the Queensland Abattoir Corporation and that jobs would be lost. The Beattie Labor Government has saved the 700 jobs at Cannon Hill and is working towards saving the jobs of abattoir workers in the other facilities. Those jobs would have gone interstate.

I can recall a bit of the BST working in Kingaroy where the acting Leader of the Opposition said that the 700 jobs involved could go anywhere. The member was actually using my statement. What he did not say was that the jobs could go anywhere in Australia because they were not going to go to Murgon or to the other areas. As is usually the case with the acting Leader of the Opposition, he does not mind the half-truth and the misquoting. People in the South Burnett and in the Murgon area should realise that when they walked through the previous Premier's door and sought $7m to underpin the operation of their abattoir, they were shown the back door. They received no support. The acting Opposition Leader and the member for Crows Nest go around misleading and lying. They had an opportunity to fix the situation, and they did nothing. Now they are out lying to the people in those areas about the role of this Government. They are misleading and they are lying.

Mr SPEAKER: Order! The word "liar" or "lying" is not really appropriate. Could the Minister—

Mr ELDER: With deference to you, Mr Speaker, and with deference to the politically correct member for Surfers Paradise, I withdraw the word and substitute the word "misleading". This is something that the

member for Surfers Paradise has done. Honourable members will—

Mr BORBIDGE: I rise to a point of order. I find the insinuation that I am politically correct offensive and I ask that it be withdrawn.

Mr ELDER: With due deference to the member, I withdraw. I have worn woollen ties that have a higher IQ than you. The fact is that this member has misled the people from day one.

This Government is helping other abattoirs in regional Queensland. We have created 50-odd jobs in Wallangarra and Charleville by working at value adding opportunities in the meat industry and working at rendering and fellmongering in those areas.

Time expired.

Oncology Ward Closure, Royal Brisbane Hospital

Miss SIMPSON: My question is directed to the Minister for Health. Given the Government's alleged commitment to the coalition's initiative for a centre for excellence for cancer research at the Royal Brisbane Hospital, how does the Minister explain the pending closure of an oncology ward at the hospital which is the latest victim in a string of service closures including wards, operating theatres and 40 specialist outpatient clinics; and will she now listen to the pleas of patients' families and the caring professionals at the Royal Brisbane Hospital and stop the downgrading of critical services?

Mrs EDMOND: There is no downgrading of services at the Royal Brisbane Hospital—none whatsoever! There is an increase in services, as you would know, Mr Speaker, at Redcliffe and, as other people would know, at Caboolture. There is an increase in health services right across-the-board.

The member seems to live in the past and contributes to the view that the only way to measure services and the importance of doctors and other people is by the number of beds that are counted. I prefer to think about services. When we were in Opposition I believed that the coalition Government had learnt that we had moved on from the Dark Ages where we had masses of beds where we put people but did not provide any services for them. In the thirties and forties people were simply put there until they died. We have moved on with new technology and increases in outpatient day-only services.

Why was I so optimistic? I was optimistic because the previous Minister for Health said that we should not judge health services by using numbers of beds. He said, "It is an outdated concept." He said—

> "The critical question is the quality and the quantity of the services provided, not the number of beds."

May I go on? He said—

> "Best practice in health care is increasingly focused"—

Miss SIMPSON: I rise to a point of order. The Minister is misleading the House. Oncology is not an elective procedure.

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

Mrs EDMOND: May I go on? The former Minister said—

> "Best practice in health care is increasingly focused on the use of day surgery and other ambulatory care services as an alternative to overnight admissions to hospital, thus significantly reducing the requirement for inpatient beds."

I agree with the former Minister's comments.

Sydney 2000 Olympic Games

Mr HAYWARD: I direct a question to the Minister for Tourism, Sport and Racing. The Minister would be aware that today marks exactly 12 months to the 15 September official opening ceremony for the 2000 Sydney Olympic Games, and I ask: can the Minister inform the House of Queensland's success to date in securing economic, sporting and tourism benefits from the Sydney Olympics?

Mr GIBBS: I thank the member for Kallangur for his question. I know that, in his own way, he is playing a beneficial role for many Queenslanders who are preparing for the Olympic Games in his gymnasium in the Valley.

To date, Queensland has done exceptionally well in securing benefits for the 2000 Olympic Games. Originally, the State Government forecast that Queensland companies could win approximately $50m worth of Olympic business contracts. Today, I am delighted to announce that Olympic contracts awarded to small and medium-sized Queensland firms now stand at $76m and, to date, a further $195m worth of Olympic works has also been won by national companies that have their registered headquarters in Queensland. We expect that those figures will rise significantly over the next 12 months as further lucrative contracts come on tap.

In terms of pre-Olympic training, Queensland leads all the other States of Australia in attracting Australian and foreign Olympic teams to conduct training camps. To date, we have pre-training commitments from 125 teams from 15 nations. Currently, we are negotiating with a number of other countries—in fact, a couple of dozen countries—for them to come to Queensland as well. The estimation of that pre-Olympic training in Queensland is a staggering $80m to $100m injection into our State's economy.

In addition, of course, the great news for Queensland is that we are staging part of the Olympic football tournament at the Gabba. That event will be launched in Brisbane two days prior to the official opening ceremony of the Olympic Games in Sydney. So in theory the actual staging and opening of the Olympics will occur in Brisbane. Those Olympic football matches will inject a further $76m into our economy.

It is fair to say that shining the Olympic light first on Queensland is going to do much for our international reputation. The tourism forecasting council estimates that we can expect at least half of the extra 1.6 million international visitors who will come to Australia as a result of publicity about the Olympics. That is going to inject $841m into our State's economy in the form of new export earnings, almost 10 million additional visitor nights for our State, and will translate into a staggering 16,231 jobs for Queenslanders.

I am delighted that, in Olympic terms, the Goss Government came out of the blocks running on this issue. We established the Olympic Games committee. That committee has done extremely well and our State is going to benefit mightily out of it.

Southern Moreton Bay Islands Planning Study

Mr HOBBS: I refer the Minister for Local Government and Planning to my previous questioning and ongoing frustration among island ratepayers as a result of the Southern Moreton Bay Islands Planning Study and the subsequent devaluing of their land. The Minister's department funded the study. His lack of action has contributed to that devaluation and he appears not to have the courage to tackle the issue and come up with a resolution. As the responsible Minister, what does he intend to do to resolve this issue?

Mr MACKENROTH: In answer to the member's question, it is incorrect to say that the report into the southern Moreton Bay islands has led to the devaluing of those properties.

Mr Hobbs: It happened at the time.

Mr MACKENROTH: The member should listen. When I became the Minister, I released that report, which had been sitting on the previous Minister's desk, to enable people to have a look at it. In relation to these properties—the values that we are talking about were arrived at prior to the release of that report. So one cannot say that the release of that report, or the fact that that report was available for the public to look at, led to the devaluing of those properties.

The sad facts are that those properties were subdivided in the 1970s and were sold to people at inflated prices. I can well remember the advertisement that I referred to in this Parliament in the early 1980s which contained statements by the former Minister for Local Government, Russ Hinze, that there would be a bridge over to one of the islands. In fact, one of the ads had a photograph of the bay islands with a superimposed Sydney Harbour Bridge going across to Russell Island to show people why they should buy land there. People bought land. They paid inflated prices for that land, and that continued to happen until people realised that there are no services on the island and there is not going to be a bridge to the island. As a result, people are now no longer prepared to pay the inflated prices that were paid in the past.

The report that was prepared in relation to the Moreton Bay islands identifies the fact that there are no services. One of the recommendations in the report was that the Government and the council could consider the acquisition of land. Last year, I stated quite clearly that our Government will not compulsorily acquire any land. So our position is very well known and very clear. Nobody can use that report to say that there is a threat of compulsory acquisition hanging over those land-holders.

In relation to what can be done about funding sewerage, roads and so on—I have held discussions with the council and those discussions are ongoing. A number of subsidy schemes are now in place to assist the council. However, that is not going to change the value of people's land.

Biotechnology Industries

Ms NELSON-CARR: I refer the Minister for Primary Industries to the DPI's cutting-edge work in biotechnology, and I ask: is this

research providing new export opportunities for Queensland?

Mr PALASZCZUK: I thank the honourable member for the question. I am pleased to inform the House that there are many new opportunities for exports being generated by the Department of Primary Industries' work in biotechnology. One of the most successful examples of this is the development of the world's first sexing technology for camels. Having visited the Middle East on two occasions this year, I can assure this House that our work with camels has a very, very big future.

The new technology on camel sexing has particular relevance to camel racing. Smart Queensland science is allowing our State to tap into the multibillion-dollar camel racing industry in the Middle East. Female camel calves are highly prized in the Middle East, fetching around $5m. It has been my personal observation in the Middle East that Queensland's already very good reputation as a trading partner is being further enhanced by such applications of smart science.

The research has already been applied and the world's first pre-sexed camels have been born in the United Arab Emirates. This pioneering research was commissioned by Sunshine Coast-based Camelot Bioscience. Doctor Ken Reed, the Director of the Department of Primary Industries' Queensland Agricultural Biotechnology Centre in Brisbane, managed the project. The DPI's QABC and the University of Queensland undertook the research work and that is how the discovery unfolded. The project isolated DNA sequences from the male sex chromosome. By analysing cells of camel embryos from these sequences, the sex could be determined.

Mr Foley interjected.

Mr PALASZCZUK: For the benefit of the Attorney-General, I point out that we are not talking about Bactrian camels.

I am informed that this technology could also be extended to llamas and alpacas. This highly successful project is just another example of the Smart State strategy being pursued by this Government, working to advance the interests of Queensland on a global scale.

Child Protection

Mr BEANLAND: I refer the Minister for Families, Youth and Community Care and Minister for Disability Services to her statement in 1998 that—

> "The development, passage and implementation of the Government's Child Protection Bill 1998 will ensure an appropriate legislative basis to support the department's child protection activities. The department will then ensure that these services are of a high quality and reflect world's best practice."

I ask: why were homeless children living in squalid conditions in a two-storey house in Kangaroo Point earlier this month? Is this her view of the world's best practice and is it why Premier Beattie no longer has confidence in her and her department?

Ms BLIGH: It seems that after a long famine, I am being treated to a feast. The member for Indooroopilly has been stung into action. The three-toed tree sloth has been moved to ask not one question in a year but two in two days. I feel honoured by his attention.

The question of young people who find themselves homeless for one reason or another is an issue that rightly ought to concern every member of this House. I can tell members opposite that it certainly concerns the members on this side of the House. As I said yesterday, the member for Indooroopilly has had his shame bone completely removed so it is little wonder that he comes in here again today and asks about an issue on which his side of politics has behaved so disgracefully.

A Government member: $130m out of housing.

Ms BLIGH: $130m out of housing, for starters. People ask themselves: if the problem of youth homelessness is growing, why is it so? For a start, one might do well to examine the effect of the cuts in youth allowances to young people right across the country and the effect that that is having on them. The honourable member might do well to stand up at a Liberal Party conference and take Jocelyn Newman and her colleagues to task for the way that they are treating the youth of this country.

As the member for Indooroopilly rightly says, the Child Protection Act was debated and passed earlier this year in the House. When one is a shadow Minister, it pays to pay just a little bit of attention to the detail. It pays to have a modicum of interest in when the Acts that one has some shadow responsibility for actually come into being. It may interest the member for Indooroopilly to know that the Child Protection Act has yet to be proclaimed. Anybody who works in the sector and has an interest in the area will know that the Act

requires a child protection reform strategy, which is being developed, of which I am very proud and which a number of organisations in every electorate across the State have worked on in partnership with my department. I can tell the member that it will deliver real results and real outcomes for young Queenslanders.

I also inform the House that the Federal Minister, Jocelyn Newman, has made an offer to the States that over the next five years she will increase that funding. That will result in some measly, pathetic contribution to Queensland. However, in light of the fact that there has been no growth in this area for six years, we welcome that. How did she come to the decision that we should put funds into the SAAP program for homeless young Australians? That was negotiated by Meg Lees as part of the GST deal! The only reason that one cent of Federal money is going into this program is not because they care about young homeless people in this country but because they wanted to get their new tax system up.

The member for Indooroopilly should hang his head in shame. As I said, he would do well to talk to his counterparts in Canberra. If he has any shred of interest in or cares a tinker's cuss about young people, that is what he will do.

Prison Officers

Mr FENLON: I refer the Minister for Police and Corrective Services to the scare campaign that is being run by the member for Toowoomba South, who has stated that the Government will cut prison officer numbers by 150, and I ask: can the Minister clarify the situation for the information of the House?

Mr BARTON: On a number of occasions in recent days, on ABC radio, during a speech in the Matters of Public Interest debate that he delivered yesterday and a two-minute speech that he delivered today, the member for Toowoomba South, the deputy shadow Minister for Health, has tried to create dissension and concern by mounting a scare campaign that we are reducing prison officer numbers. It is amazing that every time he makes one of his rare forays into police or corrective services issues, he gets it wrong.

Not only is the Government not cutting prison officer numbers but, as I told the House several weeks ago, since coming to office we have increased those numbers by 18%. The calculation at that point was 177 additional prison officers since the Beattie Government came to office. We did a recalculation of the figure after the member for Toowoomba South started spouting nonsense late last week. We found that the figure is actually closer to 200 additional prison officers.

How the member for Toowoomba South came up with the mythical figure of 150 is something that only he can explain. The only explanation that I can come up with is that when he was Health Minister, he spent most of his time trying to hide hospital waiting lists—they are now published on the Internet and are widely available— and he received such a hard time from my colleague Wendy Edmond over patient numbers that he is statistically challenged. He claims that dismissals are occurring because of a Budget blow-out, but once again he is wrong. If the member has a good look at the Budget papers with regard to the outcomes for last year, he will find out how wrong that statement is.

There is one thing that the member almost got right. He said that the ratio of officers to hours worked had decreased from 2.7 per 12-hour shift to 2.66 per shift. However, that has absolutely nothing to do with reducing prison officer numbers. It is associated with the calculations relating to the introduction of the 38-hour week—something that the coalition never addressed properly when in Government. People are working fewer hours because they are working a 38-hour week rather than a 40-hour week.

The one ratio that the shadow Minister should be interested in is that of prison officers to prisoners. When the Beattie Labor Government came to office, the ratio was roughly one officer per five inmates; now it is one officer for every four inmates. The only officers who are finishing are casuals on fixed-term contracts. When I was around the union movement and was involved in industrial relations, there was a saying: deals are deals. A very small number of people are on fixed-term contracts as we have D-doubled correctional facilities. There are 21 people at Sir David Longland—it is being D-doubled and about half the inmates are to go to Wolston—who have in fact been put off. That is all.

Department of Families, Youth and Community Care, Maryborough

Mr BLACK: I ask the Minister for Families, Youth and Community Care and Minister for Disability Services: is she aware of severe problems existing between the executive and management team of the Maryborough District Office of the Department of Families, Youth and Community Care and the Hervey Bay

Crisis and Community Housing Association, and what is she doing about it?

Ms BLIGH: Having read the report of the Members' Ethics and Parliamentary Privileges Committee that was tabled this morning, I am not surprised that members in that area of the Chamber may not be on speaking terms with each other. It only takes a reading of the fine print to know that there is a lot of crossfire between various members.

It would pay the member for Whitsunday to speak to the member for Hervey Bay, whom he sits next to in the Chamber, because then he would know that this matter has in fact been the subject of a deal of correspondence between me, the member for Hervey Bay and the organisation to which the honourable member is referring. Like a number of other small organisations in the non-Government sector that provide services right across Queensland, it is indeed struggling and has a problem. The correspondence that I sent to the honourable member for Hervey Bay outlined that, in agreement with this organisation, I have agreed to establish an independent review. I have funded it. The members of the management committee and members of the review team have met. They are in the process of drawing up terms of reference for the review. The chairperson of the committee has outlined that he is on leave until 11 October and does not want the review to start until he returns. I have agreed to that.

I fully expect that the independent review will determine some of the rights and wrongs and difficulties in this case. I look forward to this organisation again being in a position to provide the services that we actually fund it to provide to the young people and others in that area who are homeless. Again I encourage the member for Whitsunday to discuss matters to do with the Hervey Bay electorate with the member for Hervey Bay, who is sitting next to him.

Teachers in Rural and Remote Queensland

Mr PEARCE: I ask the Minister for Education: what is he doing to encourage young people to take up a teaching career in rural and remote Queensland?

Mr WELLS: This year, we are again looking for candidates for the Bid O'Sullivan scholarships. At the very outset, I pay tribute to the Opposition which, when in Government, established those scholarships. We will continue the process. The scholarships encourage young people who might not otherwise be able to take up a teaching career in primary education and who come from isolated, rural or remote areas to undertake the course of study leading to a Bachelor of Education in Primary Education. The undertaking that they will give is that they will return to the bush, from which they came, and continue their teaching career and continue to maintain the links which they already have with their local community. This builds the human capital of their community. It enables people to remain in their community. It enables people to send their children to schools in communities from which the teacher comes and which the teacher understands. Consequently, these scholarships are an extremely valuable incentive in getting the right sort of young people to undertake primary teaching.

Last year we had scholarship winners from Surat, Moranbah, Springsure, Goondiwindi and Collinsville. This year we are expecting applications from all over Queensland. I urge honourable members to encourage their constituents to take an interest in these scholarships, because they will ensure that we get the best quality education for all of our children.

Removal of Telephones from Parliamentary Complex

Mr GRICE: Mr Speaker, as the Standing Orders preclude me from asking a question of you, I will address my question to the Premier. I refer the Premier to the fact that telephones have been removed from outside this Chamber, the members' library, the Members Dining Room, the Strangers Bar and from outside the canteen and the conference room—and goodness knows where else. The result, of course, is that members simply use more expensive mobile telephones to make their calls. If this was done in the interests of cost cutting, it is foolish at best. I ask: will the Premier advise the House of which economic genius was responsible for making it more difficult for a member of Parliament to do his or her job?

Mr BEATTIE: I thought this was done as a service to Queenslanders to protect them from the honourable member! As all honourable members would understand, this is not a matter within my domain. While I would like it to be—

Mr Mackenroth: The separation of powers.

Mr BEATTIE: I know that the National Party has always had enormous difficulty with defining the separation of powers. Do

honourable members remember when Sir Joh was on the 7.30 Report years ago and was asked—

Mr Foley: And Russell Cooper.

Mr BEATTIE: And Russell Cooper. They were asked, "What does 'the separation of powers' mean?" They said, "I don't know. Does it have something to do with car engines?" They had no idea. They thought it was the difference between six cylinder and eight cylinder cars. Their logic was: "An eight cylinder has more than a six cylinder." As the member knows, the bottom line is that this is entirely a matter in the domain of the Speaker and the Parliament. Each department, including the Parliament—the Parliament is treated in a special category—is allocated a budget. This is a matter about which the member should correspond with the Speaker and the Clerk. These are not matters over which I have domain. But if the honourable member is suggesting that the Executive take over the Parliament, I would have grave concerns about that precedent. I have to say that in all conscience I cannot allow the Executive to take over the Parliament.

Mr Mackenroth: He can ask questions at Estimates.

Mr BEATTIE: Indeed he can. That is a very astute point. The Leader of the House is always astute in these matters. When we get to the Estimates—the committee meetings to be held a bit later on; I will send the member a briefing on it so that he understands what happens—the member will be able to ask the Speaker this question. The member will sit on one side of the table and the Speaker will sit on the other. He will be able to ask scintillating and intelligent questions. This is probably not one of them.

Mr Elder interjected.

Mr BEATTIE: I was prepared to write the question and send it to the member so that he could ask it. The bottom line is that this is a question that the member should ask at the Estimates committee hearings. It is not a matter over which I have any control, and nor should I.

Wind Farm, Ravenshoe

Dr CLARK: I ask the Minister for Mines and Energy: can he please detail progress in developing a wind farm at Ravenshoe in far-north Queensland and give us an indication of what the benefits will be to the region's economy?

Mr McGRADY: Two weeks ago, I announced that the Government-owned Stanwell Corporation will develop Australia's largest wind farm near Ravenshoe on the Atherton Tableland. The site for the wind farm is aptly named Windy Hill, which is about five kilometres from Ravenshoe. A wind monitoring program has been in place there since about December last year. Phase 1 of the project will be designed to generate 12 megawatts of power. The construction of Phase 1 is starting immediately, with the project scheduled for completion by July of next year. If all goes well, a further Stage 2 will take place, generating up to 25 megawatts of power.

This project will create about 20 jobs in the area and also there will be some tremendous opportunities for the tourist industry. The contract is good news for Queensland, as Stanwell has specifically emphasised the need to use local content in the project wherever possible. I am told that about 60% of the cost is for the blades and turbines, which unfortunately at the moment are simply not manufactured in Australia. However, about 40% of the expenditure of some $20m will be spent in the local area.

Stanwell has done an excellent job in pursuing sources of renewable energy. I predict that this will be a growing trend among electricity suppliers because of the growing market for green energy. It has been demonstrated around the world that wherever wind farms appear there is a tremendous opportunity for tourism, because people want to see them first-hand. I believe that this is a great initiative of the Stanwell Corporation. It will be good for the local economy. As I said, about $3m will be spent in far-north Queensland, which obviously augurs well for the future of this project.

Magic Millions Sales, Gold Coast

Mr HEALY: I ask the Minister for Tourism, Sport and Racing: why is Magic Millions part owner John Singleton accusing the Minister of reneging on a $400,000 funding deal which could threaten the future of Queensland hosting the event? Is the Queensland Events Corporation currently working on an alternative $1m Gold Coast racing sale with an international group? Did the Minister publicly pledge $1m per year for the event, as Mr Singleton has stated?

Mr GIBBS: I thank the member for the question, because it gives me the opportunity to clear the decks on this issue. I am sure that the Leader of the Opposition will not mind my saying that a number of weeks ago I

approached him and asked him whether at any time he had given a commitment for further moneys to Magic Millions. At that stage he advised me that he could not recollect that but that he would check notes of the meeting. I do not know whether he has checked the notes, but I have heard nothing back. My understanding is that no commitment was given for an additional $400,000.

My advice to John Singleton, Gerry Harvey and Rob Ferguson was to sign nothing. Honourable members will recall that the now Leader of the Opposition launched the Magic Millions sales some two weeks or maybe a week before the State election. My advice to them was: sign nothing. I believed that we were going to win the election. My advice was that they should come and talk to us after the election. They could not contain themselves. They signed a contract that stands with the Queensland Events Corporation for $600,000 per year—for a three-day carnival, I might add. That amount is equivalent to the total funding that this Government and the former Government put into the Winter Racing Carnival, which goes for almost six weeks. They have since expressed the attitude that they want another $400,000, otherwise the million-dollar three year old race will be taken to Adelaide.

My attitude is that we are not prepared to pay $400,000 for the three year old race. If they wish to take it to Adelaide, that is their business. The further threat is that they have had an incredibly attractive offer from Homebush Stadium to relocate the entirety of the Magic Millions complex and sale to that stadium. If I were handling their business, my advice would be not to do that, because the only place that the Magic Millions concept will work is on the Gold Coast. It will not work at Homebush Stadium and it would be foolhardy for these people to believe that they could move that event to Sydney and clash with Inglis, for example. Whether it be at Easter-time or Christmas-time, it could not be expected that anybody would survive with two sales of two-year-olds being run at the same time.

My advice to those gentlemen is: get on with life, appreciate the great product that you have and the support that you have from the Queensland Government, and get on with running what without any doubt is a great carnival and concept and one which will continue to be supported by the Queensland Government. However, I am not prepared—I repeat: I am not prepared—to be stood over by people making threats about a relocation of the sales based on greed.

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

LEGAL, CONSTITUTIONAL AND ADMINISTRATIVE REVIEW COMMITTEE

Review of Ombudsman

Mr FENLON (Greenslopes—ALP) (11.30 a.m.), by leave, without notice: I move that—

"(1) This House notes the Legal, Constitutional and Administrative Review Committee's report No. 14, Review of the report of the strategic review of the Queensland Ombudsman, and the Premier's interim response of 26 August 1999 to recommendation 19 of the committee's report which calls for a management review to be conducted of the Office of the Parliamentary Commissioner for Administrative Investigations (the Ombudsman).

(2) In light of the committee's report and the Premier's response, the House calls upon the Premier to conduct a strategic management review of the Ombudsman pursuant to section 32 of the Parliamentary Commissioner Act 1974.

(3) Further, the House calls upon the Premier to ensure that the terms of reference for the strategic management review that are submitted to the Governor in Council for approval in accordance with section 32 of the Parliamentary Commissioner Act 1974—

(a) be prepared in consultation with the committee and the Ombudsman as required by section 32(5) of the Parliamentary Commissioner Act 1974;

(b) have regard to the matters noted in recommendation 19 of the committee's report No. 14;

(c) provide for the committee to be provided with a copy of any interim report and the final report of the reviewer before tabling; and

(d) provision for the reviewer to liaise with the committee throughout the review process so that during that liaison the committee has the opportunity to comment on and make recommendations about the review.

(4) Further, that the House calls upon the Premier to give consideration to the appropriate way to monitor the implementation of management reforms by the Ombudsman following the conclusion of the strategic management review and that this issue be addressed in the Government's final response to the committee's report No. 14 to be tabled pursuant to section 24 of the Parliamentary Committees Act 1995 (in relation to the committee's recommendations on the Ombudsman's budget process and committee's role in monitoring and reviewing the Ombudsman's Office)."

Motion agreed to.

SOUTH BANK CORPORATION AMENDMENT BILL

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (11.32 a.m.), by leave, without notice: I move—

"That leave be granted to bring in a Bill for an Act to amend the South Bank Corporation Act 1989."

Motion agreed to.

First Reading

Bill and Explanatory Notes presented and Bill, on motion of Mr Beattie, read a first time.

Second Reading

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (11.32 a.m.): I move—

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

My Government is determined to boost Brisbane's reputation as the most livable capital city in Australia. A crucial focus of this vision is the redevelopment and enhancement of South Bank as one of the great city parklands and open spaces in the world. The purpose of the Bill is twofold—

It will amend the boundaries of land over which the South Bank Corporation may, with my approval, grant a perpetual lease for 999 years;

and it will amend the development plan in order to allow the construction and continued use of land for the South Bank pedestrian and cycle bridge which, as you are aware, will run from near the Maritime Museum at South Bank to the city Botanic Gardens.

The corporation already has the power to grant a perpetual lease over certain land at South Bank. This amendment will enable the corporation to grant a perpetual lease to the Mirvac Group, which recently won the tender to develop two sites of mixed use retail, commercial and residential complexes fronting the realigned Grey and Little Stanley Streets. This is a $100m residential, retail and commercial development to make South Bank one of the most desirable inner-city addresses in the world. These are the last prime development sites in this area and will result in a dynamic mix of shops, offices and homes in the midst of a world-class leisure and cultural precinct. There will be more than 180 apartments, 4,000 square metres of shops and 3,000 square metres of offices, with a maximum height of five storeys.

The second part of the Bill relates to the pedestrian and cycle bridge. Reducing traffic congestion and encouraging people to cycle and walk has got to be a feature of any long-term planning for the future of Brisbane and the electorate of Brisbane Central, which I represent. At the moment the Brisbane River presents pedestrians and cyclists with a three kilometre long barrier between the Story and Victoria Bridges. So a special bridge for them is a crucial link.

The plan for a bridge was backed by all major business, community, tourism and professional groups with particularly strong support from Queensland University of Technology students as well as the QUT itself. People attending the university campus were particularly enthusiastic because they will gain better access from eastern and southern suburbs to the city campus. About 55,000 students a day will need to get to and from QUT, Southbank Institute of TAFE, the Conservatorium of Music and the College of Art which will be built near the Maritime Museum.

When we consulted with the community on the plans for the bridge, we received 3,370 responses, with an overwhelming three out of every four people supporting the bridge. It will cross the Brisbane River from the southern end of Queensland University of Technology to the Maritime Museum. It will provide a crucial link in the inner-city transport network by joining the cycleway on the city side of the river to the Stanley Street cycleway.

The bridge will also connect with the new 400-seat Gardens Point Theatre which encourages community participation and, as such, is an open door for the performing arts in a wonderful setting in a central location. The

Government contributed $1.5m to the theatre project because its inclusion with the art museum in a cultural precinct linked to the South Bank is a winner. It will provide plenty of scope for the drama, music and dance students from QUT who use this theatre, as well as the 80 or so community groups which it will house. In its concept plan, the QUT pointed out how well the theatre fitted in to the Government's vision for the arts.

The bridge is part of a partnership between the State Government and the city council to reduce exhaust emissions by building busways, a light rail system and encouraging people to use bikeways and footpaths. It will help make Brisbane the most pedestrian friendly capital city in Australia and will also give the river a truly elegant and identifiable symbol to complement the city's other bridges. It will also be family friendly.

The initial design has been streamlined as a result of public consultation. Ramps on either side will link to an arched section spanning the deep water channel and a simplified pavilion. Additional shading has been added to protect walkers and cyclists using the bridge, which will be 6.5 metres wide. Once the need for a bridge had been confirmed by consultation, the public was given the opportunity to comment on seven options for its location. These ranged from an addition to the Captain Cook Bridge to a bridge from Alice Street to the South Bank beach. As a result of that extensive consultation, it was decided to build the bridge from a point between QUT and the river stage on the city side to the Maritime Museum, north of the dry dock. This means that close to the city bank it will cross under the Captain Cook Bridge.

Use of land within the South Bank area is controlled by an approved development plan which sets out the acceptable use for different parcels of land. The approved development plan does not currently allow for the land within the maritime precinct to be used for a bridge and it is therefore necessary to amend the plan in order to allow the construction and the continued use of the land for the bridge.

A change is also to be made to the parkland precinct to allow part of that land to be used for such things as site offices, first aid facilities, as well as storage and handling of materials and equipment during the construction of the bridge. Amendments to the approved development plan are normally done through a process of seeking ministerial approval and undertaking public consultation and consultation with the Brisbane City Council prior to seeking the approval of the Governor in Council for the amendment. As the consultation process already undertaken for the bridge far exceeds that which would be required by this process, these changes are to be made through amendments to the Act.

I commend the Bill to the House.

Debate, on motion of Mr Borbidge, adjourned.

PRIMARY INDUSTRIES LEGISLATION AMENDMENT BILL

Second Reading

Resumed from 14 September (see p. 3819).

Mr MALONE (Mirani—NPA) (11.39 a.m.): I take great pleasure in speaking to the Primary Industry Legislation Amendment Bill 1999. While the Opposition has offered general support for this Bill, there are some points I will make.

First, I refer to the amendments to the Fisheries Act 1994. As my colleague the member for Crows Nest has explained, the Opposition supports the sentiment behind the not insignificant increase in penalties and other measures to better protect mangroves and coastal ecosystems. Aside from the obvious environmental attributes of these communities, they are also extremely valuable to the fishing industry as breeding or spawning sanctuaries for a wide range of marine species.

Relative to the penalties for offences such as taking illegal-sized fish, the penalties for destroying fish habitat have been inadequate. These amendments will no doubt raise the profile of the need to maintain fish habitats as an issue and will act as a very clear deterrent against unlawful destruction of mangroves and marine plants. That is good.

However, I emphasise to the Minister the need to ensure that necessary and legitimate removal or pruning of mangroves and other marine plants can continue to be carried out and, importantly, can continue to be carried out in a timely fashion. Whether we like it or not, it is necessary to remove or prune marine plants, just as it is necessary to remove or prune plants in our own backyards or back paddocks.

Many cane growing areas abut the coast and it is not unusual to see mangroves growing in drainage ditches only a matter of metres from a cane paddock. Mangroves are a particularly vigorous plant and in these coastal areas mangrove incursion into farmland, draining ditches and the like can present a real problem for canefarmers. While

there is a permit system in place, I am aware that the process for the awarding of such permits has sometimes been a very time consuming and frustrating one for the farmer. I have heard of instances in the past where contour walls have burst and in fixing the problem before the cane field is inundated with salt water the farmer has potentially been left liable for damage to mangroves. Clearly, this is a situation in which commonsense should prevail.

I note that the Minister's department is working with Canegrowers to streamline the permit process, and I welcome that, but I reiterate the calls by the member for Crows Nest for the Minister to personally ensure that the permit process for legitimate and necessary clearing or pruning is streamlined and that the costs are kept to prudent levels. As with most things in this world, it is important to keep a balance. I acknowledge and support the need to preserve marine plant systems, but these amendments should not herald another baseless attack on the sugar industry as we have already seen from the Minister for Environment and Natural Resources.

Queensland Fruit and Vegetable Growers, like all farm organisations, performs a very valuable role in representing the interests of growers. Horticultural industries encompass literally hundreds of products and have evolved quite rapidly in recent years. In a few short years, and with some support from Government for the provision of additional reliable water supplies, they may well become Queensland's largest primary industry.

Water is the single biggest issue throughout regional Queensland, and the Beattie Government's freeze on water will go down in the history books as one of the greatest impediments to the continued growth of primary industries such as the fruit and vegetable industry. Just as the Government is holding back on the expansion of these industries, it is holding back on the creation of new jobs, the opening of export markets and more regional development. I only hope that this Government turns some of its rhetoric into action and that it has committed funding to the construction of new water storages identified and prioritised by the former coalition Government through its Water Infrastructure Task Force.

As the horticultural industries have evolved, so has Queensland Fruit and Vegetable Growers. With the move to new marketing systems, including direct supply to retailers and export, the organisation no longer has any involvement in marketing. Appropriately, it is now time to amend its Act to reflect the modern role of the QFVG. In supporting these amendments, I look forward to the continued development of the organisation, together with the development of horticultural industries.

Similarly, the Primary Industry Legislation Amendment Bill provides for amendments to the Primary Producers' Organisation and Marketing Act 1926. Marketing boards have traditionally played an important role in the development of Queensland's primary industries. However, with the changing requirements of growers and markets they are no longer an effective vehicle. With the conversion of the last commodity marketing board to a cooperative in 1996 and no new boards set up since 1971, it is very unlikely that such marketing boards will again become a feature of Queensland's primary industries landscape. The repeal of these legislative provisions is only appropriate and should be supported.

A series of amendments which relate to the operation of Canegrowers has also been proposed. I note that these changes have the support of that organisation and I hope they will provide greater flexibility and improved representation of growers' interests by Canegrowers.

It is probably fair to say at this stage that the sugar industry is in survival mode. That is basically because of three factors: price, crop and weather. Since less than two years ago, the world price has dropped from around US15c per pound to somewhere in the vicinity of US5c or US6c per pound. Members have to realise that the price for the Australian sugar industry is locked into the world market price for sugar, which is expressed in US cents per pound. Further, because of the demise of the Commonwealth sugar agreement a number of years ago, the domestic price of sugar is also locked into the world price so that any raw sugar that is produced for the domestic market is also sold to Australian refiners basically at world price.

The world market price is a price which is established by countries that in some cases are subsidising most of their sugar production and dropping the excess on the world market with no real regard for what return it may bring to their industry, so basically the world market price is substantially corrupted by the fact that the dumped sugar is used as a base price. Worst of all, Australian canefarmers rely on this for their income.

In the past year or so, Brazil's industry has had a huge impact on the world market price

of sugar. Traditionally, Brazil has used a large percentage of its sugar to make ethanol for its ethanol-powered fleet of cars. However, with the low world price it has been able to import oil at a substantially reduced rate and so convert substantial amounts of its ethanol production back into crystal sugar, which it then exports. Another factor is that the process of producing ethanol also results in a reasonably high quality crystal sugar, which is becoming the world standard for other countries to meet. Indeed, it is not letting the cat out of the bag to say that that is creating some difficulty for Australian exporters.

A further factor in all of this is that the Brazilian currency has been devalued substantially. That gives a greater return to the exporters and producers from Brazil and has had the effect of increasing production of the Brazilian crop, particularly in the past year. Members should be also aware of the fact that the Brazilian sugar industry is 10 times larger than the Australian industry. In fact, its increase in production in 1997-98 was equivalent to that of the entire Australian sugar industry.

In very recent times, the increase in the world market price of oil combined with the devaluation of the Brazilian currency is making it far more expensive for Brazil to import oil. Consequently, there appears to be a trend for the return of the Brazilian industry to the production of ethanol, which will have the effect of taking Brazilian sugar off the world market.The bottom line is that even though we in Australia complain about the increased world price impacting on our pump price for petrol, it is actually doing the Australian sugar industry a great deal of good. Recent indications are that the Brazilian sugar industry is retracting under these conditions. Of course, the low world price is also having an effect on a number of traditional exporters onto the world sugar market, such as Thailand, South Africa and so on.

In terms of the Australian crop, because of the adverse weather conditions during harvest last year, a substantial amount of cane, particularly in north Queensland, was held over for this year's season. In my own electorate, at Plain Creek at Sarina one third of the total amount of cane available for harvest this year was standover cane. This leads to very difficult harvesting conditions, slowing the processing of the crop through the mill, and with general delays in the moving of the crop from the field to the sugar bin. Varying factors, such as the build-up of scale on the evaporators in the crystallisation process, mean that frequently the mills have to stop for periods to chemically clean their process components. This equates to more costs and delays, which are impacting on the cost of moving the crop from the field, and this impacts on contractors, harvesters, farmers and all those others involved in the sugar industry.

Of course, added to the crop scenario is the fact that the crops which were harvested after the heavy rain at the beginning of August last year have suffered from soil compaction and the inefficient use of fertilisers, resulting in substantially reduced crops in Queensland this year. Added to all of this, of course, is that because of the wet last year there has been a substantial build-up of grass and organic material on farms, particularly in standover crops. And now there is a very substantial rat infestation, which is destroying crops nearly as quickly as harvesters are taking the cane from the field.

Thirdly, but most importantly—and as I said earlier—the wet weather that started in August last year and continued for more than two to three months in most areas had a tremendous impact on the movement of cane from the fields, and substantial amounts were left in paddocks for harvesting this year. The season last year has had a negative impact on the quality and the size of the crop. So far this season—and I am keeping my fingers crossed—except for a couple of mill areas in southern Queensland, the weather has been reasonable, and the industry looks forward to getting back onto an even keel with improved prices and a return to reasonable seasons. I take much pleasure in supporting the Bill.

Hon. V. P. LESTER (Keppel—NPA) (11.52 a.m.): The people of Rockhampton are looking forward to the World Beef Expo that we are going to run next year. Of course, we have run these in the past, and they have always been ultra successful. However, we believe that next year's event will be bigger and better than ever. I am indeed most impressed with the efforts that are being made by all of those people—Rick Palmer and everybody else—to try to ensure that it is a big success. They are tying to get the Prime Minister up there. They are trying to get people from all over the world there. They are endeavouring to get the Federal Government, through the Minister responsible for primary industries, Mr Truss, to do a good job for them. However, I believe that sometimes Governments do not fully realise the potential of events such as this and should be doing more to promote magnificent events of such magnitude.

When talking about the beef industry, we also need to take into account the fact that, for a number of reasons, our beef industry is under an enormous amount of pressure. For example, the United States initially started off with a free trade agreement between America and Canada. Then it moved to a free trade agreement with Mexico. Now it is moving towards a free trade agreement with the South American continent. That raises deep concerns for all of us who are associated in any way with primary industries. One might ask: why does that raise very deep concerns? The reason is that both of the temperate zones that are conducive to the production of certain products, such as beef, sheep, certain types of agricultural products and, of course, vegetable products, are found within the two American continents. With their free trade agreement, obviously they are going to favour purchasing from within that region.

I do not know whether anybody has thought about this but, frankly, it does not matter much to the rest of the world whether we produce or not. That is a terrible thing to say, but the things that we produce can be obtained from other parts of the world. And as far as America is concerned, it can obtain all the supplies it likes both from within its own country and from the South American continent. Of course, this arrangement comes unstuck when there is a drought or some other problem, such as a disease or weed infestation or whatever. So from that point of view, they have to keep their powder dry just a little.

I do worry about the promotion of our beef. Rockhampton is continually called the beef capital of Australia. Casino is now trying to take that crown from us. That is fine. A bit of competition will not hurt.

Mr Pearce: They weren't very successful, though, were they?

Mr LESTER: That is right. But a bit of competition will not hurt us. We might even have to lift our game. I think that even Mr Pearce would agree that not always do we get the best steaks in Rockhampton. That is a pity. A lot of the time they are very good.

Mr Lucas: It might be the way you cook them.

Mr LESTER: No, it is not the way we cook them. I stick to bread, being a former baker. That is just an observation, but it is a true observation. I am quite sure that the honourable member for Fitzroy would agree with me on that. I am not denigrating our beef producers; I am simply saying that sometimes one can get nicer beef in other parts of Australia. But if Rockhampton is the beef capital of Australia, we should always have the best beef.

Mr Lucas: Excellent fish and chips in Wynnum, I can tell you.

Mr LESTER: I do not know about the chefs in Wynnum.

Government members: Fish and chips.

Mr LESTER: I wonder about the member who represents Wynnum sometimes, but he is not a bad fellow.

When people go overseas, they look for Australian beef being promoted. But if they look for a beef cafe, they find that the beef served there is Argentinian beef. That is my main concern. The people at those cafes say, "Come into our cafe. We have beautiful Argentinian beef."

Mr McGrady: That is green beef—clean, green beef.

Mr LESTER: Okay. The thing is that it is attractive, and people do eat it. But I have to ask: where is the promotion of our beef? That is a perfectly reasonable question to ask.

Mr Palaszczuk: Beef 2000 are represented at the Saudi agricultural show next month.

Mr LESTER: That is good.

Mr Palaszczuk: They are promoting their beef and also promoting Beef 2000, as well.

Mr LESTER: That is good. I am pleased to hear that. I am not in any way trying to criticise anybody; I am simply saying that we must look at the reality. Those beef cafes overseas serve Argentinian beef or beef from Brazil. So I have to ask: what about our beef in Australia? In the Middle East countries—I do not know whether anybody has seen beef displayed there, but holy sufferin' Dooley, you would want to be keen to eat it, I can tell you that! It is hanging up, and it does not seem to be refrigerated.

Mr Cooper: Clean and green?

Mr LESTER: I think we would all have to agree that it is a little bit green—really green—at times. When people go into those open markets overseas they see the stuff just hanging there. I do not think it has ever been in a refrigerator. We would probably have to do a heck of a lot of work to get our beef sold in places like that. But seriously, this is about selling our product. It is okay for all members here to have cotton wool over their eyes; but, by golly, when they see the real thing they realise that we probably have a fair bit to do,

and we probably all have to take equal responsibility for that.

We like to think that we have trade agreements, but these agreements do not carry much weight when a certain country chooses not to perform. I never cease to be amazed by Australians who tell me how terrible it is that the United States is doing certain things. People wonder what Americans must think of their own Government breaking the trade agreement with Australia in relation to lamb. The reality is that this matter is not even talked about in the United States. There is no mention of this matter on the United States news services. The average person in the United States would not give diddly-squat, for want of a better word, about what happens in Australia.

People have been talking about the seriousness of the crisis in East Timor. This matter has hardly been mentioned on United States news services. The United States is an insular country, a progressive country and a very good country. Australians believe that we are important but, as far as the United States is concerned, our rating is towards the bottom of the scale. Issues that are very important to Australia receive little coverage in the United States.

John Howard attempted to talk to President Clinton about the lamb issue and we all saw what happened. President Clinton gave Mr Howard half a minute and said, "The issue is not to be discussed." The President finished the news conference and walked away. We were horrified that this issue did not receive any media attention in the United States.

Mr McGrady: He would not have done it to Paul Keating.

Mr LESTER: I don't know. I have heard that on one occasion he did not meet Paul Keating at all. We can have these sorts of arguments and go back and forth, but we should stick to the subject. Those opposite can say something and we can say something similar, but what is the point of that? We are attempting to promote our primary industries and that is important to Queensland. Hopefully, it will be a bipartisan approach.

I am delighted that the Murgon meatworks will probably recommence operation. What happened there was a tragedy. It is tragic that the people of the South Burnett district are so totally dependent upon the meatworks. I visited the plant recently when I was in Wondai inspecting the sawmill, and I can report to honourable members that it is a clean and up-to-date establishment. One of my constituents is a consultant for the Burnett meatworks and he asked me to look at the plant. The people of that area are very enthusiastic. I hope the operation is not taken over by some big combine which will try to shut down the operation and give the orders to another factory. We must all do our best to assist the industry.

The pineapple industry has been of some concern in recent times. I refer particularly to the company SPC. Not so long ago Australian taxpayers rallied behind Governments of all political persuasions to help SPC survive. The company was on the verge of shutting down. It was reaching the stage at which it could not support local growers in the Shepparton area. The company eventually employed a new manager who happened to be an American. I am not criticising American managers, but I believe that they sometimes go too close to the bone of a problem rather than demonstrating care and compassion. We now find that SPC has a factory in Thailand and is exporting product to the major stores in Australia.

We must remember the pineapple growers in the Caboolture area and on the Capricorn coast. Pineapples grown on the Capricorn coast are a magnificent product. They are sweet, yellow and full of juice.

Mr Pearce: Beautiful pineapples.

Mr LESTER: The member for Fitzroy supports me 100%. I know that he has a lot of pineapples for dinner and for tea, just as I do. It is a top product.

Golden Circle invited me to inspect the company's factory in Brisbane. It is clear that we must attempt to support Golden Circle wherever possible. The big chains are busily promoting cheap imports. We must remember that we have a local product. Golden Circle employs 1,700 people.

Mr Lucas: Did they give you free pineapple juice while you were there?

Mr LESTER: It is better to have a free pineapple juice than a beer.

Mr Gibbs: They gave you the rough end of the pineapple, too.

Mr LESTER: That is most inappropriate. They did not give me the rough end of the pineapple at all. I think that the Minister has had the rough end of the pineapple a few times.

If we look at the figures and think about the flow-on component, each employee is probably producing up to another five jobs. That means that Golden Circle is responsible

for the employment of approximately 8,000 people in our State. It is incomprehensible that we could be purchasing similar products from elsewhere. We need to make a conscious decision to purchase the local product.

The Golden Circle company is very progressive. It has invested millions of dollars in research and modern technology. It is wonderful to see the people working so well at Golden Circle. The company has to invest in research and modern technology so that it can compete with imports. I know we can all say, "We should not have machinery; we should have all hands-on labour and employ about 5,000 people." That would be great, but the costs would be so high that we would never be able to produce product at a saleable price.

At the moment, Golden Circle is venturing into the production of fresh pineapple. Vacuum-packed fresh pineapple is being sold in the stores. I believe the product has a seven-day shelf life.

Mr Cooper: They also have dried pineapple.

Mr LESTER: Yes, they also have dried pineapple. The fresh pineapple is displayed in packaging that makes it look like a pineapple. Golden Circle is also processing peas from the Lockyer Valley, using the latest technology. The company is also processing beetroot. It is interesting to see beetroot being processed through the factory. As well as processing beetroot, they are also processing corn. To see what is happening at this place makes one feel absolutely terrific, particularly when one goes to Murgon and, despite all the good things happening, sees the poor place shut down. Hopefully it will reopen soon. Governments, both State and Federal, should make sure that they do all that they can to support an organisation such as the Golden Circle pineapple factory. If members have an opportunity to go out there and visit that factory, they should take it up. It is a top place.

Mr Lucas: A fine Queensland work force out there as well.

Mr LESTER: Absolutely. It is a fine Queensland work force—1,700 of them—and the flow-on effect of that operation is the retention of another 8,000 jobs. So it is a pretty top operation.

The Kingaroy peanut factory, too, is another excellent example of how we locals can do things ever so very, very well. A lot of their machinery is the very latest in technology and a lot of their methods are particularly good. However, they are competing with products from China and other places. To some extent, they are suffering from dumping. In that regard, what on earth is the Federal Government thinking of in terms of the cadmium issue? It is beyond my comprehension! How on earth can we allow that content to be increased even a little? Just what on earth is going on? We are allowing imports with a higher content of cadmium. That is an element that can accrue. It cannot be good for people's health. We seem to be forever moving into the hands of those people who want to dump goods into this country at the expense of our own people. Quite frankly, we must not be right in the head. It is beyond me why we would ever do that. We have a clean product. It does not have to have as much cadmium as does the product from these other countries. Whatever it is, I do not know, but I just hope that reality prevails. Talk about level playing fields! We are just going out and pandering to some of the other countries that, when it suits them, will not buy our product. Ironically, we showed a number of South-East Asian countries how to produce goods and how to build factories. That is what has happened in Thailand. Now that they have their factories, they are shoving the stuff back into Australia. Some of the things that we have done by way of human friendship are absolutely incredible.

Hon. K. W. HAYWARD (Kallangur—ALP) (12.12 p.m.): I rise to speak in support of the Bill. I want to address the amendment in relation to marine plants. Clause 26 of the Bill amends section 123 of the Fisheries Act 1969. Section 123 creates an offence where a person unlawfully removes, damages or destroys a marine plant. Currently, the section attracts a maximum penalty of 2,000 units. As most members of this Parliament would know, a penalty unit is $75.

This amendment will clarify the meaning of section 123 by outlining three specific examples of what actions constitute the removal, damage or destruction of a marine plant. Those examples are removing seagrass from a beach or foreshore, burning saltcouch, and pruning or trimming mangroves. This amendment does not create a new offence with respect to marine plant damage, removal or destruction, because that offence exists already within the scope of the Act. However, this amendment clarifies by way of example the activities that come within the scope of the existing offence provision.

Apart from anything else, clause 26 will increase the current penalty from 2,000 penalty units to 3,000 penalty units. This proposal follows the imposition of extremely low fines upon conviction for this offence.

Examples of fines of $100 to $500 are not uncommon for the unauthorised disturbance of relatively large areas of mangroves. The fishing industry initiated this penalty increase proposal to raise the profile of vegetative habitats so that we all understand the value and the role that vegetative habitats play in fisheries production. In contrast, fines for taking several undersized barramundi are often greater than $1,500. The loss of an area of mangroves, in that we are talking about the habitat for barramundi and other economic fish species, is considered by the fishing industry to be a greater crime than the taking and keeping of several undersized barramundi.

Seagrass has been included in the clause, because it plays a key role in sustaining local prawn populations and their commercial or recreational harvesting. Dead seagrass along foreshores is the equivalent of compost and contributes to the local fisheries production food chain by the slow release of nutrients into tidal waters.

I refer to two issues that have been raised by canegrowers about the impact of clause 26 of the Bill. Firstly, a permit may be required for levee bank maintenance by canegrowers if marine plants protected under the Fisheries Act are present on the bank. DPI Fisheries is jointly developing with the Canegrowers organisation a code of practice for on-farm practices involving marine plant removal. On that issue, consultation with farmers in key canegrowing districts has occurred already. The code of practice is reaching completion. I expect that it will soon be endorsed by the canegrowers and the Minister will soon be making some comment on it. The code will allow for thee-year permits to be granted to local cane production boards or their equivalent and cover all canegrowers who hold cane assignments from these boards.

Mr Malone: It just needs commonsense.

Mr HAYWARD: Absolutely. As I said, in regard to that matter I think that the Minister will be making some comments very soon.

Secondly, a permit is required to control the ingress of mangroves onto cane land. The likely conditions for the removal of mangroves on such a permit would include permission to clear the bed of one bank of any drain and both banks if the drains are less than four metres wide. Headland movements of saltcouch would also be approved. Any acid sulfate soils exposed during works would have to be identified and treated properly. Other conditions may relate to the advising of works to be done and the reporting on the completion of those works.

A permit fee is $147. The amount of assessment fees vary depending on the extent of the works proposed, their impacts and assessment time—somewhere between $100 to $500. Generally, permits are issued for 12 months but they have been issued to local governments for up to three years for important work associated with mosquito control. I commend this Bill to the House.

Dr KINGSTON (Maryborough—IND) (12.18 p.m.): Firstly, I wish to address the policy environment, not created by the member for Inala, within which this Bill must try to legislate for the benefit of Queensland primary producers. The mandarins in the Federal Treasury have embraced the theory, now elevated almost to a not-to-be-monitored religious cult, of economic rationalism. They believe that, in a perfect market, there is little role for Government in trade matters: just leave it to market forces, just sit back, relax, and enjoy the rape that follows. I am told that that "sit back, relax" statement is an ancient Asian proverb, but I can assure the House that it is not adhered to in Asian trade policies.

I suggest that we should look at the spectacular development of Singapore under the interventionist policies of Lee Kuan Yew. For five years, I operated a successful foreign-owned business in South-East Asia. I can assure members that it was much tougher than it is here. I agree that it is essential that Queensland industries are competitive. However, despite lowered Government funding for essential research, I think that the majority are already.

I have a real problem with the blind faith that the Federal mandarins have in the perfect market—the level playing field. The level playing field is a myth. Let us take sugar as an example. Queensland sugar producers face a 65% tariff on imports within quota into Thailand, whilst outside quota attracts a tariff of 99%. We are not allowed access to the European Union. We are allowed an 8.3% share of the USA's tariff rate quota and that attracts a duty of 62.5c a pound. When our pork producers were besieged by Canadian pork, the Federal Government agonised for months while pork producers were perishing. It finally produced a report that proved to its satisfaction that giving our pork producers 10% tariff protection for one year would not break the WTO guidelines. Forty-five per cent of pork slaughtering in the US is controlled by four companies: ConAgra, IBP, Cargill and Sara Lee.

The USA spreads the gospel of trade liberalisation and compliance with the WTO

guidelines, but when Australian lamb established a market within the US, how much time did Clinton spend deliberating over the WTO guidelines before he imposed a tariff and a quota? Four companies control 70% of sheep slaughtering in the USA. The USA kills 35 million head of cattle a year and exports 10% of the resulting meat volume, but the USA—the spreaders of the gospel of free trade—have a restrictive trade policy that limits beef imports to the equivalent of 10% of their own production. Whilst they maintain this restrictive trade policy, the USA cannot become a net importer of beef.

Some weeks ago Queensland Country Life featured an article that stated—

> "Beset by low returns, American farmers are pleading to be put back on the Government teat and the USA Government, heading for an election year, is listening."

I would add that, to the credit of the current Minister, as I saw on television, he has now discovered where that particular part of bovine anatomy is, but he still approaches it from the wrong side.

The US$7.4 billion farm rescue package, which was passed four weeks ago by the US Senate, follows last year's US$5.9 billion bail-out and comes on top of a further US$16.6 billion in other farm subsidies last year. I recommend to members that they read other recommendations to the US Government, including a US$7.4 billion bail-out for drought and natural disasters, support for the US sugar program, the abolition of the North American Free Trade Agreement and the International Monetary Fund and—I ask honourable members to please listen to this—the absolute shutdown of competing imports whenever the prices for a farm commodity slip below the US cost of production. I could continue and list other recommendations that distort the global market.

What really concerns me is the domination of the international food markets by a relatively few transnational companies and the commonality of ownership of groups of those companies. For instance, it can be claimed that the international commodity trade is controlled as follows: grain by Continental, Cargill, Bunge and some others; meat by IBP, ConAgra, Cargill, Sara Lee and Hommel; dairy by Nestle, Borden, Kraft and others; edible oils and fats by Unilever, ADM, Proctor and Gamble; sugar and cocoa by Nestle, Tate and Lyle, and Cadbury; beverages and drinks by Guiness, Bass, Seagram, Coca Cola, Pepsi and others; and food distribution by Nestle, Grand Metropolitan, RJR, Nabisco and others. It is disturbing that many of those companies can trace a degree of ownership and control back to one investment house. Additionally, some of those companies are owned by billionaire families that essentially answer only to their own ambitions. Three cartel members control 64% of the beef packing in the US: Cargill has 18%, ConAgra has 20% and IBP has 26%.

International writers such as Martin and Schumann are calling for the primacy of government of nation states to be returned to the democratically elected Government. I was delighted to hear the Premier refer to the primacy of government as one of his objectives in his Budget Speech. If members have any doubts, I recommend that they read the book Stop—Think by Paul Hellyer, a past Deputy Prime Minister of Canada. He lists the impacts of globalism on Canada and it is very uncomfortable reading.

There are many examples of countries whose economies have prospered utilising protection for fledgling industries and agriculture: Australia under Menzies, Germany with its rye and steel policy, Singapore under Lee Kuan Yew, Japan and more recently Malaysia, especially Penang. Members should look at what happened to Mexico when it opened its borders without constraint. Despite the largest bail-out in history by the IMF, this nation of one hundred million people is worse off than before the NAFTA agreement and the massive IMF loan. Anne Huffschmid insists that Mexico is now on the threshold of ungovernability and civil war.

That concludes my scattered attempt to present a snapshot of the world agricultural trading environment. I will now dwell on a current Queensland crisis—the South Burnett Meatworks.

I have spent many years working in Australia and overseas as a consultant within the national meat industry and it is not a nice industry. It is not full of Queensland gentlemen and gentlewomen such as sit within this House. In fact, Australians are generally regarded as being pushovers within the international meat market and this is an opinion and a fact we have to change.

I applaud the Premier's stand on pineapples from Thailand. I diverge briefly to comment on foreign pineapples entering Australia. In 1991 I was commissioned by an Indonesian company to design a cattle feedlot as an appendix to a pineapple plantation in Sumatra. That plantation had 14,000 hectares of pines and employed 7,000 workers who

were paid US$1 a day. It had a modern cannery that worked 23 hours a day, six days a week. As soon as they fed the pine waste to cattle, they saved a 15% environmental tax. Whilst planning the accommodation, I asked how many square metres they allowed per person in the sleeping quarters and I was told one. As the member for Tablelands would attest, that is possible if they have three-tiered bunks that are slept in three times a day by nine different people. In the product display room I saw some tins of pineapple that were familiar. The last time that I had seen that brand was in a major supermarket in Queensland.

I return to the international meat trade. I assure members—and I know this from personal face-to-face experience with world leaders in meat hygiene—that the fact that Australia has the best meat hygiene in the world will not be allowed to enhance our international trade. I have been told this by the boss of the English equivalent of AQIS and his counterparts in the EU. The Englishman said, "I'm sorry old chap. Your meat hygiene is excellent but when my political masters tell me to, I will tip a bucket on you." He gave me this tie—the meat hygiene service tie—as a condolence.

Honourable members would be aware that 37% of meat processing within Australia is foreign owned. The only other countries that may rival us in this regard are Brazil and Argentina. Surely we are more solvent than those countries.

The Premier has been critical of the management of the Murgon works. However, with respect, I submit that he has been badly advised. In 1988 I studied almost every meatworks in eastern Australia for the then AMLRDC. Murgon was an industry hygiene leader. The kill line is currently in good condition and is fast, but some industrial renegotiation may be needed for it to stay competitive in the future. The current manager is a marketer whose attitude is that it is a marketing company that happens to own an abattoir. That is a logical management approach. Its marketing wing, QSun, which is still trading, has made good connections with some large and demanding Asian and international supermarkets selling its value-added products. It has done what our meat industry should have done in 1989. Thus yesterday's Budget should assist QSun.

South Burnett's major problem is a lack of equity. I am deeply concerned about what an international company that owns processing interests in Australia has done to Murgon. Last year, it lost over $80m worldwide, with approximately $50m of that occurring in Australia. This is widely recognised within the Queensland industry. Murgon's direct marketing to international supermarkets goes a considerable way towards resolving the pricing/profit problem for quality cuts.

If the Murgon meatworks closes, the 1,200 shareholders will lose the works, which is valued for insurance at $23m but which would probably cost double that to replace. Its scrap value is $4m. The 3,000 suppliers will lose sales proceeds. But more importantly, in the longer term they will lose an essentially locally owned and competitive outlet for their cattle. Preserving the Murgon meatworks is very important, because it is an outlet for smaller producers who turn off small lots.

The closure of the meatworks would have a negative socioeconomic impact on Wide Bay and Murgon. The State of our Regions report and a report by QCOSS both highlight the socioeconomic position in Wide Bay. I have been to several creditor and producer meetings. The will is there. The producers to whom I have spoken—and there are many—are willing to subscribe funds, pledge the supply of stock and pay South Burnett a 5% commission to preserve this essential outlet.

I know that it is not desirable policy for Government to bail out every cash-strapped business. However, I think Murgon is worthy of special consideration for the following reasons: the actions of a multinational company which I equate to economic colonisation; its importance in preserving a competitive market for cattle; the importance of maintaining the service it provides to smaller regional producers; the fact that suppliers are showing support; and the fact that its marketing wing is accessing good overseas markets with a broad range of quality value-added products, and not just meat. There is anger within the industry that this situation is able to occur. That anger will spread and intensify if the meatworks closes.

At the last creditors meeting, the administrator gave the creditors two choices: either accept the non-signed overseas offer, which is subject to raising $15m, from an individual with a very interesting history in Saudi Arabia, or liquidate the cooperative. The meeting was then adjourned for three weeks. In his assessment of the situation, the administrator did not include the successful direct marketing of value-added products to the three largest international supermarkets in Asia. The administrator has now recognised

that he needs the assistance of a consultant experienced in the international meat trade.

South Burnett is now preparing a detailed business plan for the future operation of the works. The Premier told the House that the Government would provide an amount of $200,000, but he did not tell the House that that was conditional on the directors, most of whom are also creditors, providing $34,000. I am happy to report that a cooperative has now acquired the use of a predictive computer model specifically constructed to consider every step within an abattoir and every product from an abattoir, thus making detailed sensitivity studies possible.

Members would know that a very high percentage of the Wide Bay Shire population is living below or close to the Henderson poverty line. Wide Bay will be critical to this Government's realisation of its admirable 5% unemployment objective. The closure of Murgon will further lower the unattractive socioeconomic statistics for Wide Bay.

I am not suggesting that this Government should just shell out gift capital, as the Federal Government has done in Newcastle. What I am suggesting is that the South Burnett deserves very careful analysis, taking into consideration the activities of transnational operators. If that analysis, now being assisted by private enterprise, is favourable, it needs capital accommodation for some years. I encourage the Deputy Premier to facilitate that, provided the works and the innovative QSun are basically sound.

On 18 August this year, whilst discussing employment and job generation within Queensland, the Deputy Premier criticised the Federal Government for providing grants worth $2.5m to ensure that Impulse Airlines set up a call centre at Newcastle. He correctly commented that Newcastle is no different from a whole range of other regional areas, such as Wide Bay. There is a chance to redress that imbalance by helping Wide Bay industry to continue its essential service to Queensland cattle producers.

I have raised the problems of South Burnett and the environment of international trade because I think it is essential that this House know something of the environment in which our primary producers are trying to compete. I am sure the members for Callide and Barambah will join me in offering their assistance to the Minister and Deputy Premier in assessing the situation and the remedies.

Mr BLACK (Whitsunday—ONP) (12.37 p.m.): Today I rise to speak in support of the Primary Industries Legislation Amendment Bill. In so doing, I commend the Minister and his departmental officers on the preparation of this Bill. It is obvious that this Bill provides a sensible outcome based on an extensive consultative process with all stakeholders. The Bill covers numerous primary industries and primary industry interest groups. My research reveals a high degree of understanding and acceptance amongst all participants. In One Nation's view, these are the ingredients of good legislation. Our opposition to the destructive elements of the National Competition Policy is well known. This Bill, though bowing to some demands of NCP, nevertheless facilitates the retention of some aspects of industry regulation which are vital to the ongoing viability of that particular industry.

I have some concerns with respect to the amendment to the Fisheries Act. Extending the docket-keeping requirements constitutes an impost of additional red tape. However, I acknowledge the need to have these provisions to control illegal trading. I had considered seeking to reduce the statutory retention period from five years to three years, but I realise that such an amendment would weaken the legislation while providing very minimal relief from the burden of red tape.

I am philosophically opposed to retrospective legislation, but I am convinced that the retrospectivity in the fruit marketing regulation is purely to correct technical shortcomings. There is no evidence that the relevant clauses will create additional expense or hardship for the stakeholders involved. Similarly, I believe that the Henry VIII element of sections 2 and 11 are justified by virtue of the fact that they are minor in nature and will obviate cumbersome legislative processes in an environment exhibiting such rapid change. If anyone is entitled to introduce Henry VIII clauses, there is no-one more qualified than the Minister.

Other amendments are basically housekeeping ones. With an eye to the heavy legislative agenda and in the interests of proceeding quickly, I do not propose to impose further on the time of the House. One Nation will be supporting this Bill.

Hon. B. G. LITTLEPROUD (Western Downs—NPA) (12.39 p.m.): At the outset, I point out that the Opposition is supporting the Bill. I note the comment of my colleague the member for Crows Nest, who pointed out that it is important that this Bill be passed today because of the provisions in relation to the barley industry. I will begin by making a couple of comments about the Budget that was brought down yesterday. On behalf of the

people of Western Downs, I express some regret about the reduced funding of the DPI budget. There is, however, probably a sense of relief that some of the initiatives that have been developed in the past few years are continuing, especially in terms of research.

Mr Palaszczuk: There is no change.

Mr LITTLEPROUD: There is no change to those projects in the Budget? I will withdraw that statement.

Mr Cooper: The budget has been reduced.

Mr LITTLEPROUD: Yes, the budget has been reduced, but the programs that were in place are continuing.

I want to pay tribute to a colleague and former member of this House, Trevor Perrett, the former member for Barambah. He carried out a big rescue job on the Department of Primary Industries. It is a department that has had a wonderful record of service to primary industries in Queensland. It is always able to rise to the challenges that it faces and, of course, those challenges are changing all the time. We are on the right track in ensuring that we use the very latest in technology and research in order to remain competitive on the world market.

That brings to mind something else that we in this House have to bear in mind, that is, the social implications of what is happening in rural Queensland. It is pretty obvious to me that about 20% of the people in the grain industry in western Queensland—and it is probably the same in the beef industry—are great innovators. They have the capital amassed to enable them to keep up with the latest innovations, they are competitive, and they understand what is happening in terms of production and marketing trends across the world. They are survivors. However, there are other people who, try as they might, cannot amass enough skill or capital to keep on competing. We are creating a situation which will eventually lead to big social problems in rural Queensland.

I am following somewhat on the comments made by the member for Maryborough, who was speaking about the globalisation of markets and the number of large players who have an enormous share of the world market and the implications that that is having for State and national Governments. As a civilised society, we have to do some pretty serious thinking about how we can regain control over what happens within the nation's boundaries.

I know that Mark Vaile has been speaking about the world trade talks that are coming up. I support the elevation of Mark Vaile to his current position. I think he has a pretty good understanding of the sorts of issues that Australia as a minor player faces. We are great exporters of what we produce, but we are minnows in terms of what happens in the marketing of produce around the world. Mr Vaile is very supportive of the World Trade Organisation establishing a set of rules and invoking penalties so that those people who do not abide by the rules can be scrutinised by the international body. At present, as was pointed out by the member for Maryborough, the major traders in the major countries of the world do just as they wish without due regard to any of the sorts of agreements to which they may be signatory.

The big problem that we face is that a lot of people have a lot of money invested in the small family farm and are finding it very difficult to keep abreast of things. We have a social problem arising from that in regard to which all parliamentarians have to try to help out. The problem goes wider than that because many of the people who live in rural communities live in the towns, where there are retailers and people providing services. Efforts have been made by Governments of both persuasions in recent times to get them up to speed on the Internet and all sorts of information technology. I do not think it is very likely that a great percentage of those people find themselves playing a significant role in world markets. They have shaped and honed their skills on servicing the local community and, if the local community is diminishing because the number of people tied up in rural pursuits is diminishing, then their own marketplace is diminishing and that will add to the problems that we face.

It is true to say that over many years the Queensland education system has been right up to date in terms of making sure that we educate our people for the future. We are doing great things in terms of computer education and teaching students how to use the Internet. However, the reality is that a lot of families who rear and educate children in rural Queensland end up living in an empty nest. Mum and dad stay there but the young ones have to move elsewhere after receiving an education. I want to put it on the record that we are facing real problems as a consequence of the use of modern technology in research and agriculture.

I return to the barley industry and some of my observations about the pooling of that industry. I have been fortunate enough to

represent a grain-growing area during the time that I have been a member of this House. I myself have been tied up in the grain industry for 30 years until recently. I have a fair idea of what is going on. I was a great admirer of the late Sir Leslie Price, who was instrumental in getting the Grain Growers Association to a position of great strength. He was greatly admired by all the people in the industry. He understood the marketing needs of the people who are involved in the industry.

Sir Leslie Price had obviously been brought up in an era when the market had enormous power. The growers' prices were always being brought down and they received pretty poor prices as a result of manipulation of the market by the marketeers—the grain traders. It was in the era of Les Price and those people who followed after him that we got into the pooling system. We are talking about single desk selling of barley today. The Federal Government has backed the wheat industry by being a single desk seller of Australian wheat internationally. That is a marketing ploy that we recognised as being necessary.

Over the past 20 years, there were those in the grain industry who wanted to remove the monopoly control of the boards because they thought that they could do better by dealing directly with the end user. They won the day. However, quite a few people, especially the farmers in the Dalby/Chinchilla area who are farming pretty good country but only on small blocks, are now starting to realise that although the free market might serve some people extremely well, it does not do a lot for the small growers.

Growers on the western downs or even further west growing a couple of thousand tonnes of wheat at a time can be sure that they will be knocked down by traders ringing up saying, "I want a thousand tonnes of this grade of grain or 1,500 tonnes of that." Those people have no trouble whatsoever in finding markets because they have the grain traders coming to them. They can market pretty well from that position of strength. However, a farmer from the inner downs area, who might grow 300 or 400 tonnes of grain, does not have a critical mass big enough to have any impact on the grain market. Some of them are now trying to get together and market as a group. Four or five farmers will get together and say, "We will put together a couple of thousand tonnes or a thousand tonnes of a certain type of grain and we will be able to play the same game as the big fellows."

Grainco is to a certain extent something that has grown out of the Grain Growers Association as a marketing arm. However, in recent times there is a point of view that it is just another grain trader; it is more interested in talking about giving the shareholders—the grain growers—a good dividend rather than giving them a good price, and there is a big difference.

I think it is worth stating here today that the time will probably come when the grain industry will once again swing back towards the pooling of crops, because the small farmer will find it too difficult to compete in the marketplace. Very often the small farmer is forced to take the price because he is a bit short of cash; he cannot hang on until the price rises. Once a weak link in the market price is established, that becomes the price of the day. The reality is—and the Minister knows this, because he has been out and about—that even though the grain industry is a huge industry in Queensland, it is not particularly buoyant. About 20% of the farmers in the grain industry are doing all right; they are putting enormous injections of capital into equipment, new technology and buying more land. But the majority of fellows are now battling; they are farming their country with machinery that is probably 20 years old and they are not able to replace it.

This piece of legislation has many facets. However, I certainly support the provisions that relate to marketing of barley. I was keen to put across my point of view about what has happened in the grain industry over the past 20 years and to point out the weaknesses of the free marketing system. I know that we in the National Party have been criticised and called agrarian socialists. I think that pooling makes good marketing sense, and I think that the industry will return to it in the future. I commend those people who are involved in the industry and the staff of the DPI who are out there doing what they can to promote the use of technology.

We have a big debate on our hands now in terms of genetically modified foods. I have done what I can to bring a bit of sanity to the debate. I think some people are a little unreal in their criticisms. There is a need for the people in the industry and for consumer bodies to better educate the public so that they have a fair understanding of what is going on. My explanation is that we have been altering the genes of plants and animals for a long time. Now we have the capacity to do it very quickly because of new technology, but none of us is growing four ears from

genetically modified food that we have consumed over recent years. We can have a lot more confidence in them than some people would have us believe.

Mrs PRATT (Barambah—IND) (12.50 p.m.): Primary industries have always been a major, if not the major, contributor to the wealth of this State and this country. The man on the land was looked up to and was lauded as one to emulate, and it was everybody's dream to become a wealthy land-holder with the accompanying perceived luxurious lifestyle. Governments have slowly but surely whittled away the lifestyles of those in the rural sector and relegated the once prosperous to the ranks of the new poor.

The Murgon meatworks has been mentioned continually of late. This is an indication of the enormous impact the meatworks' impending demise is having on many people. Some of the concerns result from what could only be called poor advice given to the Premier and the Government, the continuing lack of real support and the ongoing indecision. I can only assume that this constant delay in decision making with regard to all things in the South Burnett is due to the hope of this Government that, if given enough time, all those whose livelihoods depend on the decisions of this Government will get sick and tired of waiting and will drift off to other industries in other areas, thus minimising the flak this Government knows it will not only receive but indeed deserve.

I can assure the Premier that the statements made in this House with regard to the South Burnett Meatworks being run down are false. If he cares to find out the truth, I suggest he go to the meatworks and see for himself. Over the past five years, the plant has had in excess of $11m spent on it. The member for Callide has already read to the House a statement detailing these improvements, but it is worth repeating it because not only must the Premier be told the truth but apparently it must be repeated over and over again until he starts to question the information he has been given. The letter from the South Burnett Meatworks states—

> "The plant, over the past 5 years, has had in excess of $11 million spent on it. This has meant a new kill floor, new boning room, new chillers, new yards and a state-of-the-art dicer/slicer machine with an automatic packing line (the only one of its kind in Australia). Other upgrades have been up to date computer system for scanning and tracking of product along with computerised refrigeration including variable speed mechanisms to reduce shrinkage and a modern container loading facility with the ability to load containers direct onto rail. All refrigeration systems are in excellent condition and the plant has an enviable international reputation for quality product and for servicing the needs of its customers.
>
> The management, staff and workers in this plant have worked together over a period of time to make significant inroads in cost savings and additional revenue. We now have in excess of 2% extra yield above the national average and above some major competitors. Our cost to operate has been reduced in excess of 30% over the past 12 months and an independent assessment by one of the "Big 6" accounting firms put South Burnett Meat Works in the lower 25% in operational costs per head. More recent cost savings will again reduce operating costs by an additional $15-$20 per head.
>
> There have been major achievements in the marketing of product direct to supermarkets in Asia and direct to the food service sector in the USA. This has been achieved through our marketing arm, QSun Foods Pty Ltd and is therefore critical to any successful restructuring/refinancing of the operation. These have provided substantial increases in revenue recently and are continuing to grow at an exponential rate.
>
> Since the administrators have been appointed, we have noticed the tremendous support from the livestock producers in Queensland, suppliers, non-suppliers and creditors and it is very much appreciated. We have also received substantial support from other creditors who have told us that when we start again they are prepared to continue to do business with South Burnett. Our customers also have indicated every intention of sticking with us when we recommence operations and it should be noted that all of this support has been unsolicited.
>
> We do understand that we are undercapitalised but with an injection of capital we believe that current management with the additional advantages in costs and marketing already in the pipeline, are well equipped to take South Burnett Meat Works into a profitable future."

That letter is signed by approximately 300 employees of the South Burnett Meatworks.

That is not a description of a run-down plant as has been stated in this Parliament, nor is the united effort from employer and employee to work in the best interests of the works anything other than a strong belief in its future. Whether intentionally or not, the Premier has been misled. The Parliament has been misled. The people were misled when they thought Government was going to be prepared to offer assistance. Jobs, jobs, jobs—going, going, gone.

As the member for Maryborough stated at a recent creditors meeting—I have been to just about every one—the administrator offered an option A to the creditors. This option was that the purchaser offer $5m dependent on the raising of another $15m. There was no signed contract or statement ensuring that the South Burnett Meatworks would in fact keep operating. The question must be asked: is this man the actual purchaser or is he representing a transnational with no interest in the long-term future of the South Burnett Meatworks?

I fully endorse all that the members for Callide and Maryborough have said in this House on this issue. I urge the Government to read, reread and read again these contributions until it understands fully the situation at Murgon. It needs to see that the South Burnett Meatworks is worth saving.

Slowly but surely, Governments are destroying the rural sector. The peanut industry is another example of Governments not only jeopardising an industry but also risking the health of a population in the process by allowing, even encouraging, the importation of foreign peanuts with higher cadmium levels. We all know how dangerous high cadmium levels are to the human body. Again, there will be job losses and a major industry will continue to be threatened. Jobs gone, gone, gone.

We all sit in this House and listen to the continual breast-beating and watch the self-important posturing and one-upmanship of members of this House. It may come as news to the Premier and members of the Government, but nobody really cares if they can be more offensive than the members of the Opposition. Nobody admires them for their condescending attitudes. All that the people out there care about is their doing the job they are here to do, that is, to pass legislation that will assist them to survive out there, where things are really tough. They need them to put up and pass legislation that supplies them with the means to survive—water to grow crops and build industry, power to harvest and process the product and markets to sell to—so that they in turn can dream of retiring with something left in their pockets.

We sit in a dining room here in Parliament House eating oysters and literally living off the fat of the land. While we are devouring what can only be described as the best products primary industries can offer, there are families out there existing on $12,000 to $14,000 a year. Have honourable members sat at a table while the mother has torn bread and covered it with gravy so that everyone at that table believes that she is eating meat, too? I did that very recently.

Legislation that is pushed through this House must not reward one sector of a community over another. Other members have spoken on industries, but I will look at the few in the primary industries belt of Barambah. We have the RFA: jobs going, going, possibly gone. We have the peanut industry: jobs going, going, possibly gone. We have the pork industry: jobs going, going, possibly gone. We have beef and abattoirs: jobs going, going, gone. We have the dairy industry: jobs going, going, possibly gone. I ask Ministers to have the intestinal fortitude to tell the people one way or another, yes or no, what it is to be. They should let them just get on with their lives.

Water is the major component for life. It is the limiting factor for all primary industry and it has the capacity to literally open up the interior of Queensland and provide jobs. But still we wait. This Government's motto has been "jobs, jobs, jobs". Well, this Government will be remembered as the "jobs gone, gone, gone" Government, especially by those in rural Queensland.

I remember the Premier stating here in this House that this Government would be a Government for all Queensland and that he would be a Premier for all Queenslanders. The Premier should know that Queensland is not just a coastal strip, nor is it a little section commonly called the south-east corner. People do live—or perhaps I should say "exist"—outside of these areas. Just for future reference, Ipswich is not the bush.

Many members have spoken about the facts and figures of each and every industry—the problems, the pros and cons, and the fors and againsts in relation to tariffs. But we must not forget the human factor when we put forward, discuss or vote on legislation. I make no apology for approaching this from the angle of the impact on people. The percentage of people in my electorate who live under or just on the Henderson poverty line is abysmal.

Sitting suspended from 1 p.m. to 2.30 p.m.

Mrs LIZ CUNNINGHAM (Gladstone—IND) (2.30 p.m.): It gives me a great deal of pleasure to speak on this primary industries Bill. My electorate has a very healthy mix of urban and heavy industry, but a very important component of our economic base is our rural community. There are a number of issues touched upon in this Bill that will affect my electorate.

The initial comments that I want to make relate to the ability of growers throughout the shire, that is, horticultural as well as beef producers, to earn a living this year. Mine was the last electorate in Queensland to have its drought declaration lifted. I have written to the Minister about this matter because, on the Thursday that the drought declaration was lifted, this Parliament was sitting, and it was not until I returned to the electorate that I read a newspaper and discovered that the drought declaration had been removed, but we had had no rain. One might wonder on what basis that declaration was lifted. Since then, we have had no meaningful rain in our rural base. The Minister said that he was going to keep a watching brief on this situation. I would be interested to know what is happening about that. The Minister has responded to a number of letters that I have written to him about our problems. The access of farmers—whether they be horticultural farmers or graziers—to water is paramount in their ability to produce product.

The product that is produced in my electorate includes beef. It also includes a heavy component of small product, that is, fruit and vegetables, particularly in the Yarwun/Targinnie area, which is famous not only for mangoes but for things such as pawpaws, soft vegetables—zucchinis, etc.—and some tropical fruits. The need for those producers to have access to an adequate water supply is paramount in enabling them not only to produce a crop but to produce a quality crop.

Some months ago, not long after the Minister took up his portfolio, he met with Yarwun/Targinnie fruit and vegetable growers, who discussed with him the need for access to irrigation water. To date, there has been no resolution of that problem. They are looking at access to raw water from the Awoonga dam. While the ability is there, cost is the factor that is precluding them from accessing what would be a reliable water supply and, therefore, a reliable product. That problem remains. And whereas there has been contact between that group, the Minister for Primary Industries and the Minister for State Development, I do not believe that they are any closer to a resolution that will address their needs.

Those growers send their product to the Brisbane Markets. I believe that they do most of their selling through Brisbane. Some send it through to Sydney, and some have developed a very reputable export market, particularly for mangoes. But their ability to sustain that market and their reputation hinges very much on their future ability to access water. As a group of people, they feel very vulnerable because of the industrial development around them, and they believe that, in part, remediation for the impact on their farms by industrialisation can be made through access to irrigation water.

A couple of years ago, I had the opportunity to tour the Brisbane Markets with the chairman of the board and the chief executive officer. That was before the restructuring. Not being a Brisbane person, it certainly was an eye-opener to see how the markets work. At that time, they were concerned about a greater ability to influence the way in which the markets are structured—the selling floor. I notice that the restructuring proposed in this legislation has, in great measure, answered many of their concerns. I applaud the Minister for the fact that this is going to a GOC. One of the suggestions that was mooted was for it to be sold to private enterprise. When that was first discussed with me about three years ago, I was greatly concerned—as were growers in my region—because, if it was privatised, that would remove an opportunity for growers to get a fair go. Of all the parties involved in the markets, the growers are the most vulnerable. They do the hard work and they prepare the product which is sent down here. The agents and the buyers have a lot of say. They are located in Brisbane. They have a great opportunity for input into the markets. But from my perspective—and from that of the growers—they were the most vulnerable in this arrangement.

In an endeavour to address the concerns of the people who were running the market and the people who felt an injustice because it was administered by a Government body—which, with the greatest of respect, had little knowledge of the way markets operated—the structure that has been determined for this Bill is a middle ground that I believe gives a great deal of protection for most people. It is paramount that growers continue to feel that their interests are being protected. I notice that the make-up of quite a number of the boards

ensures that, not only in the fruit marketing sector but also in the beef and grain sectors, there is a good representation not only of the post-producer but the producer on those boards to ensure that a realistic voice is retained in all the decision making.

I come back to the Brisbane Markets. We have a very viable horticultural industry in Yarwun/Targinnie. It is one that I believe is growing, and it will be constrained only to the extent that growers' access to water is constrained. I again ask the Minister for Primary Industries to do what he can to make available irrigation water for those growers at an affordable price from the Awoonga and the augmented Awoonga Dam, because that would see the horticultural industry there burgeon. It would not conflict with the industrialisation, because those people live in a different area. The Minister has been to Nadia and Keith's farm. It would open up to them opportunities for a reliable water supply and, therefore, a reliable type of product and a reliable yield. I commend that to the Minister.

Another issue in relation to primary production in my electorate—and again, it relates to water—concerns the problems that the Mount Larcom/Bracewell people face with regard to the draw down of water by the QCL mine. Almost without exception, those people are graziers. There are horse spelling yards, and one chap who has just moved there is growing tropical fruit and trees. But certainly the vast bulk of them are graziers. Because of their lack of access to a reliable water supply, they are greatly concerned about their ability to produce a product at the end of the day. This has created a stalemate at the moment.

I gave a talk in this House some weeks ago about the need for a technical forum. To the credit of the Department of Environment and Heritage and the EPA, they did contact the EEMAG group and have organised to drop the mediation from the technical forum. I thank the Minister for Environment and Heritage for that. It was certainly a move in the right direction. However, we still need a resolution to this water situation. The current problems have existed for five years, and that is frustrating. Those people have been to see members on both sides of politics, but nobody seems to be interested in their problems. Yet that group of landowners have invested their life savings and, indeed, their lives into their properties. Many are on MPHs or MHPLs. They have been there for a long time, and they have put a lot of work into their properties. They can see the value of their properties and the value of their product deteriorating simply because nobody will step in and require parties to be answerable for the impact that they are having.

As I said, one would hope that this technical forum will go some of the way, but eventually the Government—whether it is this Government or a subsequent Government, but please let it be this Government—needs to step in and say, "These are the parameters of impact. This is the resolution to the problem. These are the parties who will foot the bill." This will allow the parties to get on with their lives. The Minister will need to be definitive and firm. Until that happens, the grazing and other industries in the Mount Larcom and Bracewell areas will continue to flounder.

Luckes' farm was involved with chicken and pig production. The family has sold off its chicken interests and is solely involved with pigs at the moment. This enterprise employs quite a lot of people. I believe three or four brothers are involved in the property, together with some members of their families and some local residents. As the property's ability to survive deteriorates, so does the opportunity for employment in the region deteriorate. These families are heavily reliant upon that income.

The drought has had a significant impact on grain production in my region. It is not a primary source of revenue in my electorate, but the grain that was grown around the Monto area was railed to the port of Gladstone and was bulk-shipped from the port at Auckland Point. I do not believe that this operation has been undertaken for some eight or 10 years because of the drought. I am concerned that the 6% impost on infrastructure contained in this year's Budget will put pressure on Queensland Rail, the Department of Transport and the Minister, requiring them to look at ways of reducing the amount of infrastructure in ownership. The Taragoola line will be re-examined. The amount of product transported along that line has diminished, but it has diminished because of the drought, not because of lack of demand. Decisions made on the basis of product carried on the line today would be inaccurate because they would fail to take into account the effect of the climate over the past eight years or so when we have not had good rain. The growers are still there and they still want to plant, but their ability to plant and have a reliable return is not realistic.

The Bill provides for an adjustment to the Agricultural Standards Act. I noticed that in the Budget a small amount was allocated to the return of agricultural chemicals. I commend the Minister for this step. It was 1988 when I

entered local government and I know that even before that time the matter of chemicals was an issue. It is a catch-22 situation. Local authorities do not want to see indiscriminate dumping of farm chemicals but have no avenue through which to safely dispose of the chemicals and in the past have relied on the State Government being prepared to take the chemicals off their hands and dispose of them appropriately.

We went through a period when the State Government would not take the chemicals and councils were left to either accumulate a stockpile of chemicals, which were often unidentified, and therefore create their own toxic problem, or to pretend that the issue did not exist and leave the toxic chemicals on-farm. The Budget is very difficult to read because it does not give a great deal of detail. If that allocation in the Budget is directed at the disposal of chemicals, I commend the Minister, because it is an ongoing problem not only for local authorities but also for farmers who may have stockpiled chemicals in old sheds which they now have to clean out. It is necessary to have a safe and appropriate place to stockpile chemicals and to be able to deal with them effectively. This issue will have long-term consequences for the community.

As I said, my electorate relies very heavily on revenue generation from agriculture. Ninety per cent of the land in my electorate is used for horticulture or grazing. The area has suffered greatly over the last few years because of the climate. Any moves that would make the life of the rural person easier are to be commended. I support the Bill.

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries) (2.45 p.m.), in reply: At the outset, let me thank all honourable members for their contributions. It is good to see that there is bipartisan support for primary industries in Queensland.

I would like to thank the honourable member for Crows Nest for the manner in which he has approached the passage of this Bill. It is good to see that the Department of Primary Industries and my office have briefed the honourable member, other members of the National Party and members of the One Nation Party, on this piece of legislation to ensure that everyone has a good knowledge of the substance of the Bill. I will not sum up what the various members have said in relation to the legislation, but I will make this commitment: I will correspond by mail with those who have raised important issues relating to their own electorates.

This Bill amends a number of Acts and shows the breadth of activities in which the Department of Primary Industries is involved. The amendments to the Chicken Meat Industry Act and the Grain Industry (Restructuring) Act demonstrate the DPI's role in facilitating industry development and structural adjustment. The amendments to those Acts will assist the competitiveness of those industries. My department's core vision is for a competitive and viable primary industries sector. These amendments contribute to that vision.

Another important fact about these amendments is that they have the agreement of the industry. My department and I work closely with industry at all times to ensure that the outcomes of legislative reviews are desirable from a policy perspective and are broadly acceptable to those affected by the changes. In both of these cases we have done that. At all times we want industry to be part of the process, not just affected by it.

The amendments with regard to fisheries demonstrate another key role of the DPI—namely, ensuring sustainable resource management. As members would be well aware, I am committed to ensuring that the structures and regulations that govern the use of the fisheries resource in Queensland are the best in the nation. I have initiated a review of the governance of fisheries.

This review is examining the division of responsibilities between the Queensland Fisheries Management Authority and the Fisheries Business Group of DPI, and the resourcing of both agencies. The outcome of this review will be a structure that delivers efficient, effective fisheries management in a way that is clear and transparent to those involved in the fishing industry. I have also launched a review of the Fisheries Act itself. This review will examine all aspects of how our State's fisheries are regulated.

Mr DEPUTY SPEAKER (Mr Reeves): Order! The member for Hinchinbrook! The Speaker has reminded members of this Parliament not to have beepers or mobile telephones switched on in the House. This is the second time this has occurred during this debate.

Mr PALASZCZUK: Primarily, these amendments facilitate a national scheme that will stop black marketeering in abalone. The scheme also offers the prospect in the future of being used to protect fisheries resources in this State. It is all about ensuring that the resource is sustainably used. This is only fair

on those who abide by the rules and do the right thing.

The creation of the new Brisbane Market Corporation will be facilitated by amendments in this Bill. The markets at Rocklea are an important asset for Queensland's growing horticulture industry. The new corporation will be about maximising the value of this asset for the industry. The corporation will further develop a state-of-the-art facility which meets the needs of its tenants and users. This again demonstrates the DPI's role in providing strategic assistance to industry, be it through a publicly owned markets in this case, through research, development and extension, or assistance with market access.

My department is involved in promoting Queensland's rural industries in many different ways. The Meat Industry Act is also amended in this Bill. This Act is directed towards food safety and quality in this State's vitally important meat industry. The issue of food safety is one that is becoming increasingly important for primary industries generally, and for my department. Food safety is important not only for consumer protection but also for market access. Our exports depend vitally on satisfying overseas customers that our food is not only of the highest quality but is also safe.

In Queensland we have a clean, green image and my department is working to keep it that way. The amendments to the Meat Industry Act provide for better processes for appeals, which is in the interests of all those who hold accreditations under that Act. The amendments to the Primary Producers' Organisation and Marketing Act 1926 and the Fruit Marketing Organisation Act 1923 are all about helping two grower organisations become more flexible in their structure. The two organisations are Canegrowers and the Queensland Fruit and Vegetable Growers. In all, this Bill shows the wide scope of the department's responsibilities and activities.

Motion agreed to.

Committee

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries) in charge of the Bill.

Clause 1, as read, agreed to.

Clause 2—

Mr PALASZCZUK (2.51 p.m.): I move the following amendment—

"At page 8, lines 15 and 16—

omit."

Mr COOPER: I seek clarification in relation to clause 2(3), which states—

"The proclamation fixing the day for the commencement of section 20 must fix as the day of commencement the day on which the Brisbane Market Authority becomes a company GOC under the Government Owned Corporations Act 1993."

Could the Minister also explain clause 2(4), which appears at lines 15 and 16 on page 8, and how corporatisation is proceeding? Obviously, this legislation is fairly imminent. Could the Minister give me a run down on the corporatisation of the market authority as he is explaining his amendment.

Mr PALASZCZUK: Basically, this amendment removes the provisions relating to the retrospective declarations of certain fruits to be fruits for the purposes of this Act.

As soon as this Bill goes through the Parliament, we will be able to continue with the corporatisation of the Brisbane Market Authority.

Amendment agreed to.

Clause 2, as amended, agreed to.

Clause 3—

Mr ROWELL (2.53 p.m.): I think that this clause is quite significant. As I read this legislation, it refers to the corporatisation of the markets in Brisbane in that they will become a Government owned corporation. Is that absolutely correct? If it is, I want to ask the Minister about a review that resolved to consider privatisation over corporatisation. I would like the Minister to give me some understanding of why he has gone down this track, because a number of people who operate in the market are greatly concerned.

The QA standards at the market are quite poor. I have been out there and seen pallets of fruit out in the sun and pallets being placed on forklifts and taken from the bulk holding area to the selling floors. In this day and age, that is very detrimental to anybody who goes to a great deal of trouble to try to preserve the cool chain. As I said during the second-reading debate, those markets were built back in 1960. Certainly, they are antiquated. I believe strongly that our best option was to have a another look at the whole markets concept.

Of course, the more money that is spent at the markets, the more the agents have to pay for the area that they are renting. I understand that, currently, the cost to rent space at the markets is about 45% above the cost of rental space outside the markets. The

current rental rate is $60 per square metre. Currently, people pay something like $100 a square metre for rental space in the selling area and something like $90 a square metre for rental space in the refrigerated cold space area. That is not cost effective for those agents who are competing against the major supermarkets such as Franklins and Coles who are bypassing the marketing system. In many cases, those major supermarkets are buying directly from growers. That stock goes into their warehouses and it is then distributed throughout Queensland. To a large extent, through the actions of these major players the community nature of the markets is lost. We are well aware that those large supermarkets sell something like 80% of the produce that goes into retail outlets throughout Australia.

I want to make the point that we have to keep a competitive market. We have to make sure that it is served by the best facilities. I believe that the markets leave a lot to be desired, particularly when we consider our exports of fruit. A lot of money has been spent on the market. Across the road from it, facilities have been built for the storage of pallets. If money continues to be spent on the markets in this manner, at some time down the track we might see this major trading centre for fruit and vegetables in Queensland become a very non-competitive marketplace.

We are well aware that, currently, the horticultural industry is worth $1 billion or very close to that amount. As I said during the second-reading debate, the industry will be worth probably something like $2 billion in 10 years' time.

Mr Palaszczuk interjected.

Mr ROWELL: I am not going to disagree with the Minister. I think that I am being very conservative with that estimate. Every time we open up a dam or every time somebody subdivides a piece of land somewhere, a higher value type of crop is considered. Very often, vegetable crops are the types of products that are considered.

So I would really like an explanation as to why the Minister has gone down the corporatisation track rather than privatisation, which was considered in that review of the Brisbane Markets that was completed probably about 15 months or 16 months ago.

Mr PALASZCZUK: The Government decided to take the path of corporatisation with the Brisbane Markets for a number of reasons. The most important reason is that we believe that the Brisbane Markets are a very important public utility. We aim to keep them within Government and, by corporatising them, to make them act on a commercial basis.

The honourable member raised a number of important issues in relation to the cool chain and the present state of some parts of the markets. I assure the honourable member that improvements are planned for the markets that will address the cool chain issue. Of course, if we look at the role of the supermarkets at the markets, such as Franklins and Coles, they maintain the integrity of that cool chain from the farm gate all the way through to the distribution centre at the markets and then onwards to the stores themselves. That issue is going to be addressed under corporatisation. I remind the honourable member that about a month ago I opened the new Carter and Spencer facility at the markets. It is a $10m, state-of-the-art facility. It really maintains that cool chain. The other reason why we decided on the corporatisation path is that the Brisbane Markets are in a central location. They are accessible to rail and major highways.

In conclusion, I ask the honourable member to keep this in mind: what would the growers in his electorate think about him advocating the privatisation path?

Mr ROWELL: I thank the Minister for his response. At the present time, we are well aware of the situation as far as the major chains are concerned. We have to preserve the integrity of the competitive spirit in the marketplace. I would like the Minister to give some indication of what he will spend as far as corporatisation is concerned. I know that he will say simply that that is up to the corporate body. However, he has a responsibility to ensure that that expenditure will be within the realms of reasonable cost as far as a grower is concerned.

If a grower does not like a private enterprise, he can move on to another one. That is always what we deal with. Having been involved in this process over a period, I know the pitfalls of having to deal with major supermarkets. They are very adamant that they will manipulate and control all of these industries. We have to ensure that we have the best opportunities for the cold chain. At the present, some of the expenditure that I have seen has not done anything to instil confidence in people who are selling their wares to the Brisbane Markets.

I also raise the point of transport. As the Minister has said, there is access to road and rail. However, what if the amount of material that comes in and out of the markets is doubled? If we put that into the equation, do

we really have adequate access as far as roads are concerned? I believe that there could be quite a deal of congestion.

These points are very relevant. I will go to my electorate and talk about the privatisation of the Brisbane Markets. I have no fears about that whatsoever. However, I am extremely concerned that Queensland does not end up with a best alternative for a $1 billion industry that is probably going to be worth $2 billion in the very near future.

As far as exports are concerned, the location of the markets is certainly not ideal. They are not very close to the airport or to shipping lines. As a consequence, it takes a journey across town or by routes around town to get to those types of facilities. How much investigation did the Minister do of the best alternative for the Brisbane Markets before he thought about corporatisation?

Clause 3, as read, agreed to.

Clauses 4 to 6, as read, agreed to.

Clause 7—

Mr COOPER (3.05 p.m.): I ask for clarification on clause 7, which states—

"omit, insert

(2) The committee consists of—

(a) an equal number of representatives of growers and processors; and

(b) a person, other than a grower or processor, who is to be the chairperson."

Under clause 8, the Minister must appoint the committee members by Gazette notice. Before it gets to that stage, what is the actual process of arriving at those selections? Are members elected by the various grower and processor bodies? Can the Minister give an indication as to how the chairman is appointed?

Mr PALASZCZUK: Basically, the grower bodies do the selection and, as Minister, I select an impartial chairman to ensure that the right decisions are made.

Clause 7, as read, agreed to.

Clauses 8 to 11, as read, agreed to.

Clause 12—

Mr COOPER (3.07 p.m.): Again I ask the Minister for clarification. These various issues have been raised by the grower groups, processors and so on. It is important that the Minister places on the record how they will actually function. Clause 12 replaces section 16, which deals with functions. Can the Minister give examples of how this will differ from the existing situation? Will the same people be on the committee with the same chairman? Can the Minister give some examples of that operation?

Mr PALASZCZUK: Basically, they will remain until their term expires, but their main role is as facilitators. It is the same role, as facilitators.

Clause 12, as read, agreed to.

Clauses 13 to 20, as read, agreed to.

Insertion of new clauses—

Mr PALASZCZUK (3.08 p.m.): I move—

"At page 17, after line 4—

insert—

'PART 4A—AMENDMENT OF FARM PRODUCE MARKETING ACT 1964

'Act amended in pt 4A

'20A. This part amends the Farm Produce Marketing Act 1964.

'Amendment of s 7 (Application for farm produce commercial seller's licence)

'20B.(1) Section 7(8)(a), from '31 December' to 'with;'—

omit, insert—

'30 June 2000;'.

'(2) Section 7(8A)—

omit.

'Amendment of s 54 (Expiry of Act)

'20C. Section 54, '31 December 1999'—

omit, insert—

'30 June 2000'.

'Insertion of new pt 5

'20D. After section 54—

insert—

'PART 5—TRANSITIONAL PROVISIONS FOR PRIMARY INDUSTRIES LEGISLATION AMENDMENT ACT 1999

'Fidelity bonds for issue or renewal of licences

'55.(1) This section applies to a fidelity bond for a licence issued or renewed after the commencement of this section.

'(2) The fidelity bond or the certificate of renewal of the fidelity bond must state that the fidelity bond has effect for the period starting on the day the licence is issued or renewed and ending on 31 December 2000.

'Operation of provisions of Act after expiry

'56.(1) Despite the expiry of this Act, the following provisions and any definitions in

the Act relevant to the provisions remain in force until the end of 31 December 2000, when they cease to have effect—

(a) section 6;

(b) section 29(1) and (3);

(c) section 30(2) to (5), (7) and (12);

(d) sections 32 and 33.[1]

'(2) In section 32, a reference to a person who is acting as or carrying on business as a farm produce commercial seller is taken to include a reference to a person who was acting as or carrying on business as a farm produce commercial seller before 1 July 2000.

'Exemption from expiry of Farm Produce Marketing Regulation 1984, s 14

'57. Despite the Statutory Instruments Act 1992, part 7, and the expiry of this Act, the Farm Produce Marketing Regulation 1984, section 14,[2] does not expire at the end of 30 June 2000,[3] but remains in force until the end of 31 December 2000, when it ceases to have effect.'.'.

1 Section 6 (Registrar and deputy registrar employed under Public Service Act)

Section 29 (When bond may be forfeited)

Section 30 (Banking of moneys)

Sections 32 (Inspection, audit etc. by registrar etc.) and 33 (Audit of farm produce accounts etc.)

2 Section 14 (Procedure on forfeiture of fidelity bond) of the regulation

3 The Farm Produce Marketing Regulation 1984 was exempted from expiry under the Statutory Instruments Act 1992, part 7 (Staged automatic expiry of subordinate legislation), for the period ending at midnight on 30 June 2000—see the Statutory Instruments Regulation 1992, section 9."

Mr COOPER: Obviously I have the amendment here, but I think that it is necessary for the Minister to explain some aspects of it. The amendment inserts Part 4A—Amendment of Farm Produce Marketing Act 1964. Can the Minister explain the meaning of the amendment?

Mr PALASZCZUK: This amendment introduces an extension of time for the life of the Farm Produce Marketing Act. This implements the result of a recent review of that Act. The review recommended a six month extension of the Act to 30 June 2000. The amendments also allows a further six months for the resolution of any outstanding claims. The Act will be replaced by an industry code of conduct, as occurs in other States. The outcome of this review was supported by growers through Queensland Fruit and Vegetable Growers and through the wholesalers at Brismark as well. So it did have support from both the growers and the people at Brismark.

Amendment agreed to.

New clauses 20A, 20B, 20C and 20D, as read, agreed to.

Clauses 21 to 25, as read, agreed to.

Clause 26—

Mr COOPER (3.10 p.m.): Some concerns have been expressed in particular by canegrowers in relation to the replacement of section 123, headed "Protection of marine plants". The Minister might take all of these queries on board now and then answer all of them together.

There have been concerns over excessive delays in the issuing of permits for the clearing of mangroves. As the Minister is aware, these people are not seeking to destroy mangroves. However, canegrowers need to be able to continue to run their business. As such, when they require a permit there should not be excessive delays, because that can affect the growers' ability to earn. We seek the Minister's assurance that there will not be excessive delays.

Also, does the grazing of saltcouch by cattle constitute an example of damage to marine plants? The cattlemen need an assurance that they will continue to be able to graze their cattle on saltcouch. Also, would coastal properties with saltcouch on them be in breach of the Act?

I seek an assurance from the Minister that the cost of permits will reflect only administrative costs and not be excessive. Those costs should be kept to a minimum. In relation to costs and the streamlining of the permit process so as to avoid heavy fines for necessary and legitimate clearing and pruning of mangroves, as I said, the canegrowers must be able to continue their operations, and we obviously do not want to put canegrowers in the position of being subject to heavy fines if they have to conduct legitimate pruning and clearing of mangroves. Those are the issues of the canegrowers in relation to mangroves. They do not seek to engage in the wholesale destruction of mangroves. However, they should be allowed to continue to carry out legitimate clearing. I ask the Minister to address those four points.

Mr PALASZCZUK: I will start with the last point first, namely, the pruning and trimming of mangroves. A code of practice will be

established in consultation with the canegrowers. In relation to the other issues raised by the honourable member, in particular the issue of saltcouch, the mowing of saltcouch on headland will be approved. In relation to properties bordering mangrove areas, people will have to intentionally damage or prune or trim mangroves before they will be liable for prosecution. There has to be an intent to do it.

Mr Cooper: What about cattle grazing of saltcouch?

Mr PALASZCZUK: The issue of cattle grazing of saltcouch is basically the same as mowing. I do not think there will be any problems there at all. But that will all be addressed in the code of practice that will be determined with industry.

Mr Cooper: The issuing of permits?

Mr PALASZCZUK: Yes, that is fine.

Mr Cooper: No excessive delays?

Mr PALASZCZUK: There will be no excessive delays—not from my department.

Mr ROWELL: We are now seeing a much better situation than that which existed previously. For example, in relation to mangroves, permits had to be obtained and a whole range of requirements met. At times it took about 18 months to get a permit for minor works, which I thought was absolutely ridiculous. Let us face it, in some cases siltation does occur when a drain runs from a cane farm, another agricultural area or even a town area. It is imperative that at some stage we are able to do something about it. The codes of practice are excellent. We were involved in addressing this issue when we were in Government. I believe that is the way to go. I understand that the Minister will enable, for example, the cane production boards to be involved in the approval process. The cane industry is directly involved in mangrove clearing in certain areas. The Minister will put some limitations on that, and I do not see any problem with that. For example, we might see drains with a width of four metres. That will probably need to be taken to a higher level if more is to be done. That is fine. At least that gives the people who have to do maintenance work involving mangroves the ability to go to whichever body the Minister decides—I think it was the cane production boards—and seek a decision on whether that clearing or maintenance work can go ahead. But there are other users, for example, other growers and shire councils. I believe they will be permitted to do some trimming of mangroves. But in relation to clearing of existing drains or depressions that take away water, if we have the canegrowers as the only body in an area that can make that decision, how would the other groups—other growers or perhaps even shire councils—go about seeking approval?

Mr PALASZCZUK: We are going to adhere pretty closely to the code of practice that will be put together to resolve the issues that the honourable member has raised.

Mr ROWELL: But which body will give approval to bodies other than canegrowers?

Mr Palaszczuk interjected.

Mr ROWELL: Fisheries is going to do it.

There are other quite serious problems. Turning from maintenance to major constructions and the SIIP package, mangroves are probably at the bottom end of a lot of drainage schemes. In some areas construction has to take place. In my contribution to the second-reading debate, I highlighted one situation involving a fish habitat. To avoid revocation of a small area of fish habitat—about 280 metres—the department was proposing to construct a two-kilometre channel on private ground through acid sulfate soil.

In speaking to people from GBRMPA, I have gathered that their greatest concern is acid sulfate soil, and not mangroves. There is no doubt that mangroves are important. The potential—and I only say the potential; I do not say that it will necessarily happen—for fish kills and problems associated with marine life is probably greater when acid sulfate soils are involved. There is greater concern about the impacts of acid sulfate soils than the impacts of mangrove clearing. It is extremely important that we make some good, sound decisions.

When I was the Minister, I had no doubt about which course I would have taken. If it was the case that we could reduce the length of the work carried out in acid sulfate soils, even though it might have been through a fish habitat—and from time to time revocations do occur; and the Minister can quote me in the media as being prepared to do it—that would be a better course of action for the Loder Creek drainage scheme, which is being held up because of this issue. That is absolutely ridiculous. That SIIP package came in in 1993 or thereabouts. We have been designing and redesigning the processes, and that is absolutely frustrating for the people who would benefit if we made some decisions about sensitive areas.

Government is here to govern. It cannot please everybody all the time. I suppose what I am asking the Minister is: what sort of

decision would he make—and I do not know whether he is familiar with Loder Creek—in the situation that I have described? Would he be prepared to say, "Okay, there is a problem here. If we are going to improve these areas so that drainage can be a major component of the good agronomic process that growers have to go through"—

Mr Welford: Don't answer that.

Mr ROWELL: I thank the Minister. The Minister for Environment said, "Don't answer that", and that is not surprising coming from him. It is not surprising at all. He is absolutely negative about anything to do with agriculture. Let me ask the Minister. It is up to him whether he will answer it or not.

Mr Cooper: You can do it.

Mr ROWELL: Yes, he certainly can. Would the Minister be prepared to take a logical course rather than an irrational course?

Mr Welford: You want it to be sustainable. Tell him it's got to be sustainable—simple.

Mr ROWELL: The Environment Minister says, "It has to be sustainable". Okay, that is fine. I have no problem with that. Would it be better to reduce the area involving acid sulfate soils by taking a shorter course through a fish habitat?

The whole SIIP package in the Herbert River district is being held up by this process. Mandam also has a very similar problem. It is not quite the same as Loder Creek. However, the problem is that somebody has to make a decision. Somebody has to say, "Okay, let's bite the bullet. Let's do something that is good, that is important and that is going to be sustainable", to use the words of the Minister for Environment. If there are acid sulfate soils involved in 1, 2, 10 or 50 metres, we have to address those issues. I have no problem with that whatsoever. We have the technology to do exactly that. It is really up to us to make a decision as parliamentarians as to the direction in which we are prepared to go.

Time expired.

Mr PALASZCZUK: I point out to the honourable member that after five minutes he has posed in my mind a hypothetical question. I do not give answers on the run. I always need to take advice before I can make a reasonable assessment of the situation. That is the way I have operated all along and that is the way I am going to continue to operate.

Mr ROWELL: What the Minister is saying is that this problem has not been brought to his attention. The Minister does not know anything about it, otherwise he would have known what sort of a response to give me. His colleague the Environment Minister is chortling away about how it has to be sustainable, and I am not disagreeing with that. I do not agree with the Environment Minister very often, but I agree with him in this instance. Yes, it has to be sustainable; it has to be done properly. The Minister will not even agree that we have to take a logical course. My goodness, the Minister has to make some decisions sooner or later on these sorts of issues. This has been going on for almost six years.

Mr Palaszczuk: Why didn't you fix it?

Mr ROWELL: I was ready to do it, but the members opposite took over. I was there for five months.

Mr REEVES: I rise to a point of order. I am wondering what relevance this has to this particular clause.

The TEMPORARY CHAIRMAN (Mr Mickel): Order! There is no point of order.

Mr ROWELL: This is about mangroves, which is what clause 26 relates to. We are talking about marine life and we are talking about clearing mangroves.

Mr Welford: He wants to bulldoze them all.

Mr ROWELL: That is an absolutely irresponsible, stupid statement that has been made by the Minister for Environment, and I am not surprised.

I think it is extremely important to realise that last year people's farms were inundated by very, very heavy rainfall—something like four metres—and that during the crushing season they had enormous difficulties getting their crop to market. This year the crop is very poor. The farmers have been hit with very low world prices. They are facing inadequate returns. They had difficulty planting their crops and, as a result, there is a loss of income to the State and to the nation.

An honourable member interjected.

Mr ROWELL: Yes, c.c.s. was part of it. It was part and parcel of the problem. It was a real loss for Queensland. We cannot go on talking about the issue for six years and do nothing. That is the point that I am trying to make. I accept that the Minister needs to consult his advisers. I hope that, even though he is not prepared to say yes or no, the Minister will say, "Okay, if we have a problem and a sensible option is available to me, I will go down that track."

Mr Palaszczuk: That is what I've said.

Mr ROWELL: It looks as though the Minister does need his advisers, and that is fine. But surely to goodness this matter has come before him. It is in his area of jurisdiction. It came before me when I was the Minister. I was ready to do something about it. Once we are back in Government, let us see what we can do. It will not take very long; I can assure the Minister of that.

Mr Palaszczuk: I think you have made the point.

Mr ROWELL: The Minister thinks I have made the point. I can only presume that, when this matter comes to his attention, he will be well versed in the problems that so many people are facing as a result of unseasonal heavy rain.

Mr Palaszczuk: I am trying to remember my correspondence with you on this issue.

Mr ROWELL: I may have corresponded with the Minister.

Mr Palaszczuk: You're not sure?

Mr ROWELL: I am not sure, because I did not get a positive response. I am trying to get one now. I am trying to raise the matter with the Minister now to make sure that his answer is indelibly printed in Hansard and that we do not just have letters going backwards and forwards that really do not mean very much at the end of the day. It is absolutely imperative that we make sound decisions on matters such as this.

These are sensitive areas, and I do not disagree with the Minister for Environment about that. After all, there are something like 17,000 hectares of mangroves in the Hinchinbrook Channel. Once these areas are cleared, I can assure honourable members that the mangroves will grow again. They will be like hairs on a dog's back within a matter of two to three years, and we will probably have to go back and clear those areas again.

The important issue is that this construction work, which is so important to the Herbert River district, is at a stalemate because of this issue. The whole of the SIIP package that was provided by both the State and the Federal Governments is at a stalemate. Nothing is happening. If nothing happens it means that, if we get another wet year or a series of wet years such as we had last year, similar problems will prevail for those growers who are doing it very tough—

Time expired.

Clause 26, as read, agreed to.

Clause 27, as read, agreed to.

Clauses 28 to 46 negatived.

Clauses 47 to 52, as read, agreed to.

Clause 53—

Mr PALASZCZUK (3.29 p.m.): I move the following amendment—

"At page 31, lines 6 to 8—

omit, insert—

'of its statutory powers—

(i) a unit of public administration for the Criminal Justice Act 1989; and

(ii) a public authority for the Parliamentary Commissioner Act 1974; and

(b) a public authority for the Freedom of Information Act 1992.'."

Mr COOPER: I am afraid I do not have that particular amendment in my possession. I now have a copy of it. That is okay.

Amendment agreed to.

Clause 53, as amended, agreed to.

Clauses 54 and 55, as read, agreed to.

Clause 56—

Mr COOPER (3.30 p.m.): This clause relates to the single desk, which has been a bone of contention. The growers, Grainco and so on are very mindful and supportive of the retention of single desk selling and the inclusion of barley.

Just as a matter of interest, this matter was raised in the past week or so. The Minister might have heard from the seed and produce merchants around the ridges—I certainly did—that they are very antagonistic in relation to the single selling desk. They made their feelings very plain to me. This matter was decided, I believe, over the period of three years, so the issue of the single desk being abolished was not an issue at all. They were saying, though, that it was their belief that the single desk should go out of existence. In response I have said to them that the farmers and Grainco could have single desk selling for as long as they want it. The Minister has allowed for it until 2002. If at any time the growers and Grainco decide otherwise, that is a matter for them.

As far as the Opposition and the Government are concerned, single desk selling for barley will be in place until at least 2002. I ask the Minister to reiterate his support. The seed and produce merchants are legitimate players and stakeholders in the business and obviously their opinions are worthy of note. As I have said to them, single desk selling was negotiated through National Competition Policy and, as such, it is here to stay, at least

until 2002. Clarification by the Minister would be appreciated.

Mr PALASZCZUK: The honourable member has summed up the intent of this amendment pretty well. The seed merchants would prefer complete deregulation. After the NCP review we found that the public benefit test was in favour of single desk selling, especially with our exports of barley to Japan. Therefore, the Government came to the conclusion that single desk selling should remain until the year 2002.

Clause 56, as read, agreed to.

Clauses 57 to 65, as read, agreed to.

Clauses 66 to 103 negatived.

Part 10—

Mr PALASZCZUK (3.34 p.m.): I move the following amendment—

"At page 45, line 1, 'MINOR AMENDMENTS AND'—

omit."

Amendment agreed to.

Clause 104 negatived.

Clause 105—

Mr PALASZCZUK (3.35 p.m.): I move the following amendments—

"At page 45, line 7, '3, 6, 7 and 9'—

omit, insert—

'3 and 7'.

At page 45, line 11, '3, 6, 7 and 9'—

omit, insert—

'3 and 7'."

Amendments agreed to.

Clause 105, as amended, agreed to.

Clause 106—

Mr PALASZCZUK (3.35 p.m.): I move the following amendment—

"At page 45, line 18, '3, 6, 7 and 9'—

omit, insert—

'3 and 7'."

Amendment agreed to.

Clause 106, as amended, agreed to.

Schedule negatived.

Bill reported, with amendments.

Third Reading

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

SUGAR INDUSTRY BILL

Second Reading

Resumed from 21 July (see p. 2776).

Mr COOPER (Crows Nest—NPA) (3.38 p.m.): The Opposition supports the Sugar Industry Bill 1999 with qualifications. As such, we will be moving amendments during the Committee stage. I indicate at this juncture that the amendments have been developed after extensive consultation with the industry and are being put forward in a genuine attempt to improve the operation of the legislation. In this context, any attempt by the Government to prevent legitimate debate on the Bill and on the amendments that the Opposition will be circulating by moving the guillotine would be counterproductive and an insult to the sugar industry.

This Bill is too important and the sugar industry is too important for this Parliament to not consider very carefully any legislation governing it and with the public interest clearly in mind. We have waited more than 12 months for this Bill to be introduced and we on this side of the House are committed to ensuring that the legitimate interests of the sugar industry are properly addressed. Nevertheless, the Minister did the right thing in deferring the debate on this Bill until after the Budget was handed down and the Government wisely took heed of the widespread industry concern that not enough time had been given to the stakeholders to study it and make submissions.

I totally agree with Harry Bonanno, the Chairman of the Cane Growers Council, who said in August—

> "Rapid passage of the Bill through the House would have given stakeholders insufficient time to consider provisions which are pivotal to the efficient operation of a flexible and internationally competitive sugar export industry."

When the Minister announced the deferral of debate on the Bill, I expressed the hope that he would consult widely with sugarcane farmers and revise various provisions which, in their current form, are not satisfactory and will operate in a harsh manner. Time will tell whether the Minister has used this time wisely, but for the sake of the industry I hope that he has.

Queensland produces approximately 95% of Australia's raw sugar output. Almost all of Australia's export sugar emanates from this State. Around 85% of Queensland's sugar is exported, and in that context Australia now holds 16% of the world trade. Last year,

Queensland's raw sugar production totalled a record 5.22 million tonnes—a 4.6% increase over the previous year. Exports increased in the same period by 9.3% to 4.45 million tonnes. Despite the Asian downturn and a decline in sugar consumption in that important market, our total tonnage sold to Asia increased by 5.3% to 2.78 million tonnes.

Over the past decade or so, with successive controls on assignments relaxed, the area of land assigned for sugarcane production has increased from 363,000 hectares in 1989 to 483,779 by 1996. Between 1997 and 1998 alone, there was a 2.5% expansion in the assigned areas. In real terms, that meant that, last year, 12,514 hectares of extra caneland was assigned. This has resulted in approximately 700 new farmers entering the industry, which is tremendous. Capital investment by both farmers and millers has been substantial—so, too, with bulk terminals. Major infrastructure which has flowed from the expansion of sugar growing includes dams, irrigation and drainage works, as well as the expansion of cane railways.

But it is not just increases in the area of land under cultivation that is impressive. Perhaps even more so are the dramatic increases in productivity. Since 1989, the average production per farm rose from 4,600 tonnes of cane harvested per season to 5,900. The average harvesting group size rose from 20,300 tonnes of cane per season to 50,000. Finally, the average season crushing per mill increased from 970,000 tonnes to 1.4 million tonnes of cane. Production of sugar in Australia increased by 40% from 3.68 million tonnes in 1989 to 5.25 million tonnes in 1996.

As the Sugar Industry Review Working Party said—

> "There is increasing cooperation between cane growers and sugar mill owners, who have developed an integrated approach at the local level to cane pricing arrangements, to expansion and productivity, and centrally to issues such as sugar quality, legislative amendments and prioritisation of research and development."

It is a matter of pride to know that our sugar industry leads the world in bulk storage, loading and shipping. We have a competitive edge and ongoing leadership with respect to sugar yields per hectare and high factory extraction and recovery. Fortunately, over the years, people connected with the industry have recognised and given the necessary support for research and development so that we can maintain our competitive edge despite a range of very heavy price overheads that afflict all levels of the industry.

But it is not all good news. As I mentioned, the Asian economic crisis has resulted in a decrease in sugar consumption levels, and our increased export performance was due in no small part to the reduced crop of Thai sugar in that period. It is a matter of concern that the Queensland Sugar Corporation reported that sugar consumption fell by up to 20% in key markets such as Korea and Malaysia. The industry faces the expansion of the Thai sugar industry, as well as ongoing, vigorous competition from South Africa, Brazil and Cuba. There are the ongoing problems of industry protection overseas, especially Europe and the United States. Despite our often hairy-chested approach to world trade, it has often not been reciprocated by our trading partners, as we see constantly. In making this point, I simply want to highlight that the sugar industry has been at the forefront of industry change, even though these changes have sometimes come at some cost.

In recent years, we have witnessed the breakdown of markets in Eastern Europe, the very significant expansion of the Thai industry, increasingly aggressive competition from Brazil and Guatemala and yet a rise of sugar consumption of only 1.5% per annum. There is also the ongoing difficulty of competition from alternative sweeteners in the generic sweetener market. It is a matter of concern that over 7% of the world sweetener market has been captured by starch-based sweeteners, 8% by artificial sweeteners and 5% by traditional glucose and dextrose sweeteners.

On top of all of this, there are ongoing climatic problems, such as successive cyclones in the north and unseasonal wet weather, which has wreaked havoc during harvesting seasons in recent years. There are also issues of crop disease, pests like the grey-backed cane grub and serious rat infestation problems in the Mackay region, as well as the serious threat of declining c.c.s. levels, particularly in the far north. The industry has also seen sugar prices drop dramatically since 1997.

Despite some forecasts of a sugar deficit in 1997-98 which saw sugar prices reach a high of 12.55c per pound in December 1997, it soon became clear that there was a sugar surplus. Sugar prices dropped dramatically and, in just six months, fell to 7.2c per pound—a drop of 40%. Prices are even lower now, and just a few weeks ago the world's biggest sugar traders suggested that there

may be a mounting sugar surplus—something in the order of seven million tonnes. The only bit of good news on that front is the anticipated move of the Brazilian Government to raise the level of ethanol derived from sugar in petrol from 24% to 26%, which will divert more sugarcane from the world's sugar markets.

In August, the Queensland Sugar Corporation announced that the returns for the current crop were 30% down on returns last year. In reality, this means that some farmers will not cover production costs. It is a measure of the seriousness of the situation that the Cane Growers Council has been forced to make an incapacity to pay submission to the Full Bench of the Industrial Relations Commission to prevent a flow-on of an across-the-board $12 a week wage increase, which I realise was lost last week. As the Cane Growers Council pointed out, growers can ill afford to pay more for farm labour at a time when most are unable to cover their production costs. So although the industry is strong, competitive and critical to the economy, it has many challenges. These should never be forgotten or downplayed. In this context, it is important that legislative changes assist the industry and neither add extra imposts or burdens nor destabilise it by the threat of constant change. I sincerely hope that the industry will get a rest from non-market-driven changes developed by politicians, bureaucrats and economists. As a Parliament, we should ensure that the industry is allowed to regroup and move forward.

I will now deal with how this Bill will affect the industry. The Bill contains many positive points and implements most of the recommendations of the Sugar Industry Review Working Party. The Minister has outlined these matters in his second-reading speech, and I do not intend to go over the same ground except to quickly mention single desk selling. The retention of single desk selling should receive unanimous support. The Minister said it is the cornerstone of the industry, and it is. I totally support the following comments of the Sugar Industry Review Working Party—

> "Through single desk marketing, the Queensland raw sugar industry has become internationally competitive with marketing structures and industry infrastructure which are regarded internationally as operating at world's best practice."

I would also like to record in this place the appreciation which all people owe to the Federal Government and, in particular, to John Anderson who, while Primary Industries Minister, ensured that the Trade Practices Act was amended to put beyond doubt the Queensland Sugar Corporation's vesting powers. Section 173 of the Trade Practices Act now makes it absolutely clear that the vesting of ownership in sugar in the corporation does not result in a breach of section 50. So since July last year, any doubts people had about National Competition Policy striking down single desk marketing have been allayed. Of equal significance has been the pledge of the Federal Government that should any further amendments ever prove necessary, then they will be actioned.

I also want to make mention of, and give credit to, my friend and colleague the member for Hinchinbrook who, when Primary Industries Minister, succeeded in obtaining approval for the transfer of the ownership of bulk sugar terminals to the sugar industry and the provision of security of tenure by the granting of long-term leases.

Mr Palaszczuk: You're right there.

Mr COOPER: I would not say anything else—only the truth. This had been recommended in 1993, but the then Goss Labor Government was very slow to act.

Mr Palaszczuk: Come on!

Mr COOPER: It did not get done, did it? The Minister cannot have it both ways.

Mr Schwarten: We supported it.

Mr COOPER: I know. The announcement by the coalition of this initiative in May 1998 was greeted with universal enthusiasm and has never since been questioned.

It is pleasing that the current Government supports this coalition initiative. I would not be honest if I did not indicate my concern about how slowly the matter has proceeded over the past year. I recognise that the industry established a bulk sugar terminal management group as a forerunner of a company to run the terminals and that there are difficult issues surrounding the options for assigning a share of entitlements to individual participants in the enterprise, as well as the more general issue of whether a wider but still restricted market should be able to buy shares.

I would appreciate it if, in his reply, the Minister would deal with the milestones of this matter over the past seven or eight months. There are quite a number of issues that I will raise in this speech which I hope the Minister will be able to deal with in his reply. That is why the coalition has gone to the trouble of putting this together. Maybe some of the anomalies

and the problems that we have discovered can be ironed out in that form, as well as by way of amendment.

Despite some very good and positive features, there is nevertheless concern throughout the industry about certain aspects of the Bill. It is important that the Minister promptly addresses these concerns. One of the key features of the sugar industry to this point has been assignments. The assignment system, in effect, confers on growers the right to grow cane on defined parcels of land for crushing and guarantees access to crushing capacity. Conversely, from the mill owners' point of view, it also guarantees a supply of cane. Assignments also underpin mill area collective bargaining arrangements and ensure that there is orderly marketing.

All the studies that the working party commissioned found that this arrangement, despite a few wrinkles, works well for all concerned and has ensured that the Australian sugar industry is at the forefront of the global industry. I just mention in passing that the argument that growers are guaranteed that the mill will crush their cane, but there is no obligation on the grower to grow sugarcane on assigned land, fails to acknowledge that there is already a process in place for cancelling assignments if cane is not grown. This is important because, when one reads some of the reports, one could form the view that somehow the current system favours growers disproportionately, when in fact that is far from the truth.

The working group said—

> "This lack of supply guarantee was rarely of genuine concern, because cane growing is usually more profitable than other farming alternatives."

That certainly may not be the case at the moment, but it is an historical fact. Canegrowers invest too much capital in cane production to be anything other than meticulous and scrupulous in growing cane on their assignments.

It has also been recognised that assignments act as a framework for the collective bargaining process. It has ensured that—to quote the Boston consulting group's report on the industry—

> "Both sides negotiate with the knowledge that they are guaranteed that the other side cannot simply 'pull out' of negotiations, and that the QSC will step in if an agreement is not reached. Unlike labour negotiations, for example, there is no real threat of a 'strike' or a 'lockout'. This is significantly different from the situation that could exist in the absence of assignment."

The concerns that I raise all stem from the widespread view that this Bill, in an endeavour to make our intentionally competitive and innovative industry even more competitive and innovative, has moved the goalposts in a manner which could harm farmers.

The Bill creates some uncertainties and could result in some mill owners gaining too much negotiating power without the necessary checks and balances being put in place. My first major concern is the breaking of the nexus between cane and sugar prices. This nexus has been in place since 1916. For the benefit of those opposite, it was a T. J. Ryan initiative, and it is enshrined in the existing legislation.

Canegrowers is very concerned about this change, as is the Australian Cane Farmers Association, who point out that this change, together with the deletion of the requirement that the price paid for cane is the same for every grower bound by the award, will result in a diverse payment system. It will allow payment for standing cane and for flat rate payments to be made to farmers. The potential problems that could flow from this were outlined by the association as follows—

> "In future, the mill can purchase cane as standing cane, at the farm gate or at the mill gate, with farmers 'paying' for cane transport. Multiple prices for the same quality cane can be used for the same season within the same mill area."

No doubt the Industry Commission and the National Competition Council would be delighted to see this outbreak of so-called choice, but at what potential cost to growers and to orderly marketing? The Minister can correct me if I am wrong, but the deletion of this nexus was not a recommendation of the working group. In those circumstances, the industry is rightly worried that the implications of this initiative may not be known to the very people who have framed this Bill.

The Opposition will move an amendment which is designed to ensure that a supply agreement negotiated pursuant to clause 49 of this Bill must link the cane and sugar price unless the negotiating team otherwise agrees. The amendment will not compel the insertion of a nexus into each supply, but it will allow it to occur and will place the onus on the negotiating team not to insert it. This is a commonsense approach to a very serious issue and I hope the Government sees the merit in this initiative. The initiative is strongly supported by both growers organisations.

The Bill is aimed at freeing up the industry. I point out to the Minister that it would appear that the drafters of this proposal have not considered the relative negotiating power of canegrowers and mill owners. It was the disparity of bargaining power between growers and millers, and the consequent misuse of this market power to lower canegrower returns, that resulted in the 1916 legislation which has underpinned the sugar industry ever since.

My concerns are not based solely on the concerns that have been raised with me by many growers or from any representations that I have received, but from a clear appreciation of what was found by the Sugar Industry Review Working Party in 1996. I draw the Minister's attention to this finding of the working group—

> "The working group concludes that there is an imbalance in the negotiating power of cane growers and mill owners in many mill areas and there is the potential for some mill owners to attempt to take advantage of this situation."

In these circumstances, one of the key tools that should be used to prevent the misuse of market power is the requirement that key pricing information be made available to the key players.

The Opposition will be moving an amendment which will require mill owners, for each crushing season, to supply growers who have supplied cane to that mill with information about the payments received by the mill owner from the Queensland Sugar Corporation. The supply of this information will assist growers in benchmarking their payments against the value of sugar in their cane and should help growers entering into discussions with respect to collective or individual agreements.

I emphasise that the coalition is not coming into this debate with an attitude of opposition to the development of multiple payment systems within each mill area. We do not challenge the right of parties to negotiate the best deal they can, subject to individual agreements not significantly adversely affecting growers who are subject to a mill collective agreement. We support local and individual choice, but we demand fairness and equity. What we say, loud and clear, is that a nexus between cane and sugar prices is, in most instances, the fairest and most appropriate approach for this industry. We concede that the parties should have the right to move away from this approach, but only after they have sensibly considered the alternatives and the implications that this will have on the mill, the growers and the community.

We suggest that if we are to move into a brave new world of individual and collective agreements, of multiple arrangements and prices, and of flexible market oriented procedures, the very people who grow the cane and who more times than not do not have an equivalent bargaining power, should be given market-sensitive information so that their interests can be looked after.

If this was, say, the Consumer Credit Code and we were talking about a consumer about to enter into a loan or credit card arrangement, there is a raft of protections designed to ensure that the customer is given key market information so that the customer can strike the best deal and is not misled. The very same principles of disclosure can and should apply in the context of an historically very regulated industry moving into a much more deregulated market.

Another matter the coalition will be raising in the Committee stage concerns the loophole in the Bill which allows a mill owner who owns a cane production area supplying cane from that CPA to his own mill without a supply agreement. Although the coalition has no objection to this taking place, there is the inherent problem of a conflict of duty and interest situation arising. Just as a grower has an obligation to supply, the mill has an obligation to process the cane. However, if a mill has its own cane, in the context of a much more deregulated market, a situation could arise where the mill prioritises its own crop over that supplied by local owners.

The Opposition will be moving an amendment which will ensure that, while a mill can have its own crop—and I emphasise that we are not arguing against that right—it must not detrimentally impact on growers who have entered into a collective agreement with that mill. Once again, this is fair and reflects basic rules of both enforceability of contracts and an entity in a position of trust not abusing its position and power to disadvantage growers to whom the mills owe a duty of care in these circumstances.

Some in the industry perceive that aspects of this Bill require of growers more responsibilities but confer fewer rights. As mentioned, this view is particularly prevalent in the context of how this Bill deals with supply agreements. The Minister has pointed out that, under this Bill, there is a devolution of responsibility to the mill area for all matters concerning cane supply and processing arrangements. The Bill also allows and

facilitates the entering into of individual agreements between growers and mills. Although the Bill provides for individual agreements, it is likely that in the foreseeable future the vast bulk of the industry will continue to be governed by collective agreements. The Bill contains a number of provisions governing cane supply and processing agreements. However, despite the volume of words and the number of clauses, the coalition is concerned that some basic issues that will promote fairness and parity in negotiating power have been omitted.

The Bill sets out how collective agreements are to be negotiated and who negotiates them. The composition of a negotiating team, which is the body who negotiates agreements, is clear as are the obligations placed upon the negotiating team. Yet, despite this, the Bill is silent on the obligations placed on the team to consult with growers before the agreement is signed. I recognise that, of the four members of a team, two are appointed by the mill suppliers committee or jointly by the mill suppliers committees. I recognise further that clause 182 provides specifically that the objective of a negotiating team is to help growers and the owner of the mill improve profitability. Yet as the Minister knows, once a collective agreement is made it is binding and enforceable in any court of competent jurisdiction as a contract on any grower who enters or—I emphasise—who is taken to have entered into the agreement.

The Bill does not mandate maximum time limits for agreements and there is no scope for appeal by an aggrieved grower. Although within 21 days after notification of it has been published 20 or more growers can ask the negotiating team to vary the agreement, no variation will occur unless there is unanimous agreement. As far as I can see, an aggrieved grower has no right of appeal.

In addition, clause 45 requires each grower to have a supply agreement and, unless a grower has negotiated an individual agreement, the grower is deemed to have entered into the collective agreement. I think that collective agreements are a particularly appropriate mechanism for guaranteeing basic rights and responsibilities for all parties in the sugar industry. However, it must be recognised that these agreements have the force of individual contracts and can operate on numerous growers by default. In these circumstances, I would have thought that this Bill should require up-front consultation not just between the four members of the various negotiating teams but between the members of the negotiating teams and the growers. I am not suggesting that that would not occur as a matter of course. I am not in any way suggesting that each and every member of all negotiating teams would operate in any way other than what would be appropriate. However, collective agreements are just that: they constitute a bundle of rights for a collection of people, and the persons whose lives and livelihoods are so inextricably intertwined with the terms of these agreements should be consulted prior to the agreements being executed. The Opposition will be moving an amendment that will place an up-front, positive and clearly stated statutory obligation on each negotiating team to consult properly with growers about collective agreements before they are signed.

The nature of the consultation will be specified in a written directive of the Minister. That ensures that any doubts about what sort of consultation is mandated will be cleared up. No-one should object to this amendment. It is fair and it is plain commonsense. It should be standard industry practice and, in that it states what should be done, I would be very surprised if the Minister and the Government did not agree with it.

As I mentioned, the collective agreement is binding on all parties and can be enforced through the courts. Obviously, every effort should be made in drafting industry legislation of this type to avoid the parties being forced into the courts. If a grower is not complying with the collective agreement and the mill wants to enforce it, the Opposition believes that the most sensible way of proceeding is for it to apply to the relevant cane production board to cancel the relevant cane production area or part of its number of hectares. This right would be in addition to that granted to the cane production board under clause 31. This amendment has been sought by Canegrowers and is supported by the ACFA. It mandates a very tough remedy for mill owners but, on the other hand, prevents the parties ending up in the Supreme Court or even the Court of Appeal.

As I have mentioned, the coalition supports the right of mill owners and growers to enter into individual agreements. However, the manner in which the Bill is currently drafted ensures that those farmers who are part of a collective agreement could be placed in a disadvantageous position. Clause 42 provides that, under a collective agreement, the negotiating team has up to 21 days to publish in a newspaper circulating in the area from which the cane will be supplied to the mill

notice of the signing of the agreement and how a copy of it can be obtained.

As I see it, two potential problems could arise. The first one is that, as has been raised by the ACFA, clause 47 provides that within seven days after a collective agreement is made, the mill owner must give to the mill suppliers' committee notice of every individual agreement the owner has entered into with growers for all or part of the period to which the collective agreement applies. I refer to an article in issue 14 of the Australian Sugar Digest of 4 August 1999 in which the ACFA raises the following argument—

> "This allows the mill owner to decide action on individual agreements after they know the collective agreement arrangements. The grower seeking an individual agreement with the mill owner will not know the implications of a collective arrangement until after an individual agreement is required to be settled. Given that failure to complete an individual agreement necessarily means a farmer is caught by the collective agreement, the miller's negotiating strength is enhanced compared to the grower seeking an individual agreement."

The Minister might care to respond to those concerns in his reply.

The other potential problem is from the other angle. Just as the farmer wishing to enter into an individual agreement may be disadvantaged by not knowing the terms of the collective agreement, so, too, are growers wanting a collective agreement but who are denied knowledge of individual agreements entered into for all or part of the collective agreement period. The Opposition will be moving an amendment that will require the mill owner to give the mill suppliers committee a copy of each of these agreements before a collective agreement is made. At the moment, this does not apply until seven days after the collective agreement is signed. Of course, by then the horse has well and truly bolted.

This amendment is designed to ensure that growers who want to enter into a collective arrangement do so with the full knowledge of what other individual arrangements are in place so that proper and informed negotiations can occur. The Opposition is supportive of fair agreements, whether they be individual or collective. One of the most effective ways of ensuring that this takes place is to ensure that growers and growers' representatives enter into negotiations properly armed with pertinent information.

As the Minister would know, clause 48 of the Bill allows a mill suppliers committee to apply for an order stopping or cancelling an individual agreement. The only ground prescribed by the Bill for such radical action is if the agreement's provisions will have a significant adverse effect on growers supplying cane to the mill under the collective agreement. There is no question that a provision along those lines is necessary. However, there will be endless debate as to what is encompassed by the term "significant adverse effect". The coalition has consulted with the industry on this point and there is widespread support for clarifying this matter and giving guidance to the industry. In an endeavour to facilitate this, the Opposition will be moving an amendment that will insert into the clause an example of a provision having a significant adverse effect. The incorporation of this amendment should go a long way towards preventing unnecessary disputes and I ask the Minister to give this amendment favourable consideration.

Unless otherwise stated, from clause 49 the Bill sets out provisions dealing with the content of supply agreements. These provisions cover both individual and collective agreements. I am very concerned that clause 49 requires that a supply agreement must—and I emphasise that the Bill uses the word "must" not "may" or "shall"—deal with growing. This is a significant extension of the current legislation and, again, a matter not recommended by the working party. All growers' representatives are concerned about this requirement. There have to be concerns that a supply agreement could be made that directed growers to, for example, hill up, to use high-density planting or not to go past fourth ratoons. As the Minister says, this Bill strengthens existing environmental and land use requirements. In this context, the insertion of this head of power is out of place and quite inappropriate. There are adequate controls on land use provided already in the issue and variation of CPAs. Other legislation is also used to control farming practices. The Canegrowers organisation has been instrumental and proactive in developing a code of practice. The overall scheme of the Bill empowers and enables millers to negotiate commercially and environmentally sensible agreements without the insertion of a provision like this, which has the inherent capacity for misuse and intrusion into farming practices that are properly the preserve purely of the grower.

I say to the Minister that this subclause is unnecessary if it is viewed in a benign way or is

undesirable if viewed as a trigger that would allow provisions to be inserted into supply agreements that are inappropriate and represent an unwarranted intrusion into farming practices. In the very significant main, land-holders are the best custodians of their land. No-one suggests that a farmer should be allowed to abuse his land, nor would any farmer want to. That is not the case now and it will be even less so in the future. What growers and the coalition suggest, however, is that this head of power could be misused. It has not been recommended and it is not needed. At the Committee stage I will be moving that it be deleted.

Conversely, the Bill provides that one of the matters that a negotiating team which develops supply agreements may include is "cane and sugar quality". This is an absolutely critical matter and in our opinion should be inserted in the list of mandatory matters that must be included in each and every supply agreement. The quest for better quality cane and sugar is strongly supported by all in the industry and is in the best interests of the industry. Similarly, the coalition does not view this issue as an optional extra. Accordingly, we will be moving an amendment to give effect to that goal.

Another matter that the coalition believes should be included in each and every agreement is the provision that a mill owner who refuses to accept a canegrower's cane for crushing must give notice to the owner as soon as possible. The various grounds enabling a mill to refuse to accept cane for crushing are set out in clause 50. The grounds for refusing to accept cane are similar to those currently located in section 159 of the Sugar Industry Act 1991.

We have no objection to the kinds of grounds set out for refusing to accept the cane. However, we believe it is only fair and just that if cane is to be rejected, the grower should be notified as soon as possible. This is simply inserting into the Bill a basic element of natural justice, and no fair person could or should object to it. Like many of the other matters in this Bill, when one moves increasingly from a tightly regulated environment to a less regulated one, one needs to spell out in the legislation various principles designed to encourage not only competition but also fair market behaviour. This is such a proposed amendment.

I mentioned earlier that each negotiating team is required by clause 182 to have, as its objective, improving the profitability of both mill owners and growers. This positive obligation has to be read in conjunction with clause 54, which sets out general considerations for collective agreements. Subclause 3 actually provides that a negotiating team must consider ways in which growers and mill owners may jointly improve profitability. In effect, this subclause ensures that the objective set out in clause 182 is given practical effect to.

As the Minister knows, there is concern in the industry that under this Bill one of the matters that the negotiating team may consider—and I emphasise "may"—is cane payment arrangements. This contrasts markedly with section 122 of the Sugar Industry Act. At the moment, section 122(8) states—

> "(a) that except where the mill is in the possession of an administrator under this Act, the mill owner is to pay to each assignment holder, in respect of the holder's sugarcane accepted in each month of the season, a sum equal to the interim minimum price for the sugarcane under the award;
>
> (b) unless the award provides for payment within a lesser period of time—that the payment is to be made within 30 days after the end of the month to which it applies; and
>
> (c) if the mill owner fails to make the payment within the specified time, the mill owner commits a breach of the award."

It is true that the working party recommended that these requirements be made non-mandatory to improve the flexibility of local area negotiations. The Opposition accepts that analysis and we are not suggesting that anything as prescriptive as is contained in subsection 8 be inserted in the Bill. However, it is a long way from making these matters non-mandatory to leaving the whole issue of cash flow up in the air. Cash flow and profitability go hand in hand. One can have a very profitable operation but go broke if one does not get paid quickly and consistently.

I will be moving an amendment that will require the negotiating teams to consider not only profitability but also cash flow. The Parliament should note that the compulsion is to consider. There is no compulsion that this or that form actually be included in a collective agreement. This amendment will simply give teeth to the current discretionary requirement that the negotiating team may consider present payment arrangements. The amendment will give focus and urgency to this critical issue, but at the end the day it will be

up to the negotiating team. This amendment is consistent with the working party's recommendation and should go some way towards allaying concerns with the industry.

Before concluding, I wish to address two other issues. The first is the power granted under clause 94 for the corporation to give a directive to a mill requiring the mill to produce a particular brand of raw sugar in a particular amount. The Opposition does not oppose this requirement. However, we believe it is only fair that before giving such a direction the corporation must have regard to the impact that this will have on increasing growers' costs through extending the length of a crushing season for a particular mill. I will be moving an amendment to clause 94 which is designed to have this effect. In no way will it prevent or impede the corporation giving directions of this nature, but it will cast a positive statutory obligation on the corporation to properly take into account the immediate and local impact of its decision on growers' costs.

The final issue I will speak of is the concern raised by the ACFA surrounding mill closures. I draw the Minister's attention to the following comments in the Australian Sugar Digest—

> "Mill closure or the change in ownership of mills is not subjected to the terms of a cane supply agreement. Mills can seek restitution under a supply agreement where a grower transfers or abandons his CPA.
>
> However, growers are not able to enforce the terms of a supply agreement (or seek compensation for non-performance) from a mill owner closing or transferring ownership of the mill.
>
> In this regard it should be noted that ownership change of mills has been a reasonably common past occurrence and several mills have closed.
>
> In addition, some growers are to be required to give at least four years notice of cancellation of all or part of their CPA. No notice is required to close a mill."

The Opposition has considerable sympathy with those sentiments.

There is no doubt that the Sugar Milling Rationalisation Act 1991 is a very prescriptive piece of legislation and was recognised as such by the working party. However, it seems to us that the Bill moves too far in the opposite direction. In effect, this Bill contains just one clause—clause 75—that deals with what is required in closing a mill, and the rights and obligations of growers are left up in the air. I will be moving an amendment designed to address this matter. However, in the interim I ask the Minister to give this issue further consideration. It is clear that the Bill as it stands is very stark and legitimate concerns are being expressed.

In conclusion, the Opposition sees much merit in the Bill. We are very happy to debate it. As the Minister knows, we have been critical that it has taken so long to come before the Parliament. The sugar industry has borne the brunt of a succession of reviews and policy changes and has withstood an unstable global economy. Despite all of these challenges, it remains at the forefront of cutting-edge practices and is the world leader. It is integral to the economic wellbeing of Queensland and supports communities all along the coast.

The sugar industry is predominantly a family based industry. Unlike some other primary industries, it is continuing to grow, develop and mature. In these circumstances, I think it wise for all Governments, both State and Federal, to recognise the importance of the sugar industry and to work cooperatively with it to develop overseas markets and improve productivity and profits and not to subject to it to any further unsettling changes unless they are necessary and do not just emanate from the economic think tanks in Canberra and George Street.

During the Committee stage of the debate, the Opposition will be raising a number of other issues that I have not outlined. At this time I signal that the coalition does have a number of concerns about provisions which vest significant powers in the hands of the Minister and which, in some cases, fail to satisfactorily deal with issues of conflict of interest. Key matters are left up in the air which may in the future lead to disputes and litigation rather than negotiated outcomes.

There is no doubt that this Bill has many very good elements, but it also has a number of problems that need to be fixed. With a little goodwill I am sure that they can be addressed promptly. I thank the Canegrowers, the ACFA and the Sugar Milling Council for the considered views they have put to the Opposition. They have approached this exercise sensibly and with the interests of their members at heart. They deserve to be thanked publicly, as I am now doing.

Finally, I again encourage the Minister to consider the amendments that I have outlined. An acceptance of them will go a long way towards bolstering industry support for the Bill and will make it fairer and prevent unnecessary disputes arising in the future. As I said, in

general the Opposition supports the Bill and commends it to the House.

Mr MULHERIN (Mackay—ALP) (4.19 p.m.): The Mackay region is the sugar capital of Australia and, as the elected member for Mackay, it is a pleasure to speak in support of the Sugar Industry Bill. In considering the merits of the Bill, it is important to reflect on the state of the industry in recent years and the background to the Sugar Industry Review Working Party.

Queensland's sugar industry has responded constructively to opportunities that have emerged over the past 15 years through economic developments in Australia and changes in the sugar industry, both global and domestic. We need to consider two central facts facing the sugar industry. Fact No. 1: the Australian sugar industry is substantially an exporter of raw sugar. The industry has been increasingly exposed to global competition, as production has expanded, largely for export, and because sales to the domestic market have been based on world prices since 1989. Currently, about 85% of Australia's production is exported and this is increasing steadily. Queensland is the dominant producer, with 95% of Australia's raw sugar output. Australia produces in excess of five million tonnes annually and is the seventh largest sugar producer in the world. We are a major exporter. Australia ranks in the top four along with Brazil, Thailand and the European Union, and is consistently the world's largest exporter of raw sugar.

Fact No. 2: Australia holds only a 16% share of world trade and is essentially a price taker on the world sugar market, which is often in a surplus position. The recent dramatic drops in world prices to as low as US4c per pound illustrate this stark reality. With a relatively small domestic consumption base, no other major exporter, apart from Cuba, exports such a high proportion of its production. Australia is the only substantial raw sugar industry which has its revenue determined in the competitive world marketplace.

Throughout this debate we must remember these two vitally important facts. What these facts mean is that Queensland must be internationally competitive. This is not a choice or a luxury but a necessity. This reality underpins the policy of this Bill, because the Bill is about ensuring that the regulatory structures are in place to allow the industry to be internationally competitive. We face major threats to our markets from Brazil and Thailand. Brazil makes sugar primarily for use in fuel. Its raw sugar exports have been largely a by-product of this demand. However, even though the Brazilian industry faces a lot of challenges and is not as well organised or as productive as our industry, it has a product that is cheap. We cannot afford to ignore this major competitor.

This Bill is about facilitating an internationally competitive industry. It does this in a number of ways, but the essential thrust is that growers and millers must together adopt a more commercial focus to their businesses. The animosity that has been embedded in the industry, and partly perpetuated by the regulatory structure, must be broken down. Millers and growers need to work together to face the real challenge—the Thais and Brazilians. I do not suggest for one moment that there are not opportunities as well as challenges for the industry. Many good things are happening. The industry has seen dramatic increases in the amount of land under cane. In areas such as the Burdekin and the tablelands the industry is expanding.

I must say that successive Labor Governments going back to the days of the T. J. Ryan Government through to the Goss Government have worked closely with the sugar sector to grow the industry. It was a commitment that conservative Governments consistently refused to adopt. The long-serving National Party Governments let the fifties, sixties, seventies and eighties slip away for the sugar industry. Complacent with good prices, the Nationals, in a Menzian coma, let the institutional arrangements of the industry stagnate while the world changed.

During the term of the Goss Government there was important reform and growth. The Goss Government was committed to retaining the industry's hard-won international competitiveness and it delivered on that commitment. My predecessor in the electorate of Mackay, Ed Casey, who was the Primary Industries Minister from 1989 to 1995, is remembered as one of the best Ministers the sugar industry ever had. Ed came from Mackay, so he understood the sugar industry. However, unlike National Party Ministers, he was not a captive of vested interests. He was prepared to make changes to move the industry forward. It was Ed Casey's vision that led to the establishment of the Burdekin irrigation area and the massive expansion of cane production in the Burdekin region, making it the State's fastest growing cane area. Ed passed the Sugar Industry Act 1991, which made many significant changes to the structure of the industry while at the same time retaining those aspects of the previous

legislation that have given the industry its strength.

In his second-reading speech to the 1991 Act, Ed Casey said—

> "It should be clearly understood that the Bill is the start of a difficult reform process."

That was only eight years ago. As a consequence of the reforms introduced by Ed Casey, growth has improved capacity utilisation on farms, in harvesting and transport in sugar mills and in bulk sugar terminals. A net 700 new farmers have entered the industry. Capital investment on farms and mills has been substantial. Since 1989, significant improvements in productivity have been achieved. For example, in Queensland, although the industry remains fundamentally a producer of quality bulk raw sugar supplying refiners domestically and overseas, this is changing. The industry manufactures a wider range of raw sugar products to meet customers' requirements, and the export of refined sugar is developing. I must say that Mackay Sugar and its partners in Sugar Australia are at the forefront of this market.

Mr Speaker, contrast these achievements with those of the Borbidge coalition Government, which did nothing to assist the industry to remain internationally competitive. The former coalition Government, in spite the report of the Sugar Industry Review Working Party being handed down in the first six months of its administration, did little to implement its recommendations. Instead, its members sat on the sidelines and failed to show any leadership to the industry.

Members will recall the bumbling response of the National Party Ministers to the threat to the single desk posed by the Trade Practices Act. From 31 July 1998 the Trade Practices Act would apply to acts done under Government legislation and there was strong concern that the single desk may offend certain provisions of that Act. The Commonwealth Government refused to amend the Act to remove doubt. Industry was extremely concerned and went to the State Government seeking immediate action. Nothing happened. The National Party would not fight for this industry and for the single desk. The then Opposition spokesperson on Primary Industries, Henry Palaszczuk, urged the National Party Government to act. He understood the concerns of growers and millers. It took direct representations by industry leaders in Canberra to get an amendment to the Trade Practices Act eventually. This was no thanks to Marc Rowell, the then Minister.

Now, after two and a half years of inactivity by the former Borbidge coalition Government, we have a Labor Government truly committed to the sugar industry. This legislation is a major development for the State's $4.7 billion per annum sugar industry. The policy of this Bill reflects the findings of the Sugar Industry Review Working Party. That working party consisted of representatives of Government and industry. From industry, Mr Harry Bonanno represented Canegrowers, Mr Graham Davies represented the Australian Sugar Milling Council, and Mr Ron Verri represented the Australian Cane Farmers Association. The review was chaired by Mr Bruce Vaughan, who is now the Chairman of the Queensland Sugar Corporation.

The working party visited all major sugar centres and consulted extremely widely. The recommendations of the review were signed off by all the members of the working party. This is crucial to remember: industry has agreed to the policy that underlines this Bill. This legislation will enhance flexibility within the industry by retaining the single desk and giving greater control to local growers and millers to manage their own affairs. The legislation provides the framework for an internationally competitive, export oriented sugar industry based on sustainable production that benefits both industry and the wider community.

The Beattie Labor Government has implemented this policy. There can be no question that the outcomes of this Bill are in any way being imposed by Government. Rather, as the Minister said in his second-reading speech, this is a Bill by, for and of the sugar industry. This Bill allows the people who know their business—the growers and the millers—to get on with that business. The Bill is not about Brisbane telling local areas what to do. It is about giving local areas the power to make their own decisions to maximise their profits. At the end of the day, a profitable sugar industry is good for the communities along the coast and good for Queensland. I commend the Bill to the House.

Mr MALONE (Mirani—NPA) (4.30 p.m.): It is with a great deal of pride that I rise to speak to the Sugar Industry Bill. With respect to the previous speaker, the member for Mackay, I can say that in my electorate we actually do grow about a fifth of the cane grown by the sugar industry in Queensland.

In common with other members, I support the Sugar Industry Bill. It is a Bill for which we have been waiting for a long time and it is a

milestone in respect of where the industry is going. It largely but not entirely follows the recommendations contained in the report of the Sugar Industry Review Working Party. The report was commissioned in 1995 by the then Federal and State Labor Governments in part due to the National Competition Policy, in part due to the Keating Government's desire to review the sugar tariff and also in part due to the fact that under the Sugar Industry Act 1991 there was a requirement to review the sugar price differentials by 15 July 1996.

The report and this Bill are focused on lessening the regulation of the industry, allowing more freedom of choice for growers in terms of agreements with mills and focusing the Queensland Sugar Corporation squarely on improving the industry's export performance. In a broad sense, these goals would be shared by most people involved in the industry. On top of that, the report recommends a continuation of compulsory acquisition of all raw sugar. It recognises "the significant benefits which flow to the industry and the community as a whole from these arrangements". It further recommends a retention of the corporation as a single desk seller of sugar for both the export and domestic markets. Of course, most members would be aware that that will change in the near future.

I would like to record in Hansard just why single desk selling is so important for the sugar industry. First, it enables the industry to build closer customer relationships based on the ability to differentiate Queensland raw sugar from its competitors. The working party said—

> "Access to markets and control of supply chain to end users represents a long-term strategic benefit to the Queensland sugar industry."

Second, it enables Queensland to influence regional price premiums by managing the export supply of raw sugar. The working party estimated that the benefit to the Australian community flowing from this influence would be between $30 and $60m per year. I just reiterate: the benefit of single desk selling is worth between $30m and $60m per year to our community. Finally, it facilitates the coordinated and integrated management of the industry's logistics with a consequential flow of cost savings in the form of reduced rate charges and lower cost bulk sugar terminal facilities.

I join with my coalition colleagues in supporting those aspects of this Bill which retain the single desk selling as it is logical, necessary and brings enormous benefits to Queenslanders. I also join with my colleague the member for Crows Nest in giving full credit to the Federal Government in July last year for fast-tracking the insertion in the Trade Practices Act of section 173, which makes it clear that the vesting powers of the corporation do not contravene section 50, which prohibits acquisition resulting in a substantial lessening of competition. I use that to counter what the previous speaker just said.

The sugar industry has been waiting a long time for this Bill, as I said before. The industry is also suffering from review fatigue. Since 1977 there have been at least 11 major reviews of this industry, including in 1977, the Committee of Inquiry into the Expansion of the Sugar Industry; in 1979, the Industries Assistance Commission Review; in 1983, the Industries Assistance Commission Review; in 1984, the Internal Sugar Industry Review Program; in 1985, the Sugar Industry Working Party; in 1989, the Review of the Senate Standing Committee on Industry, Science and Technology on Assistance for the Sugar Industry; also in 1989, the Committee of Inquiry into the Queensland Sugar Industry Pooling System; in 1990, the Sugar Industry Working Party, known as the Fitzpatrick working party; in 1992, the Industry Commission Review of the Australian Sugar Industry; in 1993, the Commonwealth Sugar Industry Task Force Review; and in 1996, the Sugar Industry Review Working Party. So honourable members can see that there has been a long history of reviews.

Yet at the end of the day, these reviews have found that the Queensland sugar industry is highly internationally competitive, with high labour productivity; high sugar yields per hectare; efficient milling, transportation, bulk storage, port system; leading edge R & D; and an admirable degree of cooperation between all sections of the industry. So while Government should be assisting this critical industry to continue to lead the world, I sound a note of caution that the sugar industry should not be subjected to ongoing legislative reviews. Indeed, the industry needs time to consolidate and move forward.

Back in December 1996, the Chairman of the Australian Sugar Milling Council, Graham Davies, said that it was important that there be no further reviews to enable the industry to plan with certainty, and I agree very strongly with that sentiment. We have a legislative structure which, with some modifications, has been in place since World War I and which all through the intervening decades has enabled this industry to grow and prosper. If we are to continue to witness the industry growing with

all the flow-on benefits to the rest of the community, we need to listen very carefully to what people in the industry are saying and not be driven by people who have no real knowledge of the industry pushing their own economic theories.

As I said, the Opposition supports the broad thrust of the Bill. The shadow Minister explained various component parts in his speech. As I mentioned, the coalition supports the retention of single desk selling and focusing the corporation on more export driven marketing. However, the real area of concern I have with this Bill relates to cane supply and processing arrangements. The Minister has characterised the changes contained in the Bill in this area as one of devolution to the mill area for all matters with respect to cane supply and processing. Yet, as the Minister and his department well know, whenever we move from one regulated situation to a far less regulated environment, we need to ensure that protections are in place to prevent misuse of market power. We also need to ensure that people are empowered with key information and appropriate remedies so they can adequately protect and advance their rights.

Under this Bill, a canegrower may hold an entitlement which is called a "cane production area". A cane production area entitles the grower to enter into a supply agreement with a mill with respect to the cane grown on a specified number of hectares. The Bill goes on to provide that a supply agreement can be entered into either individually or collectively. As my colleague the member for Crows Nest pointed out, the Opposition will be moving a series of amendments at the Committee stage designed to ensure that, in this less regulated and devolved market, the interests of all growers are properly protected. It is the view of growers' representatives that this Bill places mills in a position of too much power. Even without the changes brought about by this Bill, there is this disparity of negotiating power. The working party itself concluded—

> "There is an imbalance in the negotiating power of cane growers and mill owners in many mill areas and there is the potential for some mill owners to attempt to take advantage of this situation."

The working party report also states—

> "Mill owners had a negotiating advantage over many cane growers because it was economically unviable for at least some cane growers in virtually all mill areas and all cane growers in some mill areas to transport their cane to mills owned by another mill owner. Boston Consulting Group argued that it was economically unviable for at least 80 per cent of cane grown in 13 out of 25 mill areas to be sent to another mill owner.
>
> Further, because cane growing was often significantly more profitable than alternative land uses, mill owners could use their negotiating power to lower cane prices significantly, at least in some instances, before cane growers left the industry.
>
> In addition, many cane growers faced significant capital costs in transferring to other land uses and this could act as a significant barrier to such action, at least in the short to medium term."

No-one, especially me, is suggesting that there are currently any major problems between mills and growers. Far from it. In fact, the working party report at page 39 points out that there is increasing cooperation and a far more integrated approach at the local level to a range of matters, from pricing to productivity and cane expansion. However, one would have to be very short-sighted not to recognise that this Bill will be in place for a very long time. There are many people in the industry and local conditions obviously differ. It should be the object of this legislation to head off disputes and encourage cooperation.

The most sustainable form of cooperation is when the parties sit down and speak as partners in developing an exciting future for this industry rather than as combatants or with one party having the whip hand. I think the Bill as it stands tilts the balance too far in one direction, and in the context of a deregulated industry at local level it is important that some extra protections be written into it.

I place on record my support for our sugarmills and acknowledge the tremendous work they do, but it would be remiss of anyone in this Chamber not to recognise that at the end of the day the most vulnerable element in this industry is its growers. We have to ensure that their legitimate interests are addressed.

In the time I have remaining I will deal with some of the areas in which the Bill needs to be improved. Without any doubt, the biggest issue of concern to growers is the absence of a statutory nexus mandated between the selling price of sugar and the price of cane. For many years there has been industry understanding that the price of sugar and cane must be associated with the selling price of sugar. This nexus was first required to prevent the misuse of market power by millers

and was supplemented by a requirement that the price paid for sugarcane be the same for every grower covered by a particular award. I appreciate that the sugar industry working group recommended that the existing law is too prescriptive, but it did not recommend that the nexus be dispensed with altogether.

At the moment there is consistency of payments and legislatively mandated fairness. Under this Bill these protections will disappear and it will be up to the parties at local or individual level to negotiate what is contained in their supply agreements. We have a situation where, at the very time these protections are being omitted, the Government is seeking to provide a legislative framework for multiple agreements for the same mill area. A situation not only could but most probably will arise where, under various agreements, mills will be negotiating multiple prices for the same quality cane for the same season and all in the same local area. Some may say that this is a function of free enterprise and that in any event it promotes competition and industry flexibility. I would say that these changes may lead to greater competition but that it is uninformed competition that actually harms the industry and does not promote or encourage expansion. As the member for Crows Nest pointed out, we will be moving amendments to require a negotiating team to deal with this nexus issue.

Another situation that requires clarification is the power of a mill to refuse to accept cane for crushing. Of course this right is needed, but the Bill is silent on the question of notification of the decision to the grower. Under our amendments, the mill owner will be required to give notification as soon as possible, as is the case in the current Act.

A further issue of concern to growers is the fact that a negotiating team drafting a collective agreement is required to consider ways in which both mills and growers can improve profitability. This is a very important matter and we strongly support its insertion in the Bill. However, the concern is that, unlike the current Act, this Bill is totally silent on the question of cash flow. At the moment, mill owners are required to make payments as specified. In comparison, this Bill says nothing at all and we believe it would be a mistake not to require the negotiating teams to deal with this issue.

Another issue that is worrying to growers is the fact that clause 49 mandates that in all supply agreements—that is, both individual and collective agreements—there must be provisions dealing with the growing of cane. This matter has already been raised and the problems and risks of intrusion are spelt out. All I can say in addition is that this could be a major problem for growers attempting to negotiate individual agreements. A grower acting alone could well be saddled with obligations with respect to growing cane that are inappropriate, unfair and counterproductive. The risks for those entering into collective agreements would be less, but it is nevertheless a requirement that is not needed and not appropriate. We will be moving that it be deleted.

Another matter that the coalition believes the Bill has not dealt with appropriately or clearly enough relates to mill closures. In fact, the Bill is almost silent on this matter. We will be moving an amendment designed to spell out growers' rights in relation to the new mill owner as well as the closed mill owner. It is our contention that a mill closure should in no way affect the right of growers to take proceedings against the closed mill where such an action was available before the closure. Further, we believe that, so far as the new mill owner is concerned, the terms of the existing cane supply agreement should apply to govern the relevant rights of all parties. In short, we believe that the Bill should mandate certainty and fairness in this area and not leave the whole issue of the relationship between the various parties in doubt.

My colleague the member for Crows Nest has fully explained the reasons for the rest of the amendments we will be moving. I will discuss one or two additional matters. Under the Bill, a cane production area is granted, varied or cancelled by a cane production board. Boards comprise five persons: the chair, nominated by the Minister, and two representatives each of mills and growers. Under clause 151, all questions are to be decided by a majority of members present. My concern is that a cane production area can be granted or the number of hectares increased by a majority of the board, but in the case of a variation of the conditions a unanimous vote is required. It is hard to understand why the granting of a cane production area can be made by a majority of those present but a unanimous vote is required to vary it. Some people have labelled this as unusual, and I agree. I would like the Minister to address this discrepancy in his speech in reply to the debate.

The other issue is the absence of any provision for the funding of the dispute resolution mechanism for negotiating teams. This is a matter that has been raised by the Australian Cane Farmers Association and I

would like the Minister to address this in his speech in reply.

Finally, some growers have raised the problem of a grower representative on a negotiating team who may have negotiated or been negotiating an individual agreement with a mill and yet is responsible for the drafting of a collective agreement. As the Minister would know, the Bill deals specifically with the question of conflict of interest situations in the context of both cane production boards and cane protection and productivity boards, yet so far as the negotiating teams are concerned the Bill is silent. I would appreciate it if the Minister would also address this apparent anomaly and deficiency in his speech in reply.

Overall, we support the Bill and recognise that it substantially implements the working party report, but in many ways it is not an even-handed document. It quite rightly takes on board many problems faced by mill owners, including enforcing contractual obligations and capital expansions for example, but it often ignores the very same problems that growers face.

This Bill can and must be amended so that all areas of industry can be dealt with equally. The industry is going through a very difficult time at the moment. World sugar prices are low, there is a world sugar surplus, consumption is dropping in some of our key Asian markets, the Thai industry is expanding, and we face more and more competition from Brazil and Guatemala. Europe and the United States continue to place trade barriers in our way. The Australian dollar continues to fluctuate widely.

Time expired.

Hon. K. W. HAYWARD (Kallangur—ALP) (4.50 p.m.): I rise to support the Bill and to address one of its key achievements. That achievement, which was acknowledged by the member for Crows Nest and the shadow Minister, is that the Sugar Industry Bill retains the single desk marketing of Queensland raw sugar. This implements the recommendation of the Sugar Industry Review Working Party. Single desk selling is an important part of the success of the sugar industry, and it must be maintained. Economic rationalists, of course, in the National Competition Council tell us that having a single desk infringes competition. Certainly, the current arrangements do interfere with a totally free market.

The Queensland Sugar Corporation acquires the sugar as soon as it is produced, preventing direct sales by the mill owner to customers. This situation also applies to mill owners who refine the raw sugar that they originally produced before processing it into refined sugar, even if milling and refining occur at the same location. Mill owners do not retain property rights in the sugar that they produce and, therefore, cannot compete against each other. Since all Queensland raw sugar is sold by one entity, namely, the Queensland Sugar Corporation, the level of competition in the domestic and export raw sugar markets is lower than it would be if the mill owners were able to sell their sugar independently in those markets. However, what the public benefit test conducted for the working party showed was that the benefits of retaining the single desk for the industry as a whole outweighed the costs of restricting a perfectly free market in sugar.

Single desk marketing arrangements for exporting raw sugar have a long history of success in Queensland since 1915. Under this system, the Queensland industry has become internationally competitive, with marketing structures and industry infrastructure regarded as operating at world's best practice. Single desk selling for exporting compels common action in the export market. A central benefit of that structure compared with the complete deregulation is that it enables the Queensland raw sugar industry to exercise some market power.

The absence of market power is a key problem in a number of primary industry sectors, but in sugar there is a way of addressing that problem to some extent. The single desk enables the industry to exercise market power in three ways. It enables the Queensland industry to build close customer relationships—relationships that are extremely important in the industry—based on the ability to differentiate between Queensland raw sugar and sugar from other origins. Access to markets and control of the supply chain to end users represent a long-term strategic benefit to the Queensland sugar industry.

The benefits from single desk selling arise from the ability to coordinate production and marketing decisions. This ability has enabled the Queensland industry to develop close customer relationships and an international distribution network unmatched by other raw sugar exporters. The establishment of close, long-term customer relationships is central to the Queensland Sugar Corporation's ability to effectively manage the export supply of Queensland raw sugar. So in this sense, marketing relationships underpinned by coordinated production and marketing decisions are the source of the value flowing from the single desk selling of Queensland raw sugar.

The development of these relationships relies on the ability of the Queensland Sugar Corporation to differentiate between Queensland raw sugar and sugar from other origins. This is very important, I believe, because the longer term strategic advantage generated by the single desk approach is the interdependence built between the Queensland industry, as a raw sugar supplier, and many of its refiner customers. In this relationship, the Queensland sugar industry has a responsibility for ensuring the quality of the product delivered and tailoring the product delivered to the requirements of individual customers. In its report, the working party considered this as the main benefit from the single desk.

Secondly, a single desk enables the Queensland industry to influence regional sugar premiums by managing the export supply of raw sugar. The size of this benefit was estimated by the economists engaged by the working party to be in the range of $30m to $60m per year. That is the sort of additional income which is generated in the industry because of that strategic influence that they are able to have over regional markets. Of course, this particularly affects our ability to obtain what is known as the Far East premium.

The third main way in which single desk selling gives us market power is that it enables the coordinated and integrated management of the industry's logistics. It has been estimated that the size of the cost savings flowing to the industry from this coordination—the coordination in terms of freight savings and other lower cost activities—is in the range of $2m to $3m per year. There are, however, a range of non-quantifiable strategic benefits gained by the industry from the current approach to building close customer relationships. These benefits are enhanced by the quantifiable benefits flowing to the industry from the industry's ability to influence regional values and to achieve cost savings in the management of infrastructure and logistics.

So in summary then, single desk selling both allows the Queensland industry to increase its exports and enables the industry to reduce its costs. In a world market where Thailand and Brazil are aggressively seeking new markets and where the world price is stuck at historically low levels, this is a tremendous gain for Queensland. The retention of the single desk is a major achievement of this Bill, and I commend the Bill to the House.

Mr SANTORO (Clayfield—LP) (4.56 p.m.): Recently, I was in north Queensland, and I visited a number of centres that are in the heart of sugar growing areas. I make particular mention of Ingham—a town near and dear to the heart of my friend the member for Hinchinbrook—where I spoke to the Mayor, Pino Giandomenico. I mention that because the development of the sugar industry in far-north Queensland is due in no small part to the very many Italian families who settled there and were, and remain, hardworking men and women who gave their all for their families, the sugar industry and this State. So I just would like to pay my respects to the many people who have contributed to our great sugar industry. And for the purposes of this speech, I make special mention of the very many people of Italian descent who still play a critical role in so many centres in the far north of our State.

I rise to support the Bill, but I do so with a few reservations. Many of these have already been very eloquently expressed by my good friend and colleague the member for Crows Nest. I join with my colleagues in recognising that our sugar industry, despite its strength and international competitiveness, is going through a very difficult time. World sugar prices are still depressed and have dropped dramatically over the past 18 months. The Asian economic downturn is hitting hard in some of our export markets, with sugar consumption dropping in some countries. We face an expanding Thai sugar industry and ongoing tough competition from Brazil. The fluctuations in the Australian dollar have also made things very difficult.

The irony is that we have had record raw sugar production at a time when the world is moving into a sugar surplus and at the very same time as the economic crisis in Asia and Russia begins to bite. So it is important that all levels of government and people in all political parties appreciate that our sugar industry is facing some very tough times and needs to be assisted in any reasonable way possible.

In that regard, I was very sympathetic to the application by Canegrowers for an exemption from an across-the-board $12 a week wages increase. It is a measure of the difficulties that the industry is grappling with at the moment that an application has had to be made to the Full Bench of the Queensland Industrial Relations Commission that there is an incapacity to pay.

Ian Ballantyne, the General Manager of Canegrowers, recently said—

> "Canegrowers successfully sought leave from the Commission to argue the case for exemption on the basis of a dramatic cut in industry income over the

> last two crop seasons plus bleak prospects for a turnaround in their financial situation. This year growers and sugar millers face a drop in combined income which will be in the vicinity of $600 million compared with two years ago.
>
> And this is not just a one year downturn. There is clear evidence that low prices will continue into the 2000 season and beyond.
>
> The current bleak situation of the sugar industry is in stark contrast with the rest of the Australian economy which is enjoying a period of relative prosperity. Although the sugar industry continues to have a sound long-term outlook, producers are currently struggling to remain viable."

These are very powerful words and I hope that the Minister and his Government are trying to do everything possible to assist.

One practical means of helping, of course, would be to improve this Bill. Other speakers—and I particularly acknowledge the contribution of the honourable member for Crows Nest—have paid credit to the Federal coalition Government, which ensured that the Trade Practices Act was amended last year so that there could be no challenge to the Queensland Sugar Corporation's vesting powers. I join with those members in giving credit to John Anderson in particular for that important reform.

I also support the retention of single-desk selling under the Bill because, as the Sugar Industry Review Working Party report made absolutely clear, it is essential for the industry's growth and produces enormous benefits not just for the industry but for all sections of the community.

It is sometimes not appreciated by people who have criticised single-desk selling and compulsory acquisition that it is simply a conduit through which growers put their product to receive the current world price. It is totally different from some other central selling organisations which attempt to interfere with market forces by setting a floor price and stockpiling what they cannot sell.

But on top of that, the corporation is able to enforce quality control, both in terms of sugar quality as well as hygienic handling and shipping, plus negotiate with strength on the world's market to get the best price for the industry. So this aspect of the Bill is most welcome.

I also want to mention the historic decision of the last coalition Government in May 1998, on the recommendation of my friend and colleague the member for Hinchinbrook when he was Minister for Primary Industries, to hand over ownership of the bulk sugar terminals to the sugar industry. This decision, involving seven sugar terminals—worth at that stage $350m—had been long overdue. It was recommended to the Goss Government back in 1993 but by the time that the member for Hinchinbrook brought it to fruition not much progress had been made. Having said that, I commend this Government for having the sense to reconfirm the decision in August last year. But since that time, progress, as the honourable member for Crows Nest has indicated, has been very slow. It is a difficult matter but I would have thought that a supposedly can-do Government would have given this most desirable initiative a bit more priority and assistance.

Mr Palaszczuk: Don't you worry about that.

Mr SANTORO: I will take the comment from the old—from the Honourable the Minister not to worry about that.

Mr Fouras: He's not old; he just has grey hair.

Mr SANTORO: We will see at some future time just how much real credit is contained within the Minister's "Don't you worry about that."

Mr Palaszczuk: It's almost there.

Mr SANTORO: I accept the assurance from the Honourable the Minister. In some respects, this Bill continues the process that was started by the coalition in 1996 when it ensured the passage of legislation that implemented local area negotiation and dispute resolution procedures for millers and growers to determine on a commercial basis the distribution of the proceeds of vested sugar and other contractual matters relating to sugarcane.

In conformity with the recommendations of the working party, this Bill will allow the negotiation of both individual and collective agreements. As a strong believer in the right of people to opt out of collective arrangements, this is a very desirable development. So I have no problems with the fundamental philosophy underlying this Bill which is to allow more individual choice both with respect to growers dealing with a mill individually as distinct from collectively, and also with respect to growers negotiating with various mills if their local mill cannot deliver in given circumstances.

But, as with all things, the devil is always in the detail. It must always be recognised and

appreciated by people dealing with this industry that there are various factors and laws in place which, quite properly, limit pure competition but which are designed to maximise production, profitability, returns and sugar quality. Whenever one tries to liberalise one facet of the industry's operations, one must have regard to all of the various commercial intersections.

This is where this Bill runs into problems. The philosophy is good, but, as honourable members on this side of the House have said, the application is often uneven and, I believe, unfair. I will now go through a few of the areas with which I have some concern. Under this Bill, a negotiating team can negotiate a collective agreement for an unlimited period of time. It does not take much imagination to work out how unfair this could be in practice in some areas and for some farmers.

It is very rare that we ever see in legislation an ability for parties to negotiate without some sensible guidelines being put in place. This should be even more so under this Bill where a collective agreement is deemed to apply to farmers who do not make an election. One of the few rights that growers have in these circumstances is to give notice of a change of entitlement under clause 46 where an agreement is in excess of four years. Yet the ability of a grower to make an election is limited to a time before the agreement is made. I respectfully suggest to honourable members that it is ridiculous to require a farmer to make an election when the farmer would not even know for how long the collective agreement will run.

The Bill fails to require the negotiating team to consult with growers before the agreement is made. Instead, it seems to outline the process for growers to complain after the event. Again, the Bill needs to be recast so that there is a positive obligation on the negotiating team to obtain the views of stakeholders before attempting to conclude an agreement on their behalf.

The Bill sets out at length the general considerations that a negotiating team may consider and I recognise that these are based on the recommendations of the working party. Nevertheless, there is a real concern amongst many growers that the reforms in this Bill, which do away with a requirement for monthly payments, may impact adversely on cash flow. It is no use requiring a negotiating team to look at profitability when many growers feel that without regular and consistent payments they may go broke.

So I join with the member for Crows Nest in highlighting the need for the Bill to be amended to refer to the critical issue of cash flow. There is no doubt that the biggest and most consistent concern being expressed by people in the industry is the absence of any mention in the Bill of the need for mill owners to link the cane price to the sugar price. This nexus, which is currently in place, was commented upon favourably by the working party. There is absolutely nothing in the working party's report that I have read which would justify its omission from this Bill. The Opposition will be moving an amendment that will ensure that the nexus is re-inserted in this Bill—although it will be done in a way which does not bind the hands of negotiating teams.

Another matter that is causing adverse comment within the industry is the requirement in clause 49 that a supply agreement—that includes both individual and collective agreements—must deal with the growing of cane. Other members who have spoken on the Bill have highlighted just how this could result in mills interfering in farm activities that properly should remain the preserve of growers. It is not as if this Bill does not contain enough provisions that deal with environmental and land use issues. Even if there were not, simply requiring that agreements must deal with the growing of cane opens up a whole area of possible problems without in any way giving guidance or preventing inappropriate and intrusive provisions being inserted.

This could be a particular problem for growers who are attempting to negotiate an individual agreement. While the growers' representatives on a negotiating team discussing a collective agreement may have the leverage to resist the insertion of inappropriate terms, this may not be the case for some individual growers in certain circumstances. In researching the Bill, I read with considerable interest issue No. 14 of the Australian Sugar Digest and noted the concerns raised at page 6 about this matter. I share the ACFA's view that this provision is excessive, and I also personally believe that it is so vague that it could be misused.

On top of all of that, I do not know what it is intended to achieve. I think the Minister needs to fully explain why it is in the Bill and how the sorts of problems that the ACFA has raised can be avoided. As I said, I strongly support the ability of growers to negotiate individual agreements, but the fact remains that the vast bulk of growers, for very many good reasons, will want to continue to have their rights fixed by a collective agreement. It is

essential that in an industry where mills have greater negotiating power and market strength individual agreements not be misused in order to undermine collective rights and entitlements.

In clause 48, this Bill attempts to give effect to this concern and uses the term "significant adverse effect" in describing the rights of a mill suppliers committee to challenge an individual agreement. This term is taken directly from the working party's report but, in itself, is very vague. My friend the member for Crows Nest will be moving an amendment to explain what is meant by that term. I believe that that will help to overcome potential litigation in the future. I warmly commend the support of the Government for that amendment.

I read in the Australian Sugar Digest a complaint that, under this Bill, individual agreements were limited for a term that could not exceed that of a collective agreement for a particular mill. Personally, I do not share this concern. As I said earlier, a collective agreement could run for an indefinite period. No reasonable time period is fixed in this Bill. In this legislative climate, to allow an individual agreement to run for longer than a collective agreement is, in my opinion, just asking for trouble and could result in many individual agreements being tied up for far too long.

Another area where the intersection of collective and individual agreements cause me some concern is in clause 47. A mill owner has seven days after a collective agreement is made to notify the mill suppliers committee of individual agreements. It would be far better for the mill to be required to inform the mill suppliers committee of what individual agreement it proposes to enter into before—I stress before—a collective agreement is finalised. Rather than challenges to individual agreements being made under clause 48 and growers complaining that key information has been withheld after a collective agreement has been concluded, it would be sensible to encourage and facilitate the free exchange of information. Again, the Opposition will be moving an amendment to give effect to this principle.

The working party was rightly critical of the overly prescriptive legislation that is currently in place governing sugar mill closures. It is an anti-competitive measure and far too intrusive. However, we see in this Bill the exact opposite of the problem: next to no regulation and next to no protection for growers. Clause 75, which deals with mill closures, is one of the briefest and least useful provisions that one could come across. It simply provides that the owner of a mill must give notice of the day that a mill is to close and unless the Minister makes a declaration of a closure day, the day nominated by the mill owner becomes the closure day.

This Bill is full of provisions that set out the obligations that growers have to mills for the supply of cane. As clause 43 makes clear, a collective agreement is binding and enforceable in any court of competent jurisdiction and clause 49 makes it clear that each collective agreement must provide that growers must grow cane on a stated minimum percentage of the number of hectares included in their cane production areas. Yet looked at from the other side, when it comes to the obligations that mills owe to the growers, particularly in the event of mill closures, this Bill is very light on. Again, my colleague the member for Crows Nest will be moving amendments to deal with this problem. I believe that, for the sake of fairness and equity, the Minister should seriously consider supporting the coalition's proposal.

Although I am not in agreement with all of the concerns raised by the ACFA in the Australian Sugar Digest, to which I referred earlier—

Mr Lucas: You didn't disappoint us—the full 20 minutes.

Mr SANTORO: It should be a matter of some serious introspection by the Minister that the ACFA made the following comments on the Bill-

> "If reduced controls by Government or Government regulation is what is meant by deregulation, it is difficult to substantiate the claim the industry is more deregulated under the new legislation.
>
> With the exception of the negotiating team, all the industry institutions, both old and new, are now subject to the direction of the Minister. Controls over CPAs are also increased. The deregulation of the industry that was intended by the SIRWP has probably produced more regulation and control of the farmer while reducing the protection mechanisms."

Whether the Minister likes that or not, that is a concern that I have heard raised again and again: too much political control, too little protection and not enough even-handedness. The Opposition amendments, if accepted, go a long way towards dealing with these concerns and I hope sincerely that the Minister and his Government take them on board.

Finally, I note that the Competition Policy Reform (Queensland—Sugar Industry Exemptions) Regulation 1998, which specifically authorises for the purposes of the competition code various key provisions of the existing Act, is due to expire on 31 December this year. It is essential that this Bill be put in place by that time. It is a shame that, like a lot of other primary production legislation, whether that be in relation to the dairy industry or barley marketing, so little priority has been given to this legislation. It has been introduced late in the piece and rushed through without proper parliamentary debate or industry consultation. The coalition is keen to see this Bill enacted. However, we want to have it debated properly and we want to see it improved so that the type of problems that we have raised will be addressed adequately.

Although I still have another two minutes to go before my allotted time concludes, I will conclude by suggesting that the honourable member for Lytton may take those few minutes to recognise the achievements in the sugar industry of the many fine Italian families who live in his electorate. With that air of generous disposition towards the rights of the honourable member to speak to this very important Bill, which is undoubtedly of great sentimental value to many of his constituents, I invite him to fill up the time left to me.

Mr PURCELL (Bulimba—ALP) (5.15 p.m.): If the member for Clayfield will allow me, I might take a few of those minutes that he allotted to the member for Lytton to talk about canecutters. I happen to have used my hands and my back for most of my life. I know a lot of the canecutters of Queensland. Although I never cut cane, I knew them when they came down to central-western New South Wales in the Cowra area. When the cane season was finished, they would drift down to that area and cut asparagus, which I did. We would then go into the fruit-growing areas around Young and into the southern parts of New South Wales to pick fruit and then into the fruit-growing areas of Victoria to pick fruit. So I knew a lot of Italian canecutters. I worked with them, I drank with them, I played football with them—did all sorts of things with them. I have a lot of good mates who are Italian. In fact, one of my favourite uncles is an Italian. His father was a pastrycook. He had a cafe in Kendall Street, the main street of Cowra. So I have a lot of very good Italian connections.

Mr Braddy: He could teach you how to cook.

Mr PURCELL: My word, he could cook, all right. Doug Jackson is his name. He is a great cook and so was his dad.

Mr Braddy: Did he teach you how to cook?

Mr PURCELL: No, he could not teach me how to cook.

This Bill makes a number of changes to the institutional framework in which the industry operates. It regulates the industry in two major respects: production and marketing. Under this Bill, the regulatory functions and the entities performing these functions will change.

I refer firstly to the arrangements in respect of production. This Bill creates a significant shift in the management of the industry's cane production arrangements. The institutional framework that will apply at the local or the primary mill area level will have two component parts: firstly, the negotiation of the cane supply agreements; and secondly, the administration of the cane production system. The negotiation of the collective agreements will be conducted as they are now by the local area negotiating teams comprising canegrower and mill owner representatives. It is important to note that negotiating teams now have the power to make decisions on expansions, which previously rested with the Queensland Sugar Corporation.

As the member for Clayfield would probably realise, I have had a little bit of experience with negotiating with various people. Recently, I happened to be on the tablelands—and I will refer to that later in my speech—and talked to growers and mill representatives in relation to how this Bill will affect them.

Mr Lucas: You were always a very reasonable negotiator.

Mr PURCELL: Very reasonable. The second activity, the administration of cane production areas, will be undertaken by a new body, the cane production board. Each mill area will have its own cane production board that will replace the existing local boards. Cane production boards are not to be confused with the cane protection and productivity boards that undertake quite a different role. Cane production boards will have a number of very important roles, some of which were previously exercised by the QSC in Brisbane. The Bill devolves that role to the local level, which I think is very important.

The cane production boards will administer the granting, transfer, cancellation or variation of cane production areas. Crucially, they will implement the decisions of the negotiating team in relation to expansion. I do not know how the previous speaker can say that that will not work. How can negotiating

teams negotiate if they do not talk to people? One goes out and talks to people about how things will affect them.

The boards will also implement the processes in relation to the transfer of cane supply between mills. The owners of the new mill on the Tablelands, which I visited recently with some colleagues, were quite concerned about this matter. They made representation to us, which we took up with the Minister, about the production of cane in and around the new mill. Because of the old agreements, that cane had to be taken to Mossman. As the member for Mulgrave would know, the Mossman mill is on the far side of Cairns and the transport costs involved were crazy. The new cane production boards will take up the negotiations in such situations.

The CPBs will also make guidelines in relation to environmental land use and transport matters relating to grants of cane production areas. The membership of the CPBs will be similar to that of the local board: two growers, two millers and an independent chairman whom the Minister will appoint.

I turn to the regulatory arrangements in relation to marketing. In its report, the Sugar Industry Review Working Party recommended the retention of a single desk marketing function by the QSC—a decision that I applaud. However, the working party examined the issue of the current role of the QSC as both the single desk seller of raw sugar produced in Queensland and the administrator of various regulations relating to cane and raw sugar production in Queensland. Because many of the administrative decisions relating to cane production have been further devolved to the local areas, the QSC will retain only a limited central regulatory function. The working party regarded the marketing role of the QSC as by far its most important function.

The QSC must utilise its resources in the most effective manner to ensure the industry output is marketed efficiently and for the maximum net return. The QSC must have a highly commercial focus. The working party concluded that the QSC should have a limited regulatory function. Such functions should be confined to areas that are clearly ancillary to the QSC's major marketing role. It is there to market sugar at the best world price that it can get for the growers and the mill owners.

Under the Bill, the QSC will have the following primary functions: to manage the acquisition of raw sugar and market that raw sugar; to maximise the proceeds to be obtained from the marketed raw sugar; to distribute to mill owners the net proceeds resulting from their marketing of raw sugar; to encourage the promotion, manufacture and marketing of products of the sugar industry, and the value-added products connected with it. I ask the Minister to tell his department staff to sharpen their pencils and talk to mill owners and growers a little more about value adding to sugar, which can create employment in areas where sugar is produced. Instead of hauling sugar away from the production areas, value adding is a good way to retain populations in the country areas where the sugar is grown. One can imagine the benefits gained from a large confectionary company setting up a factory to produce Mars Bars, for example, where the sugar is grown. What a great employment provider that would be for the area. In order to carry out its functions, the QSC will retain some regulatory functions, namely, administrative arrangements for raw sugar acquisition and payment, and the determination and administration of schemes relating to raw sugar quality.

The Bill establishes a new statutory position, the Sugar Industry Commissioner, who will have responsibility for the central regulatory functions that would otherwise have remained with the QSC. These functions are: granting easements and permits to pass; making guidelines with regard to matters that cane production boards should take into account in granting cane production areas, which is a very important function; the maintenance of a high-integrity central record of cane production areas, which was previously the sugarcane assessment register; various administrative functions relating to the local area negotiation process procedures; and various functions relating to cane testing for quality and, of course, for sugar content.

The Sugar Industry Commissioner will be a part-time position, accommodated within the QSC's offices. The commissioner's activities will be funded and supported administratively by the QSC, but his or her authority will be exercised independently of the QSC. The Bill sets out a number of criteria for suitable appointees as Sugar Industry Commissioner, including knowledge of the sugar industry and legal or mediation training. There is provision for appeals from the commissioner's decisions to the civil courts. It will be very important that the person who fills that role can sort out any disputes between mill owners and growers, and growers and growers' representative bodies at a local level.

This Bill implements a significant restructuring of the regulatory arrangements pertaining to the raw sugar industry. This approach is all about transferring more

decision making power to the local level and aiding the industry in becoming more flexible and responsive.

I was most impressed by the new Arriga mill on the Tablelands. It has a very good management team and a very good work force. They operate what they call a "just in time" system. All the sugar is brought to the mill on trucks that the mill owns. No sugar is brought to the mill by rail. The mill organises the cutting of the cane and its carting to the mill. I can assure the House that that system is just in time. As a bin is emptied, they put more cane into it. One can see the trucks coming up the hill. The new regulations that the Bill introduces are very important in solving disputes on a local level about how far cane has to be carted to mills and what areas can be put under cane production. The locals have been waiting for this Bill and I know that they will applaud the Minister when it is proclaimed. I commend the Bill to the House.

Mrs LAVARCH (Kurwongbah—ALP) (5.29 p.m.): This afternoon I rise to support the Sugar Industry Bill, to which I am delighted to speak. Recently, I attended a conference concerning an industry other than the sugar industry. However, that industry is also going through reviews and changes. At that conference the keynote speaker was the CEO of a major Australian company. He offered some very good advice to that industry—advice that is probably applicable to the sugar industry. Today I wish to share that advice with the House.

The advice was that, as the industry was arguing within and opposing groups were directing all of their energies to opposing National Competition Policy, there were elephants in the bushes waiting to trample over them. Of course, the elephants in the bushes represent our competitor countries, which at the blink of an eye would take our markets from under us. They would be delighted that we have been tied up with a debate on National Competition Policy. In reality, to most industries the National Competition Policy debate in Australia is like a flea on the back of an elephant when it is compared with globalisation and international markets.

The viability of our sugar industry is dependent on our export markets, and we must never lose sight of that. In fact, 85% of sugar is exported. That means we use domestically only 15% of all of the sugar produced in Queensland and northern New South Wales. The importance of our sugar industry can never be overstated. It contributes about $4.7 billion to our economy.

Countries such as Brazil and Thailand are increasing their sugar production. I believe Brazil produces sugar for about 5c per pound. These countries are real threats to our industry. It is vital for our industry to be well placed so that it cannot be trampled on by the elephants waiting in the bushes. I believe the Bill gives the industry the necessary tools to be able to respond to globalisation and international conditions. As the Minister put it in his second-reading speech—

> "This Bill sets a framework for the future of the sugar industry in Queensland. This industry faces many challenges, and it is only by becoming more flexible and competitive that these challenges can be overcome. This means being more commercially focused and breaking down the entrenched distrust between growers and millers that has historically occurred in the industry."

I believe this Bill puts us in a very strong commercial position to be able to enhance our sugar industry on the world stage. I, too, have visited some sugar areas since the Bill was tabled in the House. I had the pleasure of meeting with mill supply committees in the Herbert/Burdekin area. This is a very special area in our State. Not only does it have the largest production mill; there is also only one mill owner in the area. There might be a number of mills in the area, but CSR is the only mill owner. This can create a huge power imbalance for the grower. That is why in my contribution to the debate I wish to pay particular attention to the framework for cane supply as provided for in the Bill.

As I said, the Bill regulates a wide variety of activities in the sugar industry. One of the main areas of extensive regulation is in relation to cane supply arrangements. As members would be aware, the nature of cane as a crop imposes some special conditions on the business of the supply of cane in the sugar industry. Firstly, the amount of sugar in cane, reflected by the measure of commercial cane sugar, or c.c.s., declines rapidly after the crop is harvested. Realistically, the cane must be crushed by a mill within 16 to 24 hours of its being harvested in order to extract an economic amount of sugar. This means that extensive transportation of harvested cane is not possible and it must be crushed locally. In most areas, sugarcane growers are limited to supplying one mill. Hence a situation arises which the economists call "monopsony", that is, one buyer with many sellers. Unlike the

position in many other agricultural industries, canegrowers have little choice in terms of who processes their product.

The other important factor with respect to cane is the level of c.c.s., or sugar content, which rises as the season progresses, reaches a peak around the middle of the season and then declines steadily. The level of c.c.s. basically conforms to a bell-shaped curve. In the industry, payment for cane is determined by complex formulas, one important element of which is the c.c.s. level. At the moment, this issue is of great concern in particular in the Herbert region. Mills have a fixed capacity in respect of the amount of cane they can crush per hour. Because the c.c.s. level is highest in the middle of the season, say, in October, in a perfect world every grower would try to supply the mill at that time. Of course, they cannot do so because of the finite crushing capacity of the mills. Therefore, it is necessary for arrangements to be made as to at what time the different growers will supply the mill.

Regulation has been developed to work through these matters. An averaging of returns for growers has been developed such that all growers in the mill area receive an average of the c.c.s. level for the whole season. In theory it does not matter when they supply, be it at the beginning, middle or end of the season; all other things being equal, they will receive the same amount per tonne. The issue of season length is related to this. The longer the season for crushing, the greater is the amount of cane that can be crushed; however, the average return to all growers is lower. This is because cane crushed at the beginning or the end of the season has lower c.c.s. levels. All of these matters must be dealt with by growers and millers. Of course, the growers say that the millers want to keep extending the season so that they can crush more. On the other hand, the millers say that the growers want to keep the season short so that they have the highest c.c.s. content in their cane.

The current arrangements are highly centralised and regulated. In its report the working party recommended a framework for cane supply arrangements which it believed would enhance the competitiveness of this industry. This framework has been implemented in the Bill. I will now address what the new cane supply arrangements in the Bill are intended to achieve.

The arrangements will result in a long-term commitment by canegrowers to supply a particular mill and a long-term commitment by each mill to supply crushing capacity to its canegrowers. The arrangement should balance the negotiating power of canegrowers and the mill they supply, even in areas where there is only one mill owner to a number of mills. The arrangement could provide for the collective representation of canegrowers. Cane supply negotiations will be conducted and resolved at a local level between canegrower and mill owner representatives. The phrase "local level" covers negotiations at both an individual mill area level and negotiations for several adjoining mill areas where there are issues of common concern. Dispute resolution procedures are commercially oriented and promote solutions which are negotiated by canegrower and mill owner representatives rather than arbitrated.

The assignment system, which delivers a number of beneficial outcomes, and its key elements are retained. It will be administered at a local level. The processes for expanding the area planted with cane and the supply negotiations for cane from existing cane land are linked. The arrangements will enhance mill area net income, with the distribution of income between growing and milling sectors being determined through the cane supply negotiation process. The regulatory arrangements allow for mill area negotiators to vary by mutual agreement only any restrictions on cane supply arrangements which previously have been required under the current Act.

Mr Rowell: You are doing very, very well.

Mrs LAVARCH: I would appreciate it if the member were not patronising.

Individual canegrowers or groups of canegrowers are free to opt out of the collective bargaining system and make their own contractual arrangements with their mill, provided such action does not significantly adversely affect the canegrowers covered by the collective agreement.

Mr Rowell interjected.

Mrs LAVARCH: The fact that I am not a member of the National Party does not mean that I do not understand the sugar industry.

There is a form of auditing and a method of remedying deficient individual agreements to ensure the achievement of this outcome. The arrangements facilitate innovation by canegrowers and mill owners and the achievement of productivity gains both individually and collectively. The process of expanding cane supplies takes into account land use factors to help ensure the industry's long-term sustainable development.

In implementing this framework, the names of some of the regulatory devices in the 1991 Act have been changed. Thus, an

assignment is now called a cane production area. An assignment in the 1991 Act was, in effect, a licence to produce and a right to supply a mill. Assignment was measured in terms of hectares that can be put under cane. Assignments could be sold or leased. The Bill now provides that growers have a cane production area, or a CPA, which is the same in form as an assignment. It relates to a particular number of hectares on a particular land description. A CPA is different, however, in that it is no longer a right to supply, but is now a right to enter into a cane supply agreement with the mill owner.

The cane supply agreements replace awards under the 1991 Act. The grant of a CPA is now in the hands of cane production boards, or CPBs. CPBs were called local boards under the 1991 Act. This is part of the process of shifting more decision making power to a local level. Previously, these decisions were officially made by the Queensland Sugar Corporation in Brisbane. However, for some time the reality has been that local boards were making decisions and the QSC was rubber-stamping these decisions. This Bill recognises what has been happening in a de facto sense on the ground in local areas.

I will leave it to others to go into the detail of the cane supply agreements. What I can say to the House is that the framework provided in this Bill for cane supply is carefully constructed to promote local flexibility and profitability and industry wide competitiveness. To some extent, the sugar industry is unique in that it is very highly regulated, even with these amendments. In the discussions in Ingham and in Home Hill, I think the most common comment was that there was nothing earth shattering in this Bill, but it points the industry in the right direction.

However, this Bill does provide a regulatory basis for sound commercial bargaining and for strong commercial outcomes. The Bill regulates sufficiently to overcome the problems associated with the nature of the production of the cane crop but not so greatly as to stifle initiative and flexibility at the local level. The Bill is an example of Government intervention that supports, not supplants, the market. It demonstrates the Government's commitment to the sugar industry.

I commend the Bill, but I also commend the Minister for his continued negotiations with the industry since the Bill was introduced into the House. I understand that some of the concerns of the canegrowers have been addressed or will be addressed in the Committee stage when amendments are moved to ensure that, especially in relation to the framework of the cane supply, there are mutual obligations and that the power between the mill owners and the canegrowers is as balanced as possible. I commend the Bill to the House.

Mr ROWELL (Hinchinbrook—NPA) (5.43 p.m.): The provisions contained in this Bill reflect in the main recommendations made by the Sugar Industry Review Working Party report, Sugar—Winning Globally, which was completed in November 1996. There is no doubt that the overwhelming focus of the Queensland industry is on the export market. To that extent, I support the inclusion of clause 3, which appropriately provides that the principal objective of the Bill is "to facilitate an internationally competitive, export orientated sugar industry based on sustainable production that benefits both those involved in the industry and the wider community". I think that is very important because it goes beyond the sugar producers; it takes into account the wider community—all those businesses around Queensland in sugar areas. We see the welding works, the people in shops—they are all part of the industry; they have an integral role to play with the industry.

More than 85% of Australia's sugar production is exported, and this proportion is even higher in Queensland. With the exception of Cuba, Australia is unique in the world of sugar producers in exporting such high proportions of its products and having so much of its revenue determined in global trading market terms. I join with my colleague the member for Crows Nest in applauding the industry, and I include in this all aspects of the industry from farm to port in achieving such an innovative, flexible and competitive industry—an industry which, as my friend pointed out, is still essentially, from a grower perspective, centred around farming enterprises, and they are family farming enterprises. That is the important issue.

There is one sentence in the working party report which I want to quote. It forms the basis of much I will say. On page 43 it states—

> "There will be continued focus on commercial decision making at the local level where investment decisions are implemented."

In other words, we are really going to focus very closely on what happens later within this Bill. It is all too easy to forget that, although investment in major infrastructure is critical to the industry—and by this I include ports, dams,

railway lines and mills—the industry would not exist in the first place if it were not for producers investing their family income in planting and harvesting crops. Let us never forget that the sugar industry depends on thousands of growers, their families and people who work with them to harvest their crop.

In this State there are around 6,300 canegrowers with an average farm size of 75 hectares. The vast majority of these farms are family owned. The value of sugarcane to Queensland's rural economy is surpassed only by capital production, and this varies from time to time. It is the lifeblood of various communities from the far north of the State to the south-east of this State of Queensland. In this context, we have to look at changes to legislation regulating and promoting this successful and important industry very carefully and with due regard to the fact that, unless change is warranted and needed, it would be stupid to mandate unnecessary change. In other words, if it is not broken, why fix it?

I join with my colleague the member for Crows Nest in supporting the various amendments that are proposed. In doing so, I say briefly that the thrust of this Bill is implementing the working party report. It is to make the industry more flexible and build upon the process of lessening regulation that was commenced by the Sugar Industry Act in 1991. While I have many reservations about interfering with arrangements at a local level where they have worked in my opinion very well over the years, I recognise that, without the very positive approach of the working party highlighting the benefits of single desk selling, we would have experienced problems with the Trade Practices Act. In fact, the sugar industry was the first cab off the rank in relation to National Competition Policy. Single desk selling is absolutely critical to our industry and it is a fact that we have to consider. As the working party said, "deregulated arrangements, including multiple sellers of raw sugar, could see currently available benefits dissipate". I agree with that. I think that it is absolutely critical that we maintain that single desk seller.

So I support this aspect of the Bill which retains the single desk selling. Likewise, I support finetuning the proposed focus of the Queensland Sugar Corporation so it is better able to concentrate on marketing our raw sugar overseas. It is often not appreciated that the corporation is quite different from many other exporters in that it sells directly to the end user rather than to the sugar traders.

My major concern with this Bill lies not with the marketing and exporting end of the industry but with how it will operate on the shop floor, if I can use the term. I am particularly concerned about how this Bill will impact on growers and particularly on their relationship with their local mills.

At the moment, the assignment system still essentially underpins the relationship between mills and growers. Growers are assured that their cane will be processed and, despite some conjecture to the contrary, mills are assured that growers will supply cane to them. It was suggested that the system of assignment resulted in a number of alleged anti-competitive elements, including a restriction of the supply of cane through regulating the expansion of cane land, a restriction of competition between growers for access to crushing capacity and a restriction of competition between mills for cane supply. Despite these suggestions, the working party recommended that the assignment system be retained through a revised approach known as the cane production area.

The Bill largely follows this model, and clause 6 sets out this principle by providing that a grower may hold an entitlement, called a cane production area, which entitles the grower to enter into supply agreements with a mill for cane grown on a specified number of hectares. Nevertheless, the legislation allows not just for collective agreements but also for individual agreements and is far less prescriptive than the 1991 Act.

Now, in a less regulated world, the coalition does not object to these changes as such but is concerned that in the process the Bill tips the bargaining power too far in favour of mills and does not contain enough protection so that growers can appropriately negotiate agreements. In essence that is my concern—not so much that there is less regulation but that there is less protection for growers matched with more regulation in other areas.

I touch now on a number of my concerns. At the moment there is no specific requirement that in negotiating a collective agreement the negotiating team actually consult with growers. In theory, under the Bill the first time growers will become aware of a collective agreement is up to 21 days later when a notice appears in the local newspaper. Clearly this is unsatisfactory and the Opposition seeks to have the Bill amended so that the negotiating team consults with growers before a collective agreement is signed off.

While a collective agreement may be in the process of being negotiated, a mill owner may be signing up individual agreements. This is quite legitimate, but there is the risk of a "divide and conquer" situation arising. At the moment, the Bill requires notification of individual agreements seven days after a collective agreement is made. This is clearly too late and, again, we seek to amend the Bill to ensure that this notification is given before the collective agreement is signed off.

The Bill provides that both individual and collective agreements must contain certain rights and obligations. One of these is the growing of cane, of course. As my colleague the member for Crows Nest has pointed out, this is opposed by growers on the basis that it gives mill owners the ability to direct growers to do any number of things on their assignment, from high density planting to the conventional manner of planting. Matters such as these are quite properly the preserve of the grower and nobody else, unless his or her farming practices impact on general land use or environmental laws. There are already adequate controls on land use, and this clause would allow extra and undesirable controls to creep in.

The insertion of this unwanted and unneeded mandatory requirement stands in stark contrast with the deletion from the Bill of any nexus between cane and sugar price. This is absolutely critical and its deletion from the Bill cannot be justified by reference to the working party report. The coalition will be moving an amendment to ensure that, unless a negotiating team agrees otherwise, a collective agreement must have a provision which maintains this nexus. We do not seek to have a similar requirement mandated for individual agreements, and in the case of collective agreements the negotiating team can specifically determine not to have a nexus provision. This is a matter for each team, but we believe that it is a matter that each negotiating team should have to consider.

Cash flow is a critical issue for any person in private enterprise. The 1991 Act sets out quite detailed requirements to ensure that growers receive money promptly—I believe that this is both fair and necessary—yet under this Bill there is only a non-mandatory requirement that a negotiation may take into account "cane payment arrangements". That is it.

The working party did find that the current requirements were too detailed. While I do not necessarily go along with that, the Opposition is suggesting that the question of cash flow be a matter which each negotiating team for a collective agreement must consider. The only compulsion is the requirement to consider this particular item, not a requirement in each case that this or that clause must be inserted or that a 30-day time period for payment must be set in stone—just a requirement that it be considered. I think this is fair. It is a reasonable compromise and I think any negotiating team approaching a collective agreement seriously should ensure that cash flow issues are properly addressed.

One other matter I briefly mention is the ability of the corporation to direct a mill to produce a particular brand of raw sugar in a particular amount. There is nothing objectionable or wrong about this, but anyone who knows anything about the industry knows that this would increase the length of the mill's crushing season and impact on growers' costs. The coalition will be moving an amendment that seeks to ensure that before the corporation issues such a directive it considers the impact it will have on growers' costs. In other words, the crushing season may be extended because the mills are taking longer to crush the cane to make a certain brand of sugar. This will impact on growers' costs.

Other amendments that the coalition will seek to move have been outlined by the member for Crows Nest. A common theme runs through all of the amendments. They seek to ensure that, in a less regulated sugar industry, parties to agreements can negotiate fairly and that market power cannot be unfairly used. We seek to address these matters by consultation, by the proper and prompt exchange of information and by ensuring that before people and corporations armed with extensive power actually use these powers they take into account the human, social and economic effect of their actions.

This Bill is certainly important for people in my area. We have some concerns about it. Our proposed amendments are quite important.

Debate, on motion of Mr Rowell, adjourned.

BURNETT REGION

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (6 p.m.): I move—

> "That this House calls on the Beattie Labor Government to assist the embattled Burnett Region which is suffering as a result of—

1. the Government's failure to give meaningful support for the South Burnett Meatworks;
2. the Government's lack of commitment to the expansion of the Tarong Power Station;
3. the Government's failure to secure the future of local timber mills through the Regional Forest Agreement;
4. the Government's rejection of Yarraman as a site for a new prison; and
5. threats to the future of the Nanango Hospital."

The Burnett region is one of the most productive in Queensland. It is an area that historically has contributed magnificently to the welfare of this State and to the people who live there and the people who live in the cities. But the reality is that it is suffering, it is bleeding, it is haemorrhaging because of the actions—the premeditated actions—of Government. Increasingly, an area that was one of wealth and prosperity is experiencing hardship and difficulty.

Last week, at the Local Government Association conference in Toowoomba, I spoke to a number of mayors from the Burnett region. Their stories were strikingly similar and reflected a growing sense of despair in their region. Eighteen months ago, that region had a meatworks employing 600 workers at Murgon; the then coalition Government had endorsed the expansion of the Tarong Power Station outside Nanango; the coalition Government was working towards the finalisation of the Regional Forest Agreement, which would have secured the future of timberworkers from Gympie through to Kilcoy; Yarraman was a frontrunner for the siting of a new 200-bed prison; and the future of the Nanango Hospital was secure. But we had an election, the Government changed, and all that has changed in the 18 months or so of this do-nothing Government, which has left the Burnett and the people of the Burnett for dead.

The South Burnett Meatworks is in the hands of an administrator, 600 jobs are on hold, and all the Premier could do was abuse the management which has worked so hard to keep the operation afloat and local jobs going after providing some $6m in assistance to the multinational operators of ConAgra at Dinmore. The Regional Forest Agreement is still wandering in the wilderness while mill owners and workers are worried sick about their future and their families' futures.

The handling of the RFA process by this Government has been an absolute disgrace. All it had to do was sign off. The deal was done, the Timber Board was happy, the environmentalists were happy, there was broad agreement, and the scientific work had been completed. But instead, this Government and this Premier were locked into a shabby pre-election deal with the Greens which promised the closure of logging in the hardwood forests in exchange for preferences at the last election. We await with interest the looming announcement in respect of the RFA and whether the Premier will stand up for jobs in Queensland or for his mates in the environmental movement who delivered the preferences to the Labor Party in the last State election.

Yarraman's hopes of a 200-bed prison have been dashed and along with those hopes any chance of a badly needed employment and cash injection into the town. The people of Nanango were shocked to find that a Government-commissioned report had recommended the closure of their hospital along with a significant number of beds in other hospitals throughout the State.

The latest blow came last week, when the news came through that US energy giant Entergy had pulled out of a venture with Tarong Energy, which would have seen a $1.4 billion expansion of the Tarong Power Station. And the reason was not because the people of the South Burnett had not worked hard enough. It was not because the Tarong expansion was not an attractive and worthwhile proposition. It was not because the South Burnett was not a good place to invest in capital, in people and in the future of people. It was because of lengthy and consistent and deliberate delays by this Government in providing the required approvals. The final application documents sat in the Premier's in-tray—the acting Treasurer's in-tray—for 15 weeks. They were there so long that they started to rot. And we had the revelation in the Parliament today about the $80,000 a day penalty—the $4m penalty—in regard to the failure of this Government to tick off in respect of the Tarong expansion. Tarong's application was left to wither on the vine while this do-nothing, achieve-nothing Government desperately tried to keep coal-fired power stations out of the equation.

This side of the House has no quarrel with the Chevron gas pipeline. We would welcome it to Queensland, and we sincerely hope that it

comes to fruition. But we cannot and we will not condone the sacrificing of coal-fired projects such as Tarong and Kogan Creek in order for Chevron to succeed. Chevron must stand on its own two feet. It must be able to compete on its own merits. When we sacrifice projects like Tarong and Kogan Creek, we sacrifice people, we sacrifice communities and we sacrifice opportunities that may never come along again.

This Government has a responsibility to govern for all Queenslanders—not just Labor mates in Labor electorates, not just the cities and the coastal towns. Under this Government, the people of the Burnett, like people in other parts of Queensland who feel inclined not to support Labor at the polls, have become the forgotten people. They have become the betrayed people of modern Queensland. We have a Premier who makes much about the fact that he wants to build a smart Queensland. It does not sound very smart to me. It does not sound very smart to my colleagues to let a whole region suffer and struggle.

How is it that this Government can find $250m for a football stadium in the Premier's electorate but cannot find money for one major project in the Burnett region? How is it that this Government says that it is committed to jobs, jobs, jobs and is letting hundreds of jobs go down the drain in the Burnett region? Viable industries and viable projects are being sacrificed by a vengeful Labor Government which has no commitment to rural and regional Queensland. This Government stands condemned for its shabby treatment of the Burnett region. It must mend its ways and reach out and help the people of the Burnett region. By the time a conservative Government returns to the Treasury benches in 2001, it may be too late.

I just reiterate the change of fortune under Labor for the people of that region. Before Labor came to office, we had a meatworks employing 600 workers; the endorsement of the expansion of the Tarong Power Station; the coalition Government all but finalising the Regional Forest Agreement, which all this man opposite had to do was sign off on; Yarraman was the frontrunner for the siting of a new 200-bed prison; and the future of the Nanango Hospital was secure. "Jobs, jobs, jobs", he says. Gone, gone, gone! The projects have gone, the commitment has gone, the investment has gone, and the future has gone as the member for Brisbane Central totally betrays the people of the Burnett time and time again, project after project after project.

It is not too late. This Government can still do something to rescue its credibility and its honour. I say to the member for Brisbane Central: if he went to the Burnett, he would know how much he is on the nose. He would know how much his Government has destroyed the future of that great part of Queensland.

Time expired.

Mr SEENEY (Callide—NPA) (6.11 p.m.): I rise to second the motion which has been moved by the Leader of the Opposition and which calls on the State Government to give immediate assistance to the embattled Burnett region. May I say at the outset that for me, as for all of the people of the Burnett region, this is a real issue. It is all right for the Premier to sit over there and laugh and joke and carry on with his silly play acting, but for a lot of people in the Burnett region this is real.

I represent a big proportion of the Burnett region, including the shires of Monto and Eidsvold in the North Burnett, Mundubbera, Gayndah and Biggenden in the Central Burnett and, following the recent redistribution, the shires of Murgon, Wondai and Kilkivan in the South Burnett. It is a region of small communities made up of small family-owned businesses and small family-owned land-holdings that are a legacy of the land settlement schemes of the early part of this century.

The Burnett region, because of its structure, has suffered more than most from the downturn in international commodity markets and it has suffered more than most from a series of drought years. The Burnett region has suffered more than most from the continuing decline in agricultural terms of trade as declining profitability for the region's agricultural industries has flowed through every sector of every community.

More importantly for this State Labor Government, the economic position of the Burnett region is currently being made considerably worse by a series of State Government policy decisions which have impacted on and are continuing to impact on the region's economic and social base. The most pressing area in which the State Government could make the most immediate impact is to provide immediate meaningful assistance to the South Burnett Meatworks. I and many other speakers have raised this issue many times in this Parliament. This cooperatively-owned enterprise constitutes a very significant part of the economic base of the whole region. The whole Burnett region will be further devastated by the loss of this plant,

the loss of the secondary industry jobs and the loss of the $4.5m that is owed to the region's cattle producers.

Tonight, I again call for some meaningful assistance for the South Burnett Meatworks. We do not need any more political game playing and doublespeak such as we have seen to date. We do not need any more laying of blame or discrediting of the plant or its management. Instead, this Government needs to put aside the politics and the economic rationalist theories of the academic elite. The Government needs to take a holistic view of the Burnett region and the effect that the demise of this plant will have on the people and the communities it encompasses.

Another industry where Government policy can have a very direct impact is forestry. The timber industry has been part of the economic base of the Burnett region for 100 years. Now at Wondai, Mundubbera, Eidsvold, Monto and Allies Creek sawmills are under threat from the ideologists who are currently driving the Regional Forestry Agreement process. The scientifically discredited ideology which would shut down the native forest timber industry takes no account at all of the social and economic effects on the people and the communities of the Burnett region.

I again call on the State Government to ensure that the Regional Forestry Agreement secures the future of the local timber mills in all the Burnett communities by ensuring that they have access to sufficient log supply from Crown native hardwood forests. Most importantly, decisions affecting the timber industry must be based on scientific fact and not emotive ideologies, and the professional and sustainable management of the forestry reserves to date must be recognised.

The use of irrigation has provided some welcome successes for some parts of the Burnett, with the development of new intensive agricultural industries such as grapes and other horticultural crops. There is a critical need throughout the Burnett for more water storage infrastructure to ensure future water supplies to both primary and secondary industry. Regrettably, the projects identified by the coalition in Government have all been put on hold while a seemingly endless series of studies to produce a water allocation management plan goes on and on.

It is critically important for the State Government to allow these industries to build on their successes. The long-term future of this area can be assured if the irrigation infrastructure is provided to ensure that a reliable supply of water is available. We all agree that that infrastructure needs to be built and managed in the most environmentally and economically careful manner, but at the end of the day it must be built to ensure an economic future for the small family-owned land-holdings and the small businesses that depend on those land-holdings throughout the Burnett area.

It is important to realise that this debate is about the future of people who are doing it tough. It is about the future of family businesses that are struggling to survive. It is about the future of communities that face an increasingly uncertain future. Too often those people, those families and those communities are forgotten in the pursuit of some narrow ideology.

The State Government has a moral obligation to play its role and contribute to a better future in the Burnett region, and it can do so only by resolving these and other issues in a sensible and compassionate way.

Time expired.

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (6.16 p.m.): I move the following amendment—

> "That all words after 'That this House' should be deleted and be replaced by 'notes the efforts of the Beattie Labor Government to support the Burnett Region.' "

I draw the attention of the House to two simple figures: $299.9m and $321.6m. $299.9m is what the Borbidge Government thought the Wide Bay-Burnett region was worth in terms of capital spending in its May Budget last year—its last Budget. $321.6m is what my Labor Government thought it was worth when we put our Budget together less than four months later. That says it all!

No wonder the National Party lost support in favour of One Nation in this area! Let us be clear what this debate is all about. It is about trying to save National Party votes from the One Nation Party. No wonder the National Party lost the seat of Barambah to One Nation! The National Party lost because it betrayed these people and it took them for granted.

Look how quickly my Government reacted to the needs of this area. We had very little time in which to put our Budget together. The Government, which the National Party is now seeking to attack for its actions in this area, actually added $21.7m to the capital works spending in this area within a handful of months of coming to office.

As acting Treasurer, I recently signed an agreement with Suncorp-Metway which clears the way for the bank to pump an extra $400,000 into the South Burnett Meatworks Cooperative Association at Murgon. This means that the Government is guaranteeing the loan. This is further proof that the Government will do everything it can to support any viable proposition which will help the meatworks to survive. I want that meatworks to survive—not just for the jobs, but for the whole community.

Because of the support of the Government and other organisations, creditors voted against winding up the company. Our $400,000 agreement was a key to that. Instead, the creditors supported further investment in care and maintenance of the asset. The Department of State Development has offered funding assistance towards the development of a business plan for any viable proposals that may be put forward. The $400,000 from Suncorp-Metway will help the care and maintenance of the assets, improving the chances of a successful transition to a new operator.

We have done much more to help the Murgon meatworks than the Borbidge Government, which sat on its hands and refused to help the cooperative. The audacity of the Leader of the Opposition is extraordinary. Talk about Borbidge being slippery with the truth! Representatives of the Murgon meatworks came to the Borbidge Government and asked for $7.5m in assistance. What did they receive? Not one cent! When it would have been viable to assist them before they ran into this trouble, did the coalition help? The answer is no! What did Mr Borbidge do? The answer is nothing! When the Leader of the Opposition talks about "gone, gone, gone", the only one who will be gone from this region and this Parliament, in terms of leadership, will be Mr Borbidge.

On 27 August, Deputy Premier Jim Elder promised that the Government was ready to support any viable proposal, and we are now living up to that promise. For two and a half years, between February 1996 and June 1998, the meatworks received absolutely nothing from the Borbidge Government—not one iota of support. This Government has supported the meatworks.

Let us talk about prisons. Maryborough, which is part of the Wide Bay-Burnett region, got the prison. So, let the people of Maryborough know that the Leader of the Opposition does not support the building of the prison in Maryborough. Let the people of Maryborough know that Mr Borbidge and the National Party do not support the building of a prison in that city. The Leader of the Opposition can rest assured that we will be campaigning on that issue during the next State election.

We have supported the Nanango Hospital. We have a community consultation group investigating the needs of the community and how those needs can be best met, and they will be met. We are consulting with the community. Obviously, we are doing the right thing by Nanango.

I refer to the RFA. The Leader of the Opposition, Mr Borbidge, had two and a half years to deliver. He did not deliver it at all. Again, it is being dishonest, it is Borbidge being slippery with the truth, when he says that there was some deal in place. It is untrue. We will deliver an RFA. My Government has been involved in ongoing negotiations to finalise an RFA, and that finalisation is very, very close indeed. It is a Solomon-type solution that protects jobs and protects these communities but at the same time protects the forest. We have a solution that should be followed by the other States. By bringing the parties together and negotiating a fair outcome, we have a real solution.

The Minister for Mines and Energy explained the situation with Tarong. We have met with them. We are working on it now and we are looking at their application. Let me tell members that prior to the last election there were no preference deals done with the Greens. We do not do deals. We are a party of integrity—something that Mr Borbidge would not understand.

In conclusion, let me say that we are a Government for all Queenslanders. We will look after the people of the South Burnett. They have an unacceptably high level of unemployment and we will solve that problem over time.

Hon. J. P. ELDER (Capalaba—ALP) (Deputy Premier and Minister for State Development and Minister for Trade) (6.21 p.m.): I second the amendment. This debate is certainly about politics and my contribution will be about the truth. The fact of the matter is that, as the Premier outlined, the Borbidge Government did nothing to assist the Murgon meatworks when they came asking for help in their most desperate hour. When they needed support from the previous Government to continue a viable business, to keep 600 workers there, to keep the meatworks working and to invest in the plant,

they came through the former Premier's door and got zip—nothing.

The one thing that rings true, and rings true in all senses of the word, is that it is "all but" Borbidge, "all but" deliver. In relation to Murgon, he did not deliver. Since that time, members opposite have been rolling through the Burnett spreading outright, deliberate untruths and half-truths. The fact of the matter is that the only opportunity that the meatworks had to survive commercially was knocked back by the previous Government. This Government has been the only Government that has assisted the Murgon meatworks—not the Federal Government—although local governments are giving it moral support. Members should rest assured that that is the fact and it can be proved easily.

The Opposition talks about major projects. In the two years that the Borbidge Government was in power, not one major project was delivered. This morning, the Leader of the Opposition made a claim about Boeing. If he regards Boeing as a measure of success then, in terms of the projects that we have brought to fruition, we have outscored him by six to one. In the time that the Borbidge Government was in power, one major project was delivered.

Mr Beattie: And Boeing was initiated under the Goss Government.

Mr ELDER: I accept that interjection. It was a facilitation under the Borbidge Government, nothing more and nothing less. In relation to the RFA—

An Opposition member interjected.

Mr ELDER: If the honourable member wants to interject, he should return to his correct seat and then I will take his interjection.

This Government is committed to a viable timber industry in the South Burnett. However, it has to be an industry that is competitive. We will work with the people involved and help them. It is not a 1950s theme park which in terms of industry development is where the former Government left it.

Mr Seeney: It's always conditional, isn't it?

Mr ELDER: My word. I will take that interjection. The member is weak, he is gutless and he misleads the people of his electorate.

Mr SEENEY: I rise to a point of order. I find the remark that the Deputy Premier made that I am weak and gutless and that I mislead my electorate offensive and absolutely hypocritical, coming from a member with his record. I find it offensive and I ask that it be withdrawn.

Mr ELDER: Mr Deputy Speaker, if the member finds it offensive, I will withdraw but, in the terms of the comments that he has made publicly, I will let the record speak for itself. I will let the member's actions speak for themselves.

We will deliver an RFA outcome which, in the two and a half years that they were in Government, the members opposite could not deliver. The members opposite had two and a half years to provide support for that industry—to help it with value adding, to help it with management—and yet in that time they did nothing—nothing at all! The fact of the matter is that they had an opportunity to do that during the term of the Bjelke-Petersen Government. They had an opportunity to do it under the Russell Cooper Government, but they did not do it. They had an opportunity to do that under the Rob Borbidge Government, but they could not do it. The members opposite are a can't do Opposition and they were a can't do Government. They are "all but" Borbidge, "all but" nothing, "all but" deliver. The simple fact is that, during the time that they were in Government, they never delivered. That is their simple record. For the information of the members opposite, I point out that it is on the record for everyone to see. The fact of the matter is that, on any of these issues, the member for Surfers Paradise has no credibility. He had an opportunity to deliver, but did he not.

In relation to the meat industry, this Government has turned it around. The Opposition left it in a calamitous position. Right across the State, jobs were going to be lost. The members opposite say that we help Labor mates. We are actually generating jobs in abattoirs in Charleville, in Wallangarra and in Toowoomba—hardly Labor territory. However, they are jobs. It is a good demonstration—

Time expired.

Mr HORAN (Toowoomba South—NPA) (6.26 p.m.): Tonight, this debate is about support for the good people who live in the South Burnett area, those people who time and time again have been stabbed in the back by the Beattie Labor Government in the short 12 months that it has been in power. Nothing demonstrates that more than the decision that the Government made in relation to the three 200-bed jails that were proposed by the coalition Government. What did the Beattie Government do? It proposed a 400-bed jail at Woodford. Also, instead of providing three 200-bed jails, it proposed placing a 500-bed

jail at Maryborough, which was one of four areas that were short-listed by the former Government. We support Maryborough receiving some facilities. However, good government is about sharing the facilities among the good, decent people who live in those decentralised communities in our State.

Why on earth would the Beattie Government extend the Woodford prison by 400 cells, making it the biggest high-security prison in Australia? Why on earth would it do that when it could have placed 200-cell jails in centres such as Inglewood, Yarraman and Roma, which would have provided about 80 jobs for about 80 families which would, in turn, have provided extra teachers and extra business for the small businesspeople in those communities? That would have been good government. Why? Because the Premier of this State stabbed the people of Maryborough in the back over their hospital. He had to face a crowd of 2,000 people in the Maryborough Town Hall. He had to do a backflip. This was his payback for the mammoth mistake and bungling of his Health Minister in regard to the Maryborough Hospital. It was also his way of attacking the bush. This Government took away any opportunity for Inglewood, Yarraman or Roma to have a 200-bed jail.

The interesting thing about all of this was that, of the four sites that the coalition had in Inglewood, Yarraman, Roma and Maryborough, the actual site that was top of the list in the Minister's office and the one that he recommended was Yarraman. However, he got done over by the Premier for cynical, sour political reasons. When the mayors of Rosalie and Nanango asked whether the decision regarding the selection of Woodford could be reconsidered, they were not even listened to. The Minister said that he would consult with the people in those rural areas. He did not even bother to consult. However, on the ABC on 26 March, the secretary of the South Burnett branch of the ALP probably summed it up best by saying that the decision to build a 500-bed jail in Maryborough and extend the Woodford prison was a snub for rural Queensland. That is what the decision was about.

Government members do not like the people of the South Burnett. One only has to look at the way that they have turned their backs on the proposal for Yarraman, their lack of support for the Tarong Power Station and the meatworks, and the proposals to downgrade the Nanango Hospital and possibly the Wondai Hospital. They do not care. It is good government to look after those people and it is bad government if, for cynical reasons, one sticks all the resources into one area, as happened with the $39m Heritage Trail in Ipswich. Why could not some of that money have gone into Yarraman?

This is a cynical, sour Government that is determined not to give anything to an area like the South Burnett, which is non-Labor. The Labor Party does not care that they are good Queensland families, that the kids play cricket on Saturdays and go to the local schools. They are decent, church-going families. This Government is all about feathering its nest, making sure that it pads little areas to win those seats in a cynical drive to retain power. We will stand up for the people of Yarraman. We had a good Government plan to spread the gravy around. Building a 200-cell jail in a country town is an ideal project, and it would have provided 80 or 90 jobs. That is good government, unlike the decision making that has occurred under the Beattie Government.

We will stand up for the South Burnett, we will stand up for Yarraman and we will deliver good government to regional Queensland because decentralised Queensland has been the strength of Queensland. The Labor Party will be on the nose forever in the South Burnett. No-one will ever forget how it turned its back on Yarraman. It had no need to do that. It would have been a simple job to build a 200-cell jail in that town. It made good business sense and good government sense.

Time expired.

Hon. T. McGRADY (Mount Isa—ALP) (Minister for Mines and Energy and Minister Assisting the Deputy Premier on Regional Development) (6.31 p.m.): This debate is all about truth and there has been very little truth coming from the other side of the House tonight. It is time that I gave members opposite a little history lesson.

Prior to the last State election, a Cabinet meeting was held in the South Burnett. What happened? The then Premier came out and announced that there was going to be an expansion program at the Tarong Power Station. However, he forgot to consult the board of that power station, because it knew nothing at all about it. It was a gimmick. It was a ploy to defeat the efforts of the One Nation candidate. Of course, it failed. All it did was to deal a very cruel blow to the people of Kingaroy, Tarong and such places. He led them up the garden path. He told those people that he was going to spend $1 billion on an extension to the power station. What happened? We had to come in and see what we could do.

I was in the South Burnett just a few weeks ago. I addressed a lunch meeting of 150 people. I was told that they were disappointed—indeed, they were disgusted—with the National Party, and this was a Tory town. This was the heart of the National Party and that party betrayed them. In the 32 years that members opposite were in office, the area had the highest unemployment rate in the State. The National Party betrayed those people, so all the nonsense that members opposite are coming out with tonight is wrong. We referred the matter of the Tarong Power Station to the board. The board assessed the situation and endorsed a proposal which it sent to the two shareholding Ministers.

As I said a moment ago and as I said this morning, this is a $1 billion project and it will be financed by the taxpayers of Queensland. There has been much—

Mr Cooper interjected.

Mr McGRADY: The member would not have a clue. Today much has been said about Entergy. When Entergy pulled out—

Mr Cooper: Who?

Mr McGRADY: As I said, the member would not have a clue. When Entergy pulled out, it was simply looking at its international investments. Of course, when the Opposition talks about somebody saying that the Queensland Government was slow, that person remains quite anonymous.

In today's Courier-Mail there happens to be a little advertisement that states, "Application for Generation Authority by Tarong Energy Corporation Limited." This is an application to the regulator for a permit to generate. This follows the meeting that was held between the Premier, Deputy Premier and me, which I have already mentioned today. There is a due process to go through and we will go through the process and a decision will be made.

All we hear day after day after day about Tarong is humbug. The member for Crows Nest was a member of the Cabinet that misled the people. In the next 12 months, $25m will be spent on the maintenance and upgrading of the Tarong Power Station. I use the word "maintenance" because when those opposite were in power they did not have a clue what maintenance was. In this financial year, $25m is going to be spent.

Tonight I ask the Parliament to treat this motion with the absolute disgust and disdain that it deserves. As I said in my opening remarks, this debate is about truth. No truth whatsoever is forthcoming from the other side of the House. Members opposite tell untruths day after day after day. The decision of the former Cabinet to go ahead with an expansion of the Tarong Power Station had not even been discussed with the board. It was simply a cheap attempt to keep the One Nation candidate out of this Parliament.

Mrs PRATT (Barambah—IND) (6.36 p.m.): The Premier has just stood up and reduced this debate to a political argument, but this issue is beyond politics. This is about people, unemployment and poverty. The people will be watching the truth of the Premier's statement that he wants to keep the meatworks open and that he will work to solve the unemployment problem in the Burnett region. If this motion has done nothing else, it has placed the Premier's words on the record.

I rise to speak on this motion tonight because I have seen the heart being plucked from the Burnett and, in particular, the South Burnett. I have seen the percentage of people living on or below the poverty line steadily rising. One in five Queenslanders now lives below the poverty line. The Sate of our Regions report states that the Wide Bay region is currently recording some of the worst performance indicators, with some shires having the highest levels of poverty in Australia.

Recently, the Premier responded to severe criticism by me and by local media concerning this Government's lack of new capital expenditure and assistance in the Burnett by means of a letter listing all that this Government had done for the Wide Bay/Burnett region since coming into office. He mentioned the implementation of the Breaking the Unemployment Cycle program, which will employ only three people. I thank the Premier, but what about the 417 meatworkers still clinging to a fragile thread of hope that the meatworks may be reopened? What about the town business employees, who are already losing their jobs because of the closed meatworks? What about the timberworkers who are already drifting away because of the inability or reluctance of this Government to announce its decision on the RFA? What about the Tarong power workers, the town businesses and all who have waited so patiently for the extension to be announced? What about the people of Yarraman who desperately wanted the prison but are now prisoners in their homes as they cannot move to another town because they cannot sell their present homes? Even if a miracle occurred and they could find a buyer, the selling price would be only the equivalent of a deposit on a modest home in a bigger town.

The Wide Bay/Burnett region is a huge area. I ask the Premier to study a map carefully so that he understands exactly where the South Burnett is in relation to Maryborough and other parts of the State. If members mention any industry in the Burnett, they will find that it is under some sort of threat through Federal and/or State action or inaction from past or present Governments. It no longer matters which Government is to blame.

Tonight I rose to speak on this motion because the true plight of those in the embattled Burnett region must be brought to the Government's attention. This must be repeated over and over again until the Premier and the Cabinet start to question the accuracy of the information they are being given. I said this earlier today and I repeat it tonight: the Premier and the Cabinet should open their eyes and not only look at but also see the truth.

In his response to the criticism aimed at this Government, the Premier spoke of the $22.5m for teachers' salaries, the $3.6m for DPI staff and operating expenses and the $1.5m for maintenance of Government infrastructure. It is a very hard-hearted man who points to the funding for ongoing wage costs and the maintenance of Government infrastructure and uses that as evidence of his generosity. The Premier is a great performer. However, he should throw away the smoke and mirrors tactics, because he is fooling no-one. He should start performing in a way that counts. At the very minimum, he should leave his advisers, suits and posturing behind and come to the Burnett, meet the people on their own terms and see for himself what his Government is condemning these people to. Day after day, we hear about the threatened closure and uncertain future of the Nanango Hospital. Day after day, the Minister denies the reports that it will close in spite of the existence of a readily available document stating that its closure is recommended.

The Government should not be surprised at the lack of faith that the people of the Burnett have in this Government. Every time the people turn around they lose more hope. The Ministers says one thing, yet the exact opposite happens. The people of the Burnett are hurting badly. The Ministers need to open their eyes and really look at what is happening out there. These are not just words on a piece of paper; this is fact. People are hurting on a daily basis. Nobody is listening, because the Premier keeps bringing politics into the issue. Regardless of who caused the problem, the Premier should fix it and give these people some jobs. The Government is supposed to be all knowledgeable, and we just the ignorant people. It should use that knowledge.

Hon. T. A. BARTON (Waterford—ALP) (Minister for Police and Corrective Services) (6.41 p.m.): I rise to oppose the motion and to support the Premier's amendment. I wish to address the rewriting of history by members opposite, who were proposing a 600-bed correctional facility for which there were 25 applications. They short-listed four locations at a Cabinet meeting, which the Minister for Mines and Energy referred to as a political stunt, in the lead-up to the last election when they were trying to save their hide in the electorate of Barambah. Interestingly, they short-listed Maryborough, Inglewood, Roma, Tarong, Nanango and Rosalie, but they had not mentioned Yarraman. At that point they were saying, "We'll build three 200-bed prisons." We also need to acknowledge that that was not the then Queensland Corrective Services Commission's position. It was opposed to the concept of three 200-bed prisons. All of the briefing material that was given when I became the Minister indicated not only that but also that it would be virtually twice the price, both in terms of construction and recurrent costs for the operations at those prisons. That was the reality. They staged a straight-out political stunt that did not reflect the position of the Queensland Corrective Services Commission.

I picked up the process that had been commenced by my predecessor and again inspected all of those sites. It became apparent that they had got their planning wrong and that they needed 900. We had another look at it, and the frontrunners at that time were Maryborough, Woodford and Yarraman. Yarraman is a good site, but it is not the best one. The reality was that the most effective way to do what was needed was to put 400 cells onto Woodford, which is what is happening. Woodford speaks for itself. It is a good site and one that has excellent support from that community, and we found that we would be able to put in place those cells in a cost-effective and speedy fashion.

Maryborough was another of the coalition's short-listed sites. Maryborough pipped Yarraman essentially because it had better transport, labour availability and better support from the council, which was also providing financial and infrastructure support. There was also very strong public support. Importantly, it had very good support from its local member, who at that time was a One Nation member. Importantly, it is in the Burnett region, which is also doing it tough in terms of jobs. Every time I see Woodford it is pretty

clear to me that it is a country town and is not that which is trying to be portrayed in this place. In response to the comments made tonight by the member for Barambah, I point out that Yarraman received absolutely no support at all from its local member.

Mrs PRATT: I rise to a point of order. I take offence at those remarks, because I was approached by—

Mr DEPUTY SPEAKER (Mr Reeves): Order! This is not a debate.

Mrs PRATT: I ask that they be withdrawn.

Mr DEPUTY SPEAKER: Order! This is not a debate.

Mrs PRATT: Mr Deputy Speaker, I did ask for the remarks to be withdrawn.

Mr BARTON: I will withdraw the remark. Let us have a look at the South Burnett Times of 19 June 1998, which stated—

> "Probable member for Barambah Mrs Pratt said she was personally not in favour of a prison being established at Tarong.
>
> She said it was One Nation's policy to have a local mini-referendum to decide whether a prison should be located in the district."

The other reality is that I did not receive—

Mrs PRATT: I rise to a point of order. I did in fact say that I would support the people, although I was opposed—

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

Mr BARTON: As Minister, I did not receive one single letter, phone call or fax from the honourable member—not one. However, what I did receive from the member for Maryborough was constant support. Once the decision was made in relation to Maryborough, we saw the spectacle of the member for Barambah saying that she was opposed to Maryborough. Also, on 30 March she criticised the decision in respect of Woodford as being crazy. The member for Barambah does not seem to understand that Woodford and the Woodford prison site is actually within the boundaries of the redrawn electorate of Barambah. She is criticising a decision that is good for her electorate.

Time expired.

Mr ROWELL (Hinchinbrook—NPA) (6.46 p.m.): I rise to lend my support to this motion, which in itself shows the massive neglect of the Burnett region. For the benefit of members opposite, whom I have noticed from regional newspapers and correspondence are somewhat geographically challenged, I point out that Maryborough and Hervey Bay are part of the Wide Bay region and not the Burnett region. As we know, Labor is desperate to win back those seats and is throwing money and projects at them hand over fist. And that is good for them. However, the Burnett has been neglected, and this motion shows graphically how great that neglect has been.

This can't do Beattie Government has brought new meaning to the word "procrastination". This Government cannot make a tough decision. This is a Government that cannot deliver the big projects and a Government that is slowly but surely stifling regional development. This is a Government that is strangling the Burnett. There is no greater example than the go slow tactics of the Beattie Government, which have killed the $1.4 billion upgrade of the Tarong Power Station.

Tarong has been waiting since June for approval of this project. This morning the Minister refused to deny that Tarong Energy was making a penalty payment to contractors of $88,000 per day. I noticed that he again said nothing about it. He refused also to deny that, if the expansion does not proceed, Tarong Energy will be forced to pay $4m for non-performance of that contract. Once again, he said nothing about that. The Minister's refusal only confirms that this Government's inactivity was a deliberate attempt to tilt the playing field. This is in spite of the former Treasurer's statement in April that Tarong should get on with the job. On 15 April he told the Parliament, "If the board has signed off on an agreement, then I would fully expect that the board would execute that agreement and get on with the job." But earlier this month US company Entergy pulled out of the joint partnership with Tarong Energy for the expansion project, citing problems with delays in Government permits. The report to the Beattie Government by the Australian Gaslight Company suggests that a go-ahead for coal-fired power projects could threaten the viability of the Chevron gas pipeline. Those comments reflect the view of the Premier, who over 12 months ago criticised the coalition's backing of Tarong's project.

It is no wonder that these comments and the Beattie Government's procrastination over Tarong have set major suspicion amongst the coal-based energy sector. The ongoing problems with the Tarong expansion through the penalty payments—something which the Minister refuses to deny—and the fact that there is now no commercial partner adds even

more weight to the coalition's repeated demands for a clear policy statement from the Beattie Government. At the moment a number of major investors are ploughing massive sums of money into power stations which may simply have no future. The Beattie Government should give all players in the energy industry a clear statement of just where it stands before even more damage is done to our reputations amongst some of the biggest companies in the world. The frustration was summed up by the senior Entergy executive in the Courier-Mail on 7 September when he said—

"It would be great if they"—

the Beattie Government—

"came out and said something, but they haven't."

He went on to say—

"As we progressed in the evaluation of this particular project we decided it was not a venture we could continue to pursue."

Mr McGrady: Who's "we"?

Mr ROWELL: This is Entergy. That is a summarisation of the unpredictability of the Queensland power market. He could not understand what was going on in Queensland and the people opposite are the ones who are in Government driving the whole process.

Mr Elder: Who is "he"?

Mr ROWELL: The senior executive of Entergy.

Mr Elder: What was his name?

Mr ROWELL: I do not need to tell the member opposite. He should know. Why does he have to ask me? He does not even know his name, either.

Time expired.

Mrs NITA CUNNINGHAM (Bundaberg—ALP) (6.51 p.m.): As the representative in this House for Bundaberg, the jewel in the Crown of the Burnett, I have much pleasure in supporting the Government's amendment to this absolutely hypocritical motion moved by the Opposition Leader. There are a lot of good people in the Burnett. They do not deserve this kind of scaremongering and talking down of their region. They need us all to support their region and their future. But to emphasise the gross hypocrisy of this Opposition, I will briefly address each clause.

The Opposition Leader says that the Government has failed to give meaningful support to the South Burnett Meatworks. I should not have to remind the Opposition that when it was in Government it gave no meaningful support to the Bundaberg abattoir. It gave no support at all—none whatsoever. It closed that meatworks. It would not listen. It pushed us from one Minister to another. It could not even make up its mind which Minister was looking after the problem. It gave every excuse as to why it could not support it. But it never gave our abattoir or our workers a chance; it just closed it, with a loss of 25 long-term jobs and the loss of a valuable facility for meat producers throughout this very same Burnett region. In contrast, the Beattie Labor can-do Government is working closely with the South Burnett Meatworks to ensure its survival, providing funds to keep it viable and to keep it open until a positive solution can be found. The people associated with the Bundaberg abattoir would have jumped at such a chance.

The motion before the House also talks of the Government's lack of commitment to the Tarong Power Station. I again remind the Opposition of its reluctance to support the SUDAW project—a project that would also benefit Tarong, a project that could establish a coal loading facility south of Bundaberg and bring economic benefits to every township in the Burnett from Chinchilla through to Bundaberg and has the support of every local government in that whole region. The Borbidge Government failed to support that project. It postponed making decisions time and time again.

Time expired.

Question—That the amendment be agreed to—put; and the House divided—

AYES, 41—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, D'Arcy, Edmond, Elder, Fenlon, Foley, Fouras, Gibbs, Hamill, Hayward, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Reynolds, Roberts, Rose, Schwarten, Spence, Struthers, Welford, Wellington, Wells, Wilson. Tellers: Purcell, Pitt

NOES, 39—Beanland, Black, Borbidge, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Grice, Healy, Hobbs, Horan, Johnson, Kingston, Laming, Lester, Lingard, Littleproud, Malone, Mitchell, Nelson, Paff, Pratt, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Springborg, Stephan, Turner, Veivers, Watson. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Mr DEPUTY SPEAKER (Mr Reeves): Order! All future divisions on this matter will be of two minutes' duration.

Question—That the motion, as amended, be agreed to—put; and the House divided—

AYES, 41—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham,

D'Arcy, Edmond, Elder, Fenlon, Foley, Fouras, Gibbs, Hamill, Hayward, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Reynolds, Roberts, Rose, Schwarten, Spence, Struthers, Welford, Wellington, Wells, Wilson. Tellers: Purcell, Pitt

NOES, 39—Beanland, Black, Borbidge, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Grice, Healy, Hobbs, Horan, Johnson, Kingston, Laming, Lester, Lingard, Littleproud, Malone, Mitchell, Nelson, Paff, Pratt, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Springborg, Stephan, Turner, Veivers, Watson. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Sitting suspended from 7.04 p.m. to 8.30 p.m.

QUEENSLAND BUILDING SERVICES AUTHORITY AMENDMENT BILL

Withdrawal

On the Order of the Day being discharged, the Bill was withdrawn.

COMMUNITY-BASED REFERENDUM BILL

Second Reading

Resumed from 25 August (see p. 3566).

Mr FELDMAN (Caboolture—ONP) (8.31 p.m.): As Dr Prenzler is ill and currently recovering from an operation, I seek the leave of the House to have the remainder of his speech incorporated into Hansard.

Leave granted.

Dr PRENZLER: With CIR a mistake would have written off the entire legislation and in essence would have nullified the purpose and intention of direct democracy.

It can be seen already Mr Speaker, the great number of differences between our legislation and the CIR legislation proposed by the member for Nicklin, but the differences do not stop there.

CBR allows legislation to be withdrawn by several means including certification by the Attorney-General if the matter to be addressed by the bill is addressed by alternative legislation ... and if this occurs, a referendum is not necessary. CIR proceeds like a juggernaut, irrespective of whether the Legislature has addressed the matter or not, causing totally unnecessary referendums and totally unnecessary cost.

Parliament is free to legislate to address the issue with CBR whilst CIR would have deprived the Parliament of its constitutional powers to legislate for one year.

CBR also leaves the people free to exercise their constitutional powers and recognises the right of a majority of electors voting to repeal specific legislation. CIR attempted to deprive the people of the constitutional powers of participation for 5 years and attempted to frustrate the will of the majority of electors who may wish to repeal specific legislation.

CBR recognises the distinction between legislative, executive and judicial functions and acts as an adjunct to the ordinary legislative process. CIR, Mr Speaker, sought to have the judiciary draft legislation or subordinate legislation unrelated to inherently judicial functions and hence was of an antagonistic nature to the Legislature.

The CBR process is extremely cost efficient. Only Bills that are of the quality that will pass through the Legislative Assembly are presented to the electors. Any problems with the drafting and the final form of the Bill can be resolved before submission to electors. CIR was extremely cost inefficient. Less than desirable drafting would have lead to declarations in the Supreme Court to attempt to resolve problems from drafting and would have created many more difficulties. Problems in the Bill would have been unamendable ensuring that flawed Bills could be submitted to electors at referendum ... a considerable cost and waste of time and resources.

Importantly also, Mr Speaker, CBR sorts out all the problems before any proposed law is put to the people. The Californian model from which CIR was modelled sees 5 out of every 8 Bills struck down or read down, in part or in whole, by the Supreme Court after the vote ... necessary to avoid injustices, intended or unintended, through poor drafting and because there is no power to correct or amend poorly drafted Bills.

Mr Speaker, CBR allows the benefit of the knowledge of the Parliament and its established committees to improve the legislation whilst CIR did not.

Mr Speaker, I have spent considerable time this evening addressing the differences between CIR and CBR in the hope that this issue, certain to arise some time through out this debate, will now be put aside so that the CBR Bill can be debated on its merits.

The Scrutiny of Legislation Committee thoroughly scrutinised CBR. I welcome the committee's conscientious constructive criticism of the Bill, and this has enabled a detailed response, including the instruction for amendment to the Bill, and through explanation to address all concerns.

The Alert Digest No. 8 of 1999 contains no outstanding concerns in relation to this Bill. The committee is satisfied with our response and our proposed amendments.

This is very high commendation indeed for the machinery and checks and balances of the Bill in the light of the Scrutiny of Legislation Committee's response.

> There are no credible excuses for the rejection of this Bill Mr Speaker. The only excuse will be an unwillingness of certain members to trust the people of this State, by their considered opinion via direct democracy.
>
> The CBR Bill will reveal a willingness or unwillingness of members to embrace direct democracy. It will define for the public which members really believe in democracy and which members trust the people of Queensland—including the people of their electorate.
>
> Mr Speaker, CBR enables the people to have a say, and provides a means by which the people and the Parliament can work together for the benefit of all Queenslanders.
>
> I commend this Bill to the House.
>
> Thank you, Mr Speaker.

Mrs PRATT (Barambah—IND) (8.31 p.m.): I rise today to offer the people of Queensland the choice between taking their future into their own hands through direct democracy and remaining with the present system, whereby the Government of the day dictates every facet of their lives. I am happy to sponsor the concept of community-based referendum as I believe it will open a new door on democracy for Queenslanders.

Community-based referendum, or as it is more commonly known, citizen-initiated referendum, is a form of referendum which allows law-making to be, when the need arises, addressed by the people who are affected by and concerned about the laws they must live under. The current climate is right for promoting community-based referendum. Electors of all political persuasions are embracing it. The ethic of participation and openness in Government is growing.

The reputation and standing of democracy in Australia is an increasingly important political issue. The move towards centralised power has heightened the concerns of many voters that they are increasingly being distanced from the decision makers. We have a better educated population which is well equipped with the latest in high-tech information systems and more capable than ever before of participating in the decision-making process. The people no longer believe that members of Government know better than they do, and about this they could very well be right.

In recent years the idea of community-based referendum has enjoyed increasing support. This is in direct response to the lack of trust people have in Government to work in the people's best interests. The only sour note in the past has come from the entrenched forces of reaction within the Labor, Liberal and National Parties. I will share with the House some notable exceptions from all political persuasions. In 1917, the Popular Initiative and Referendum Bill was introduced by the ALP and supported by such notables as Ryan.

I mention an information paper from 1994 by Peter Reith, a parliamentary colleague in Canberra, entitled Direct Democracy. It states—

> "The proposal allows the Australian people to propose legislation ...
>
> Members of Parliament ... should welcome a proposal which enables the common sense of the electors to be heard.
>
> It would provide a last resort measure to ensure that governments act in accordance with the popular will, and thus add a vital new element to our democracy."

Governments over the years have stripped the people of their right of say in many areas, have taken away people's input into how this State is run and have taken away their enthusiasm and responsibilities. The apathetic response from the people is due to no involvement in what happens in their lives. They have a sense of lack of control, that nothing they say will make a scrap of difference to politicians. Once again I have to wonder if they are not right.

Politicians continually use the argument that the people are ignorant, but a few words from former Senator Michael Macklin in his speech "The case for a Citizens' Initiative" states—

> "This criticism comes down to the argument that people do not know enough to decide for themselves. This argument was used to oppose other reforms such as women's and universal suffrage.
>
> ...
>
> The greater sense of responsibility and involvement this form of participatory democracy gives to the people also encourages them to be more far-sighted."

It is interesting to note that no city, State or country I am aware of has ever reversed its support for community-based referendum once it has the right to have a real say in what happens to it.

One of the major arguments for not supporting the introduction of community-based referendum is cost. Once again, former Senator Macklin states—

> "... if the people decide to spend their money on this advance in democracy

> then what is the objection? Elections are also expensive but are considered as essential to the health of our democracy."

What are some of the other arguments against community-based referendum? I have heard it said that community-based referendum undermines the Westminster system. The Westminster system ensures that there can be no return to tyranny under the divine right of kings—or in its mutated form today, the Government. Ultimately, the power is reserved for the people who under the Westminster system have the right to elect representatives to the Parliament who are to make laws for the common good and in representative character. Therefore, direct democracy is entirely compatible with our current system and this proposal would merely supplement the existing political system.

What are other arguments against this initiative? What about overuse? The noted authority on citizen-initiated referendum, Geoffrey de Q Walker, found that that proposition was not supported by experience in America. He states in his book—

> "... they averaged two initiative measures every two years. Fears of a tidal wave of initiative legislation seem unwarranted."

Another argument often used is that people who endorse community-based referendum or citizen-initiated referendum are ignorant and ill informed. I have here speeches and quotes from people from all walks of life who have supported the idea of community involvement in citizen-initiated referendum. I think members will agree that these people are neither ignorant nor ill informed. I cite former Senator Macklin; Colleen McCullough; Bob King, a former MLA for Nicklin; the late honourable Andrew Mensaris; Bill Taylor, MP; Russell Cooper, MLA; Trevor Perrett, a former MLA—

A Government member: He was a good member.

Mrs PRATT: I said noted people. And there are many more.

Not long after I was elected to Parliament I heard a comment from the Honourable the Premier on ABC Radio. He stated that community-based referendum—I have to smile—gives power to the radical minority. Well, here we have a Government elected on just over 30% of the vote—surely a minority in any language. I could also suggest that the great majority of the people who did not vote for the Labor Party would say that it is radical. So here we have in Government what could quite conceivably be one of those radical minority groups that the Premier did not want having a say.

In conclusion, I would like to use the words of the honourable W. Stephens, the final speaker in the debate of 2 October 1917 on the Popular Initiative and Referendum Bill. He stated—

> "I am prepared to trust the people ...
>
> It is my business to go straight and trust the people in a democratic country. I intend to do that by giving my vote in favour of the third reading of this Bill."

Mr FENLON (Greenslopes—ALP) (8.40 p.m.): It is a great pleasure to rise in this debate because, once again, it affords the members of this House the opportunity to publicly debunk these sorts of ideas that emerge from time to time out in the community and need to be put on the record as useless ideas that are just not going to be good for the government of this State.

The first issue that I wish to address in relation to this proposed Bill is the fact that the people proposing it probably do not properly appreciate the fact that it means a real change to the form of government within which we currently operate. We currently work within the Westminster system of government, which has its own set of principles and precepts, and fundamental to that is the concept of representative democracy. This is a principle which would completely undermine that. It would change the onus and responsibility on both sides. The fundamentals of the social contract, which are also vital to this system of government, would entirely change.

At the moment, voters take that responsibility. They must know that, when they vote at the ballot box—and indeed, there is a greater need for them to be more conscious of this—they are electing a body of people who must be charged with the responsibility of making decisions on their behalf. They have to think about the people for whom they vote. More importantly—and this might be a revelation to some—they also have to, and should, think about the policies for which those people stand. That is the process of government that we have adopted in this country based upon the Westminster system of government.

More and more indeed, people should engage that democratic process and think about the policies that they want pursued. That is a very well-tried and tested method of executing and implementing policy, and it has been effective in this State for well over 100 years. As well, it is a well-tested process

throughout the Westminster systems of the world. This principle—this concept—would simply undermine that. Beware that this means a very different system of government from the one under which we currently operate.

The other irony about this particular proposed legislation relates to the people who are proposing it, namely, One Nation. We have heard a lot of platitudes over the past couple of years since that particular party came into existence about how they are standing up for the country, standing up for the battler and standing up for the bush. I could almost write a script for them. I could help them out with a few press releases. I could do a few things to assist them. But while they are mouthing those platitudes, they should go out and tell the people who the losers would be through this particular legislation and who would be dominating it.

One of the obvious problems is that the members of One Nation are having a bit of trouble with their mathematics. It is no wonder that they are having all sorts of other troubles, because mathematics seems to be their least endearing virtue. In terms of electoral enrolments in this State, Brisbane, which is in the south-east corner of this State, would dominate. So if there was an issue such as a petrol tax which might have a particular agenda in the south-east corner—

Mr McGrady: Daylight saving.

Mr FENLON: And daylight saving. I am very pleased to accept that interjection from the honourable member for Mount Isa. That is something that would indeed be dominated.

Mr Reynolds: The people of Kingaroy would vote for daylight saving.

Mr FENLON: Yes, of course. But the members of One Nation do not seem to understand that that would be a tyranny over the bush—the people whom they profess to represent—because of the simple mathematics. The tendency in the future would be even more imbalance, because the demographic trends in Queensland show very readily that the progression of population movements in this State is favouring the south-east corner. So ad infinitum, we would have the south-east corner dominating the agenda if we could organise a referendum on whatever issue suited the south-east corner of the State.

The system of government that we have in Queensland, a system of government that is based upon electorates spread throughout this State, is one that promulgates, promotes and accommodates a greater sense of consensus. That has been the case historically. Over the history of this Parliament, whatever party has been in Government has comprised people from the bush, from the regional cities and from the south-east corner. So in that sense, we do have a very great capacity to have a consensus—a Government that can be and is truly representative of the whole State, not a Government based on the prospect of the whim of one vote on one day when a particular geographical sector of the State can absolutely dominate.

The members of One Nation have sold out the bush. They have been out there pontificating about looking after people in the bush, but they have sold them out all the way. The real irony is that they do not seem to have the basic intelligence even to understand that that is what they have done. They have left the bush behind. They have sold them out. They have moved down to the Parliament, they have had a taste of the Parliament, and now they want to be city slickers. They have left the bush behind, they have left the regions behind, and they have left everyone else behind because they are following some weird agenda out of the One Nation think tank.

Mr Robertson: That is an oxymoron.

Mr FENLON: Exactly. We need to give more attention to the concept of this think tank upon which One Nation seems to rely.

Again, this particular proposed legislation should be looked at in the context of where it is coming from: from One Nation. One Nation's tendency with everything that it does is to move towards an extreme oversimplification of the issues—basic, one-liner, tabloid press oversimplification of the issues. If they can simplify everything—whether it be crime, weapons or whatever—down to a one-liner that they can get across in the public bar of a hotel over a packet of peanuts in 30 seconds, that is the extent of their policy. There is no thought in that level of policy. Again, this is what this particular proposed legislation is about. It is about being able to oversimplify the issues and to grab the simplest solution—not a solution that comes from the process of government.

The process of government is about the most thorough deliberation of issues, executing decisions through this place based upon the best advice from the advisers within the bureaucracy. But One Nation's proposed legislation is not about that. It is about getting that simple little solution that does not rely upon advice, does not rely upon debate in this place and does not rely upon the testing of

ideas. This Parliament is about the testing of ideas. That is what the democratic process of representative government is about in this place: debate and advice. But a direct referendum is absolutely contrary to that process. It is about finding the simplest way and going with it.

The other matter to which I wish to allude relates to a fundamental One Nation trait, and I refer to the tendency towards populism. If we look at the history of Right Wing movements, populism is one of the fundamental elements. One could refer to the South American dictatorships or even the history of the rise of Right Wing movements before the Second World War. Populism is a political phenomenon whereby a simple solution is picked up as a mass movement. It is a temporary solution which is pushed by an extreme movement.

This is exactly what One Nation is trying to effect through this process. Popular solutions would ultimately have the effect of impeding good government because popular solutions are not always the best solutions. We could have a referendum about abolishing taxes. Let us do that tomorrow. Who is going to vote for it? We all will, of course! However, if we had half a brain, we would not vote in favour of such a proposal. We would not vote in favour of it in this place because, ultimately, we know that we have to deliver services such as schools and police. We have to keep the economy going to look after the welfare of the people. The fundamental dictates of our Constitution are peace, welfare and good government. We are not concerned with a narrow, populist item that might come up on one day of the week.

The other issue which smacks against the democratic processes that we enjoy in this State is that these processes could be funded or backed by well-heeled or financially well-off lobby groups. These groups could have their way. History has shown us plenty of examples of a deluge of propaganda being well-funded and swaying public opinion. This can occur just for the 24 hours that might be needed to achieve a particular result. This type of legislation would pander directly to those sorts of forces. That is not democratic. Democracy consists of people being elected by voters who think about who or what they are going to vote for. Ideas are tested and debated in this Chamber.

The next matter involves the question of expense. Waiting around for three years for a referendum which is tied to a State election is not an example of contemporaneous government. If we are going to have serious decisions made by this process we have to have regular referendums. This would be an unwarranted expense.

I believe I have come to the heart of the issue. I mentioned the oxymoron of the One Nation think-tank. I ask why One Nation is introducing such legislation at this time. The only similar example I can think of is a citizens' referendum in California which was responsible for the liberalisation of the cannabis laws. Given the past performance of the One Nation think-tank, one can only think that those opposite are doing this so that they can have greater access to cannabis. That would enable them to put forward more of the same in the future.

Mr NELSON (Tablelands—IND) (8.54 p.m.): I rise to speak on the Community-Based Referendum Bill. It was an absolute pleasure to hear the contribution of the member for Greenslopes. Unfortunately, I find myself agreeing with a lot of what he says. He is right when he says that the primacy of Parliament must be maintained. That is something in which I personally believe. The Parliament consists of a representative body of people drawn from all over the State under our electoral system. It is a good system. However, I have seen examples of political systems which do not work very well. The Indonesian system would be an example of a system that does not work very well at all.

We have a representative democracy in this State, but a lot of the issues that are important to the community might not be important to the party. People are turning away from the mainstream political parties because they have become frustrated. For example, in one electorate we might have only 60 or 70 members of a political party but a huge number of voters. I am sure all honourable members would agree with me that we have more and more swinging voters who are not aligned with political parties. All parties are feeling this move away from them.

I believe people are frustrated because they are unable to go to a party meeting, go through the branch process, bring their issue to the fore, have the issue stated, and, as a result, affect party policy. As a result, parties are bringing policies to Parliament which are representative of the constituent members of the party but are not representative of the community.

A Government member interjected.

Mr NELSON: I am slowly coming to the point. I believe that the member for Greenslopes and the member for Warwick

made many good points. However, I was more enlightened by a point which was brought to my attention a couple of weeks ago. I refer to the firearms laws—something about which I, together with other members of the House, feel very strongly. If the firearms issue was ever put to a referendum it would be overwhelmingly defeated and we would probably end up with even harsher laws.

The member for Greenslopes made the very good point about the city being able to control country and rural areas in their voting patterns through community-based referendums. I concede that. This matter would have to be addressed in Parliament. The majority of the population in such States as Victoria and New South Wales is urban. One could argue that we have a very decentralised population in Queensland, but one of the interesting points about decentralisation, as the Deputy Speaker, the member for Barron River, would know, is that our population, whilst not necessarily being in Brisbane, is still in urban centres. While Cairns may not compare with Melbourne or Sydney, it is still very much a city to me.

Ms Boyle interjected.

Mr NELSON: The member for Cairns is a very lucky person to be living in such a magnificent city in the far north. I would choose to live in Cairns before I would ever choose to live in Sydney.

Even though we have urban clusters which are well beyond the city limits, they still contain city oriented people with city lifestyles. Such people would maintain city ideas in their voting patterns. We certainly see that occurring in Queensland where we have regional capitals such as Cairns, Townsville, Rockhampton and Mackay strongly represented by Labor Party people.

I come back to the original point. Even though we have party politics in Queensland and we have members from all over Queensland, the representation levels have to be considered. For example, my electorate of Tablelands is very large. We could probably fit six or seven Labor electorates into my electorate.

Mr Lucas interjected.

Madam DEPUTY SPEAKER (Dr Clark): Order! I remind the member for Lytton that if he wishes to interject—and I am sure the House is interested in hearing his interjections—he must do so from his own seat.

Mr NELSON: Madam Deputy Speaker, the member is ever recalcitrant and you treat him very leniently.

The point I make is that even though our electoral system is based on population and not size, under our current system in Queensland the constituents in some electorates can remain relatively unrepresented simply because the people who represent those electorates are not members of the Government. It does not take too keen an eye to be able to cast a view over a few. I know that this is not supposed to happen, but it does. It is simply a fact that, when a Government is in power, it will concentrate mainly on the areas that are necessary for it to maintain its vote so that it can stay in power. I have raised in this Parliament many issues which, party politics and political alignment aside, are very important and deserve a very good hearing. However, they sometimes do not receive that hearing because it is I who have raised them and not a member of the Government.

Mr Robertson: It is about the quality of the argument.

Mr NELSON: Exactly. The member makes a very good point. The politics has to be taken out of politics. I believe that this drive towards citizens having more participation in Parliament is to try to bring the political animal that we have in Australia back to heel. Personally, I have a very strong belief—and I have always held a very strong belief—that political parties are on the way out. Throughout the world, political parties are falling slowly by the wayside. Just recently in Australia the National Party copped a very large smack for its—

Mr McGrady: And you ain't seen nothing yet!

Mr NELSON: No. As I was saying, members of the National Party copped a very large smack for their utter recalcitrance in relation to issues in rural areas. I believe—and many people in my electorate believe—that the National Party stepped away from their traditional voter base in a very big way.

Mr Springborg: If you can't say something nice, don't say anything.

Mr NELSON: It is true. The trade union movement is also slowly but surely fighting a bitter battle with its political wing, the ALP. We again see those bitter differences that kept the ALP out of power in Queensland for 32 years. At the moment, the ALP in Queensland is surviving so well only because of the ineffective Opposition. The trade union movement will exact its revenge. However, in the current climate of casual labour and unemployment, how long will the trade union movement last? I am no expert on these

matters, but I can say that we are certainly seeing a move away from the trade union movement.

A Government member interjected.

Mr NELSON: How interesting it is that the Government members agreed with me when I was talking about the National Party, but when I try to bring some balance into the argument, all of a sudden they are not so much in agreement with me. That is a perfect illustration of how party politics takes representation away from the people. It prevents people from making their politicians aware of issues that are above and beyond party politics. Most people used to be members of a political party. If people were not members of a party and they wanted to raise issues, they could go to friends who were members and ask, "What about this issue?" In those times, most communities had party branches. My electorate is a perfect example of the trend away from parties. In my electorate, there used to be a hell of a lot of National Party branches in towns such Malanda, Atherton, Mareeba and Ravenshoe. However, there are no longer any National Party branches in those towns. The National Party branch in Mareeba has a lot of trouble just getting people to attend meetings.

Mr Springborg: To be totally fair, how is One Nation going?

Mr NELSON: In answer to the member for Warwick—and I am getting to the point—to be totally fair and apolitical in this debate, it is unfortunate that the party—

An Opposition member interjected.

Mr NELSON: How unfair of me: I forgot completely the Country Party. Of course, I was a member of One Nation. I am no longer a member of One Nation because the very party that has suggested a Bill such as this cannot find it in its heart to allow its own constituency to bring up policy or ideas. As a matter of fact, as the member for Greenslopes states quite rightly, in One Nation to talk between branches is banned. That is a fact. I know it, because I used to be in the party, and nothing has changed. The unfortunate problem with One Nation—

Mr Gibbs: There is one thing that never changes: once you rat on your own, you are still a rat, rat, rat. You are a great example of that.

Mr NELSON: There is an old saying about sticks and stones. I am above that. As I have said many times in this Parliament, the fact that the Honourable Minister does not agree with me makes me right. If it ever came to the fact that one day I came into this Parliament and people such as Mr Gibbs thought I was wonderful, then I would be taking a long hard look at myself. I dare say that I would not be allowed back in my own house. I think that I can be guaranteed of that. I do not mean to offend the Minister. I am sure that he does not take offence at that. I am sure that the Minister would be horrified if I ever agreed with him.

The fact remains that I have some beliefs. Of course, I joined the One Nation Party believing in the whole idealism of populism—believing that there could be some sort of change. Unfortunately, that did not happen; unfortunately, it is still not happening. I do not think that is ratting; I think that is doing what I was elected to do. The people of Tablelands asked for a change. Their previous member did not listen to their concerns. The people of Tablelands had a member who was not interested in the day-to-day issues of his electorate. They had a member who let them down very badly. They now have a member who is not interested in his own personal political life. If I do not get re-elected, then that is the will of the people. The simple fact remains that I will come into this Parliament and I will say the things that are being said to me in my electorate. One of those things is that the people of my electorate do not believe that party politics is working for them. My only hope is—

Mr Feldman interjected.

Mr NELSON: That is very much the opinion of the member for Caboolture. I believe that One Nation's greatest misconception is that it firmly believes that that 25% of the people who voted for One Nation voted for Pauline Hanson. I voted for One Nation in the State election. I voted for myself.

A Government member interjected.

Mr NELSON: I recall saying that. Has the member ever heard of somebody being able to say every once in a while that he was wrong? I certainly was. I did not vote for One Nation in the Federal election. Do members know why? Because I did not like the person who was standing for election. I did not think that he was capable of doing the job. One Nation has forgotten the fundamental belief that very clever people can come off the party political platform and look at the people who are standing as candidates. Those people will not vote for a party. They often change their vote. Generally, they vote for the person before they vote for the party. It was my decision to step away. Of course, that decision was made in light of these very issues—the

fact that the local branch in my electorate could not raise these issues through the party organisation, could not work onwards and upwards, and could not get their ideas heard at a higher level. They could not bring those ideas into Parliament.

Mr Fenlon: Is that why Mr Feldman's branch has resigned?

Mr NELSON: That is for the member to pursue later on. The simple fact remains that this Bill will not be passed because it does not have the support of the House. However, as the member for Barambah quite—

Mr Springborg: Have you forgotten Mr Knuth's Country Party?

Mr NELSON: I will leave the Country Party out of it. The member for Burdekin is not here to defend himself.

The fact remains—and this is a very interesting point—that on 28 July 1994 at the Direct Democracy seminar in Canberra, Russell Cooper, MLA, the member for Crows Nest, who was then the Queensland Opposition spokesman for Police and Corrective Services, stated—

> "In 1992, when we were in Opposition, the concept"—

and that is community-based referendums or direct democracy, as it is known—

> "was again considered by our State council and was again narrowly rejected for what I believe were the worst possible reasons. Yet, at virtually the same time, when the matter was put to the entire 26-member Parliamentary National Party, the vote was unanimously in favour."

That puzzles me greatly.

Mr Robertson: It seemed like a good idea at the time.

Mr NELSON: It seemed like a good idea at the time. However, I suppose a lot can change between 1994 and 1999.

I support the Bill because, although we live in a democratic society with a representative Government, I believe that a lot of people are not being heard. I believe that the main reason that they are not being heard is because party politics is hindering them from being heard. The political system that we have may be what we call a fair and democratic system, but party politics interferes with it. For example, although some members of the ALP might disagree or have problems with different issues here and there, they must vote as a bloc to maintain endorsement in their seats. The same goes for the other major parties in this House, the National and Liberal Parties. Therefore, for whatever reason it may be, certain issues might not get up in members' electorates because they are not kosher or they are not associated with the Labor Party platform. A majority of the community or even a minority of the community might feel an issue is important, but it will not get up.

Although we have a representative democracy, we have a preference system in this State. I personally believe in the philosophy of one person, one vote. It is said that we need the preference system to stop a person from getting into Parliament with 28% of the vote. I do not have the exact figures in my head, but I was roughly 2,300 votes clear of Tom Gilmore but, because of Labor Party preferences, ended up being only 94 votes clear. The same thing happened to the former member for Oxley in the Federal Parliament. Preference deals were done whereby the National Party ensured that a smaller party or an Independent could not get up, thus blocking the fair voice of the people.

Mrs Lavarch: What about the Senate?

Mr NELSON: I believe that Queensland made a very good move in 1922 by getting rid of its Upper House. It is a shame that other States in this country cannot get rid of that drain on the taxpayer. We are a low tax State only because we do not have another 40 politicians sitting at the other end of the hall, second-guessing everything that we say. Senates are a total waste of time and effort. The sooner the Federal Parliament gets off its butt and gets rid of the Senate the better for all of us.

We cannot deny that the preference deals that are done can mean that sometimes members can come into a House of Parliament on a proportionately small amount of the vote. For example, another 95 votes would have meant that Tom Gilmore would be representing my electorate, even though I completely outpolled him on the primary vote. That is a personal example, but the point still remains that those voices would have gone unheard.

Even though I do not know the exact figures, at the last Federal election the Democrats won roughly 200,000 votes and secured eight Senate seats, yet One Nation won roughly 800,000 or 900,000 votes and secured one Senate seat. We talk about elected representatives within our Federal and State Parliaments, but the point remains that a great many people are not heard simply because of party politics, political deals,

preference sharing and on. Those issues have to be addressed if we want to stop seeing these things impacting on our Parliaments.

I agree fully with many of the statements that were made by the member for Warwick and the member for Greenslopes. They were good statements and they are quite correct. Even though they are right that if these referendums were to come up all the time then the vote of the city would far outweigh that of the bush, we have to took a good, hard look at our representative democracy. We need to take a good look at the way preference deals work and at things like the Senate, so that we ensure that the people, rather than the political party front, are heard.

I do not ever want to see a time when there might not be any political parties, but I believe that we have to address those issues. If we do not address them, people will continually feel frustrated that they are not being heard in Parliaments such as this.

Mrs LAVARCH (Kurwongbah—ALP) (9.14 p.m.): On 25 August last year, the member for Nicklin introduced into this House a private member's Bill on citizen-initiated referendums. That Bill proposed far-reaching changes to the law-making processes of Queensland. It proposed to create an additional source to the Parliament for the making of laws and amending the State Constitution through the mechanism of citizen-initiated referendums or CIR. In introducing that Bill into the House, the member for Nicklin appealed to the rallying cries of direct democracy. The Bill was debated on 11 November and was defeated by 64 votes to 11.

One Nation, through its leader the member for Caboolture, has now introduced an almost identical Bill, the Community-based Referendum Bill, which we are debating tonight. Last year the member for Nicklin suggested and now the member for Caboolture suggests that to oppose the Bill is, by implication, to show a lack of faith in the collective good sense and wisdom of the people of Queensland. I do not support CIR or, as the member for Caboolture names it, community-based referendum, nor do I intend to vote for the Bill.

However, I assure honourable members that I do not hold the people of Queensland in contempt, nor do I have a lack of faith in the collective good sense and wisdom of the people of Queensland. Rather, I think that the Bill is bad law that is based on a misconception of the Australian democratic tradition. I believe that it has the potential to further alienate the community from Government processes.

Our judgment on this Bill should be guided by the criteria applied to all others before Parliament. Will it improve the living standards of Queenslanders? Will it strengthen or weaken the basic institutions of our society? Will it protect the rights of the disadvantaged, the poor or the weak, or make those rights more vulnerable?

I oppose the Bill because I believe it will weaken and not improve the workings of our parliamentary institution. It will do nothing to improve the real quality of life of our citizens and, more importantly, it has the potential to divide rather than unite our State. Why do I believe this? Surely it could be argued that a proposal to invest the public with direct law-making functions can only empower the community at a time when many feel so disempowered. I believe that this conclusion is a false one and I will attempt to explain why.

The strongest and, in my mind, the only argument of weight for CIR, or community-based referendums, is the hope that it offers to rekindle community engagement in the system of government. None of us in this Chamber underestimate the levels of dissatisfaction and alienation felt by many people in relation to the governmental system. This sense of alienation has been growing for many years. Ten years ago it was the reason advanced by the minority members of the Commonwealth Constitutional Commission to support a form of CIR for proposals to amend the Constitution. It was noted then that—

> "... compulsory voting conceals the extent of alienation felt by many people. There is a sense that politicians are out of touch with the views of the voters. Also it is thought that party political arrangements do not allow real scope for parliament to operate as a truly representative and deliberative assembly."

Against this backdrop it is argued that community-based referendums will provide a means to overcome this disillusionment. It is argued that this Bill will overcome the public's perception of the operation and responsiveness of government, but does this argument really stack up?

While it is true that Australians and Queenslanders hold a less than flattering opinion about Governments and politicians, is this experience different in comparable countries with CIR? For instance, New Zealand and the United States are often cited as examples of nations with CIR to demonstrate

that the sky would not fall in if we were to adopt the proposal.

Mr Lucas: Hasn't MMP been a great success in New Zealand—a total disaster!

Mrs LAVARCH I agree with the member for Lytton. It has been a total disaster in New Zealand.

I cannot claim to be a political sociologist with expertise in either New Zealand or the USA. However, as an interested observer of both nations, it seems to me that the respect for politicians, political institutions and law-making processes in either country is not at levels in excess of that witnessed presently in Queensland. I would be interested if any other supporter of CIR is able to produce some qualitative research that shows that CIR actually improves the general sense of engagement of the public in law making.

I suspect that such research would show public alienation to be at similar levels across all western nations. Indeed, seminal work such as Francis Fukuyama's Trust indicate that levels of alienation are constant in all western nations and have nothing to do with the structure of democracy. Rather, the sense of remoteness and disempowerment is a complex phenomenon based upon the depletions of social capital because of the dominance of the economic imperative. Throw in the rate of social and technological change and the emergence of globalisation and the issues of the long-term viability of the nation state and we start to get some appreciation of why individuals and communities are struggling to connect with Governments, which are in turn struggling themselves to deal with the demands upon them.

Disappointment with Government is far more based upon a disappointment in delivering security and certainty than it is about disquiet over democracy deficit. People are seeking results, not different or so-called better structures. Of course, we should not turn our back on better structures, but no-one should kid themselves that community-based referendums will make any dent on public disenchantment with Government. We have to ask the question: are community-based referendums, or CIR, a better structure? Is it an advancement on the current system of the Westminster parliamentary democracy? I believe CIR would weaken our system, not improve it.

The Westminster model works on five foundations. If we apply that to Queensland, those foundations are as follows. Firstly, Executive authority is vested in a Ministry who must be drawn from Parliament and who are individually and collectively responsible to the people via the Parliament. Secondly, Executive authority is divided between the Ministry and the Governor, who acts on the advice of the Premier and Ministers, who in turn have the confidence of the Legislative Assembly. Thirdly, the Premier and Ministers can be dismissed only in two ways—electoral defeat or a loss of confidence of the Assembly. Fourthly, the Executive is supported by a bureaucracy which is a career service based on merit and independent appointment, not political patronage. Fifthly, there is a direct chain of accountability running from officials to a Minister and to Cabinet and then from Ministers to Parliament and from Parliament to the electorate.

Of course, the theory of the model and its practice are two different things. Most of the model is underpinned by constitutional conventions, that is, unwritten rules and not expressed constitutional provisions. The conventions are subject to evolution and are sometimes downright flouted. For instance, it is now accepted that at the director-general level at least the bureaucracy is subject to a fair degree of direct political appointment. Equally, the convention that a Minister without the confidence of the House should resign was flouted outrageously by the former Government when then Attorney-General Beanland refused to resign after a vote of no confidence of this Assembly.

The proponents of CIR accept that it is a concept which is consistent with the model of representative democracy. In rebuttal they argue that we should not be concerned about conceptual purity, as the reality of the party system has long ago weakened the operation of Parliament's control over the Executive. This much I think can be accepted.

One of the arguments for CIR is that it delivers Executive scrutiny. But let us have a closer look at this. Public law making is a singularly cumbersome, if not totally ineffective, means to scrutinise Executive activity. Such scrutiny can be undertaken only by some body or institution with the resources to do the task. At best the CIR law might establish some office to support individual rights vis-a-vis the Executive or examine the exercise of Executive power. If Parliament and the people of Queensland are going to entertain a reform to the current model of representative democracy to strengthen checks and balances on Executive Government, then let us have a genuine, meaningful reform.

I suggest that members have a look at the proposals advanced by Mr David Solomon in his book Coming of Age, in which he argues for significant changes to the way our Parliament and Government operate. These are reforms that would put complete substance to the separation of Executive and legislative functions by removing the Ministry and the Premier from the Parliament. The Premier would be directly elected by the people and the Parliament would be a genuinely independent law-making forum. Interestingly, Mr Solomon's radical reforms expressly do not include CIR, which he rejects because of its avoidance of the checks undergone when making laws through a reformed legislative system. The conclusion is that CIR is inconsistent with representative democracy, but then adds little if anything in a practical sense to the ability to scrutinise the Executive.

However, an additional argument is advanced as to why CIR might improve the functioning of our democracy, and that relates to the inability of Parliament and political parties to tackle difficult social issues. In this argument, Government and Parliament often skirt a difficult matter because of the views of a powerful sectoral interest group. It might be that gay law reform is not pursued because of religious conservative views. Equally some say—and I do not necessarily agree—that capital punishment is not introduced because of liberal civil libertarian views which are not reflected in mainstream opinion. By this reasoning Parliament ignores or, more accurately, dodges the hard issues because of fear of upsetting some interest group or section of the community.

This critique of Government has considerable currency in public thought and is manifested in statements such as "you don't listen to me" or "politicians are always pandering to minority interests". A CIR mechanism allows members of the public to take on the case which Parliament is unwilling to tackle. In truth, Governments do listen and what they hear is contradictory messages. Not doing what one group wants or asks for does not necessarily mean that the group has not been listened to. It may well mean that another section of the community which argues the direct opposite has been listened to. Governments have to be like the good Lord and answer all prayers. Sometimes the answer is: no. Parliamentarians are more than a conduit for the transmission of public opinion. They have to be decision makers, and this sometimes means that the decision is not what a majority of people want. On the other hand, CIR relies on the view of the majority prevailing. To argue that majority rule is not perfect again leads to a charge of elitism or that "you don't have faith in the good sense of the people of Queensland". But this Bill itself does not accept a straight up and down version of majority rule.

If we look at clause 30(1) of the Bill, we see that it provides for a special mandate drawn from a majority of the State's electorates. This means that the member for Caboolture is conscious of less populated areas being swamped by opinion in urban areas through weight of numbers. But there are distinctions in our community other than those based on geography. What of distinctions based on income or ethnic background or education levels?

The special mandate provisions for the community-based referendum proposal reveal an acceptance that things other than sheer numbers count. The member's acceptance of this is really an acceptance of why we have a representative democracy and not a direct democracy in the first place, and that is the concept that parliamentarians do more than reflect majority opinion. They provide a filter to majority opinion to ensure the weak are protected. Parliaments do tend to shy away from hard social issues such as abortion and capital punishment. They do so because the issues are generally divisive. It is at least arguable that little good will come of community-based referendum proposals, even if they are not passed by the electorate, but they guarantee that an election campaign will be fought over divisive and emotive matters.

In summary, I oppose this Bill not because I think it will be the end of our system of government or that it is impossible that good could emerge from it, but rather because I think it is another example of the search for simplistic solutions to difficult, complex issues. There has not been advanced any evidence to suggest community-based referendums, or CIR, will lessen public dissatisfaction with the governmental system, and indeed by promising to do so it runs the risk of further deepening the alienation. It is inconsistent with our model of representative democracy and, by its very terms, the Bill accepts that unfettered majority rule is not good government. It is not a far-reaching or meaningful reform of our Parliament or our system of Executive Government but a change of limited value at best. Let us face our problems and the gap between our Government system and the public and not proceed with this Bill, which is little more than constitutional snake oil.

Mr TURNER (Thuringowa—IND) (9.29 p.m.): I commend the Community-Based Referendum Bill to the House as a means of strengthening participation in the democracy of Queensland and the freedom that is so closely associated with people power. Community referendums are the core of democracy and are quite common to the great democracies. In America, 10,000 local government referendums have been held since the turn of the century. In four separate ballots in four separate States of the United States voters approved a stronger approach to law and order and a stronger approach to violent crime.

In Switzerland the story is the same. One local government area has had 600 referendums in just 30 years. A value added tax was rejected by a Swiss community initiative. The Swiss voters also rejected an initiative to stop the construction of a nuclear reactor, a shorter working week and a move to join the United Nations. Spanish voters rejected an initiative that the nation leave NATO. A community referendum in 1974 to repeal Italy's first divorce laws was rejected.

In most cases, the electors voted to overturn the Government's politically motivated actions. Yet in Australia, all that Australians can do is speak strongly and hold firm when the Federal Government demands the passage of a centralist referendum. Community-based referendums will go a long way to redressing the imbalance of centralist and federally imposed referendums by imposing people-initiated referendums at the State level of Government.

There are many good reasons for supporting community-based referendums in Queensland. Our political system has been unable to accurately reflect the will of Queensland's citizens on all issues. We need to maximise the voice of the Queensland voters when it comes to critical issues. When issues are dealt with separately in a referendum, the attitude of the people can be measured exactly and the result is in no doubt. At present, voters are faced with only two options: Labor or coalition party platforms. Voters may not want either, but they are forced to accept unwanted options in a package of policies in order to obtain one policy that they just might want.

Community referendums can be a check on the Executive arm of Government which, because of the party system, can be the will of just one man forced upon the Cabinet which in turn is forced upon the caucus and which in turn is forced upon the Parliament. The people usually end up with a policy that nobody wants except for a few high ranking politicians pushing a too often tattered and torn agenda. The present system of presenting petitions to this Legislature is a waste of time when the time involved in collecting the petition is considered. The community referendum is an instrument with teeth and purpose and an obvious and effective replacement for the present petition system.

The theory of a mandate has also been seriously abused in our Westminster system. This theory has been exploited shamelessly to give Governments an unjustifiable warrant to legislate in ways which the voters have not consented to. Community-based referendums give electors an incentive to participate in public issues, making themselves heard in Government.

This is an issue whose time has come, and I strongly support the Bill. I was listening to the honourable Mr Fenlon saying that we have a democracy here. However, I have looked around the House during my short time in Parliament and I know full well that people on both sides of this House are voting for things that they do not believe in, whether for or against. That happens. In my opinion, everything that is voted on in this House would be entirely different if everybody could vote for what they believed in, and that does not happen. I do not think that is democracy; that is dictatorship.

Mr PAFF (Ipswich West—ONP) (9.32 p.m.): I rise to support this Bill, designed to enable the people of Queensland to directly exercise their rights as citizens of a democracy. No place is a democracy where citizens are not collectively its sovereign. This Bill will overcome the democracy deficit in Queensland.

During this debate I have noticed that the Labor Party—the Government—has had the decency to listen to a community-based referendum Bill whereas very little interest has been shown on this side of the House. We in the One Nation Party represent about 200,000 people. That highlights the type of disrespect that those people are shown by the National/Liberal Party coalition.

Mr Gibbs: I stayed just to listen to your speech.

Mr PAFF: I did notice the attendance of the honourable member for Bundamba here tonight.

This Bill is necessary because politicians spend too much of their time trying to get into power, forgetting that they have only one role as members of this House: to genuinely and directly represent the people and the policy of

the people from their own electorates. The role of Ministers is to be fully accountable to the members of this House. In that capacity they are not acting as representatives of the people at all but as members of the Executive Government.

Direct democracy is the right of the people in a democracy. It is enshrined in the Universal Declaration of Human Rights as one of the many fundamental rights to be readily exercisable in a real democracy. Those who oppose the rights of the people to exercise their direct say on matters they think important are the very kind of politicians who exist in dictatorships and totalitarian systems. The concept is well understood. The people in a democracy must have a real say in the actual laws under which they live. If not, we would be living in a dictatorship.

Our parliamentary system is debased when politicians do a deal to represent a party machine instead of the people of their electorate. This is pre-selling something they have no right to sell. They sacrifice democratic representation of the people to their self-interest and the self-interest of their party.

This Bill will give the people their rightful say on the issues they consider important. The process is available to the people in 24 States of the United States. Switzerland has had a form of direct democracy since 1848 and greatly enhanced it in 1874. This Bill will give the people of Queensland their direct voice.

Direct democracy is very popular. Once introduced, no country or State has ever voted to abolish it even though it would be a simple matter if the people so desired it. In British Columbia 80% of voters voted for direct democracy. In California, 85% voted for it. In Burnie, Tasmania, the vote was 87% in favour. Times are changing. It is patently clear that the politicians do not always know best and do not always want to listen to the people. Some politicians attend Parliament without having made a single personal contribution to bringing in legislation for the public good. This Bill provides a formal process, recognising the right of the electors to initiate laws and to vote on those laws.

The trigger mechanism of 2% of the number of electors on the electoral roll warrants comment. This number is far greater than the membership of any political party. It provides for far greater legitimacy as it is far more representative of electors. A senior adviser to Peter Reith said that any figure greater than 2% would create exponential degrees of difficulty in access of the rights of the people to represent their issues. In real terms, as a proportion of the number of electors entitled to vote, this figure is quite high by international standards. A higher threshold would be sought by opponents of democracy to attempt to make the process an illusion of democracy because in real terms a 2% threshold is so high it will discourage frivolous or extreme proposals. Add to this the fact that that 2% must also be obtained in a majority of electorates of the State. That ensures in addition that this large number of signatories must have a wide geographical base.

Another recommendation for this Bill is that it is not contrary to the policies of the Labor Party or the coalition. T. J. Ryan, one of the great Labor Premiers of this State, was a great supporter of the rights of the people of Queensland to direct democracy. So too was Andrew Fisher, a former Prime Minister of Australia—another Queenslander. It is on record that the Liberal Party in Queensland has had the same policy and all but one parliamentary member of the National Party—who lost his seat in the last election—have stated their support.

We have the member for Crows Nest on videotape speaking in support in Canberra with the full support of his parliamentary leader. Also there was Trevor Perrett who pledged his support publicly for direct democracy. In the Liberal Party, we have the former member for Landsborough, the now member for Caloundra, supporting this in print and noting the backing of her then parliamentary leader. And, of course, we have Peter Reith, who has always been a believer of the right of the people to direct democracy. The proposal has substantial support privately from Federal members.

This Bill is entirely different as it is drafted with all the necessary checks. Lord Acton said, "In great wisdom all power tends to corrupt and absolute power corrupts absolutely". Only members of Parliament who do not trust the people of Queensland will vote against this Bill. That is obvious by the look of members on this side of the House.

This Bill will ensure a check against some of the corrupting influence of power by giving the people and their families a real say. Too many politicians get off on a power trip. In a democracy, the only role for elected representatives is to represent, not to exercise power for themselves or their mates.

Electors have a right to expect the Executive Government to govern according to law. A Parliament where the Executive is a collective junta or dictatorship over the Parliament and its proceedings is only a recent

departure from the Westminster system—since the 1880s in the United Kingdom. The founding fathers of the Commonwealth Constitution did not believe in party dictatorships where the Parliament was a tame cat with members who were unable to exercise their conscience, unable even to represent the people of their electorates because their will was not being represented in the Parliament by the person they elected to do just that.

There is a dictatorial attitude among some politicians who claim that they are elected to govern. This is a falsehood. They are elected to represent. The Executive Government under the uncorrupted Westminster system sees each individual member of the Executive personally accountable to the Parliament. Corrupt abuse of the party system prefers gagging and shutting down Parliament to protect mates. That is not the attitude of a democrat who consults with the electorate. Only little Hitlers do what they like and ignore the electorate.

Community-based referendum is a practical mechanism that restores balance to the system of government. It is the Upper House of the people. In fact, the Labor Party believed that direct democracy to enable the people to exercise their rights as citizens was the proper replacement for the former Legislative Council, and it is still open to the Premier of this State in his role as a member of this House to take up the mantle of T. J. Ryan to accomplish his unfinished work for a real living democracy in Queensland. Democracy means simply "the people rule".

Our system of representative democracy flounders when representatives do not faithfully represent the will of the people of their electorates on any particular issue. This opens up a division between the electors and the representative, and democracy is the immediate victim. Democracy is not more Parliaments, more politicians or more committees, or even more public servants. It means simply that the people will be able to have their say on matters they consider important. Terry Gygar, a conscientious former member of this House—a Liberal in the true liberal tradition and not always appreciated for it—said that when people can have their say the quality and esteem of the Parliament will be greatly enhanced.

In Switzerland, 60% of proposals that qualify are taken up by the Parliament and enacted to the satisfaction of the people. The people are a far more reliable indicator of community needs and values than are members of parties, who are more interested in fighting each other for selfish gain, power over people, perks, jackpots and special favours from mates in power than in listening to or representing the people.

The people of my electorate knew that I would honour my pledge to them to recognise their right to have a direct say on issues that they consider important. I am here today honouring that pledge. I trust the people of my electorate and they have trusted me in return. No party comes between me and the people of my electorate. This speech and my vote will be in my public duty to the people of my electorate who sent me here.

Democracy means that the people are empowered democratically as to the laws they live under 365 days of the year, not one day in three years. The born-to-rule cults belong to the divine right of kings or the opposers of democracy who have their say in some of the party machines opposed to direct democracy.

This Bill has every check and balance in it to ensure that the legislative proposals represented by it will be far more thoroughly scrutinised. There will be input by the whole of the community to scrutiny as well. Kim Beazley Snr admired the Swiss system, in which the members of the Parliament worked together and not against each other for the good of that country.

This Bill provides for the people of Queensland to enjoy the best form of government, where everyone can contribute to the public good of this great State, free at last from notions of absolute power which have corrupted so many members in the past. Because the criteria and checks and balances of this Bill are so strict, proposals from the people will be taken seriously. This Bill will ensure that elected representatives have some real idea of what the real people think, thus making good members of this House even better members for the good of the whole community of this State. I commend this Bill to the House.

Mr BLACK (Whitsunday—ONP) (9.44 p.m.): I rise tonight to support the Community-Based Referendum Bill 1999. This Bill empowers the people of Queensland by giving them a genuine say in the laws that govern them. This Bill is all about democracy. It is about giving people a choice. It is about showing that people have the ultimate sovereignty in a genuine democracy. It is about putting some faith back into the political system, letting the public have no doubt that their opinion counts, that Queensland has a truly democratic Parliament and that they have

true representation. It ensures and guarantees democracy to the people of this State.

At the moment there is no true democracy in Queensland. We have a parliamentary system, with its checks and balances, that has been corrupted so far from the Westminster system as to completely overthrow it. I thank Bob Hawke for reporting this fact, along with a former Clerk of the House of Representatives, Mr Pettifer.

In library research bulletin No. 1 of 1998, the history and reasoning behind direct democracy initiatives are explored. The "why" for citizen participation initiatives is examined and broken into two types of theories. I consider them both to be very good reasons for the acceptance of direct democracy initiatives. Page 5 of the research bulletin states—

> "Developmental theories see participation in government as a 'way of life' and as important because of the effect it has on those participating; that is enriching their lives, affirming their importance as individuals in a community, and helping them to understand, appreciate and respect others.
>
> Participation is viewed as a means of 'stretching' the individual, enhancing their self-worth, sense of competence, and commitment for their own and society's betterment.
>
> As well, participation is seen as part of a process of political and moral education, whereby responsibility can only be developed by wielding it."

And the other theory states—

> "Instrumental theories regard participation in government as an important means to the end of effective and efficient government. For example it supplies decision-makers with essential information about people's situations, wants and needs which is not otherwise available, and provides a wider variety of accountability mechanisms."

Those who support this strand of theories regard participation as the most effective defence against tyranny or counter to bureaucracy and centralisation and believe that it is only by participating that people can ensure that their interests are defended and promoted. In general terms, both types of theories suggest that participation adds legitimacy and therefore stability to the political system, a comment I thoroughly agree with. Participation in the political system is a definite way of ensuring that the public has confidence in the political system in both real and perceived terms.

There can be no losers in a direct democracy system that is structured well. This Bill will ensure that there is no tyranny of the minority over the people of Queensland. At present it is just too easy for powerful but influential and wealthy lobby groups to set the agenda for parties via effective control of parties through financial means and through the Cabinet and, through abuse and departure from the Westminster system, the Parliament.

The present lobby group system effectively has captured what should be the Parliament of the true people's representatives who do not let anything come between them and the people of their electorates—no party machine dictation or coercion, which is totally out of place in a democracy.

This is a well-structured Bill that will provide a system of public participation in government. Its very existence will create an atmosphere in which there will be a far more accountable and honest system of government. It will ensure that politics is cleaned up.

Community-based referendum overcomes the short-term election-based thinking of Governments. The electorate is not corrupted or affected by the self-interest that politicians have in being re-elected, thus the electors are free from those considerations of politicians to consider what is in the long-term interests of Queensland. The people are not seduced by power and live in the real world. They most certainly have the greatest knowledge of the best solutions to problems with which they are confronted in everyday life.

Politicians, especially career politicians, are well known for having lost touch and living in a world in which many of the problems confronted by the general public do not exist. The CBR process will enable proposed laws to be presented by a most credible mandate from the people for their consideration—a mandate far more convincing and sincere than any party or lobby group mandate. The CBR process will greatly help them to keep in touch with the real world that has real people in it. CBR will enable the electors to vote on the actual issues as completely separate issues beyond personalities and party interests. The community has the widest idea base. Proposed laws with a genuine mandate from the people will have the genuine respect of the people. This Bill will ensure respect for the law and will promote open, informed debate on issues from which political figures may shy away.

My colleague has already pointed out the differences between this Bill and the member for Nicklin's Bill, which replicated some of the worst features of one of the worst models in the world. The CBR is an entirely different Bill. I am happy to say that all the issues of concern that arose—I believe rightly—in relation to the mechanics of that other Bill do not arise under this Bill. This Bill, with its amendments, addresses all the matters raised by the members of the Scrutiny of Legislation Committee, whom I thank for their excellent service—a service that is one of the truly great advances in recent times in this Parliament.

CBR in no way undermines the current form of government; it in fact strengthens and stabilises it. It is truly an adjunct—as pointed out by the Clerk of the Senate, Harry Evans—to a healthy parliamentary system which welcomes democracy in a living form in the community. CBR works with and within the current parliamentary system, reinforcing the fundamental basics of representation.

Many would argue that direct democracy initiatives are not necessary because there is adequate representation and accountability in the existing Government system. I do not think there is anyone who actually believes that this is the case in reality. The true Westminster system is based upon representation and accountability, but one only needs a small amount of experience with the system to realise that there have been serious departures from these principles. The CBR Bill has the maximum of safeguards that could be expected in a democracy.

The number and spread of electors to qualify a legislative proposal for submission to this House will ensure that no frivolous proposal could get here. No proposal that contravenes the rule of law can even be registered by the Electoral Commission. The commission has the right to refuse to register any proposal that it considers may contravene the rule of law. If the proponents wish to pursue a matter that appears to contravene the rule of law, there is always the Supreme Court, which can impartially determine the case, the court itself being an exponent of the applicability of the rule of law.

As to costs—the CBR Bill is structured so that there will be absolutely minimal costs to Government. A poll taken at the same time as a general election or any Government-initiated referendum is of extremely little relative cost. The likelihood of a poll being taken at any other time would be incredibly low, and the people—who seem to be far more cost conscious than politicians—would really have to be driven to desperation by some Government which held them in disregard before they would support a poll at any other time. It would really have to be desperation stakes.

Any member who denounces this Bill clearly shows their position and purpose in this Parliament. Those against this Bill will declare to Queenslanders that they have something to hide, that they have been pursuing their own agenda, that they have little confidence in the electorate to know what they want or simply that they are still as arrogant as they were at the last State election, when they lost seats to One Nation. Perhaps they still are not listening, or perhaps they still do not care. I guess that the vote on this Bill will display those of us in this House with honest intentions and those with intentions otherwise.

There are many examples of where the people have been decades in advance of politicians. It took Wilberforce a lifetime to persuade the UK Parliament to abolish slavery. It took decades to remove corruption in the UK Parliament. It is amazing how corrupt practices seem to be specially protected and explained away. Just like the issue of the abolition of slavery, manhood suffrage, the vote for women and the right of women to be elected to the Houses of Parliament, the right of the people of this State to have a direct vote on issues that they consider important will not go away. This is the moment for members of this House to individually declare whether they trust or do not trust the people of their electorates.

One Nation is happy to sponsor the concept of community-based referendums because we believe it will open up a new door to democracy for Queenslanders. Community-based referendums will usher in a new era of better government—responsive government. This form of referendums, while not in any way bypassing the Parliament, nevertheless allows law making to be diffused into a broader process with less control—as has been the case—by political parties. It facilitates participation at the hands of the people who are most concerned with the laws under which they must live.

One Nation believes that Queenslanders must have a direct say in how they are governed and what laws are passed or not passed. Community-based referendums will move government and law making closer to the people, where it belongs—or should belong. The question now is: do other members in this House agree? Or are they more interested in maintaining the walls around our political system, which exclude the

public and allow those in power to deceitfully manoeuvre? This Bill is a chance for the public to have a say and a chance for the other political parties in this House to finally stand up for open, honest and accountable government, and I challenge them to do so. Community-based referendums are positive in every way, and I commend this Bill to the House.

Mr DALGLEISH (Hervey Bay—ONP) (9.56 p.m.): It is a privilege to rise in this House to speak in support of a One Nation Community-Based Referendum Bill. Might I add, yet again, that One Nation is delivering on policies on which we were elected by 23.6% of Queenslanders. This Bill truly represents democracy. Through this Bill, we give all Queenslanders the opportunity to raise issues. Even as far back as 1917, when a true Labor Party Premier, T. J. Ryan—

Mr Pitt: A great Premier.

Mr DALGLEISH: He was a great Premier. He introduced a similar Bill, only to have it knocked out by the Upper House. I commend the member for Townsville for his comment that it was a good thing that the Upper House was removed.

Mr Springborg: Tablelands.

Mr DALGLEISH: The member for Townsville made the same comments. And if that was the case, then maybe we would have community-based referendums now.

About 30 other countries around the world have some form of CBR, and it works fine for them. Ours is based more on the Swiss model, which works successfully—not on the Californian model, which has proven to be less successful. I realise that the member for Greenslopes is obviously a very busy person, as are all members of Parliament, and maybe he has not had time to compare our Bill with the Bill to which he was referring, which was the Californian-based one. This system would not be a financial drain, as some have stated. Referendums will be voted on when other elections are held—unless, of course, there is a 5% support from the majority of electorates; because then it would automatically go to a referendum.

An interesting point is that when this Bill and its proposed amendments were looked at by the Scrutiny of Legislation Committee, it passed with flying colours. I have taken note of the comments made by the member for Greenslopes, the member for Warwick, the member for Tablelands and my other One Nation colleagues. Everybody has had good input. There is no doubt about that.

Mr Pearce: Getting less and less.

Mr DALGLEISH: The biggest problem is that so much time is wasted rubbishing other political parties. Why do we not just deal with the issue, accept each other's comments and represent the people who voted for us? I commend the Bill to the House.

Mr PITT (Mulgrave—ALP) (10.10 p.m.): I wish to make a brief contribution to the debate on the Community-Based Referendum Bill, which was introduced into this Parliament by a representative of a party whose endorsed leader has described democracy as "mob rule". In my view, the representatives of One Nation pay only lip service to democratic principles. They confuse agitation with good governance. They would replace the measured rule of the majority, mindful of the needs of minorities, with the tyranny of the temporary majority.

At first glance, to argue against such an obvious expression of democracy as giving citizens a direct voice in decision making would seem to be a difficult, if not futile, proposition. However, I intend to do just that, and for very good reasons.

The empowerment of citizens to initiate legislative change has been put into effect in a number of jurisdictions across the world with varying degrees of success. It would appear to me that such a process is most successful in places where the population is concentrated into a small geographic area. In addition, the systems of government within those jurisdictions differ from our own Westminster system which has, for all of its perceived shortcomings, served us reasonably well for nearly 150 years in this State.

The process of citizen-initiated referendums does not, in those jurisdictions, diminish the capacity for legally elected Governments to meet their obligations under the Constitution. In Queensland, there is a real possibility that this would be the case.

The foundation of our democratic process is the concept of a representative democracy. Our present system of representative democracy is finely balanced. It takes into account the interests of all groups playing a part in the political process. One of the key outcomes of representative democracy is the fact that regional and rural voters have a real and ongoing voice in our Parliaments. The effectiveness of that voice depends largely on the capacity of members from non-metropolitan areas to take on board their electorates' concerns and to effectively articulate them.

Unfortunately for rural and regional voters, the modern National Party has been far less effective than its worthy predecessor, the Country Party. Could anyone seriously imagine John McEwan rolling over so easily to the forces of liberal economic rationalism as have the current Federal Nationals?

The Attorney-General, Matt Foley, recently hit the nail on the head when he referred to the current Bill as a "stunt ... which disenfranchises rural Queenslanders". As the Attorney-General quite rightly points out, the voting power of the south-east corner is capable of weighting power in favour of heavily populated centres at the expense of regional, rural and remote areas.

The proponents of this Bill claim to have instituted a safeguard in the form of a requirement that proposals to be put to a referendum need to be supported by at least 2% of eligible voters in a majority of areas. Quite clearly, that proposition can easily be achieved in the south-east, leaving my part of Queensland—the far north—more out in the cold than we sometimes already feel.

It is interesting to note that in 1994 when that master of deceit, Peter Reith, threw his weight behind citizen-initiated referendums, political columnist Laurie Oakes, writing in the Bulletin, cited such old chestnuts as capital punishment as fertile ground for direct democracy proponents. He went on to say—

> "Because of its 'redneck' appeal, CIR gets its strongest backing from the bush. But sensible people in the National Party—Tim Fischer amongst them—are vehemently opposed to it."

Oakes went on to say—

> "It is no coincidence that right wing extremist groups favour CIR; the system clearly has the potential to destabilise the workings of Government."

Those who support CIR like to point to the fact that it operates in some 20 States in the United States. They say this as if it were some sort of unchallengeable recommendation for its introduction elsewhere. I do not subscribe to the view that whatever the United States does has to be good for us. What they do not want to highlight is the fact that this type of referendum process has been used to entrench prejudice and intolerance. As Oakes further reports—

> "In California, for example, a law prohibiting racial discrimination by real estate agents and landlords was repealed through citizen-initiated action. The process has also been used in some areas in the US to repeal gay rights ordinances."

There also exists the distinct possibility that the rich and powerful, or any group with access to large sums of money, could use the process to push a particular agenda by using the power of advertising. I know some will suggest that current political advertising falls within that category. This is not so, because political parties are ultimately responsible to a wide range of internal views that put the brakes on extremism. Perhaps One Nation is an exception to this rule.

Decision making on complex issues by referendums is fraught with danger. Referendums, by their very nature, must reduce issues to the simple "yes" or "no" and allow no margin for shades of grey. This is not a true reflection of the state of play in real life. No wonder One Nation members are supporting this Bill! Their whole style of campaigning is to offer simplistic solutions to complex problems. They also fail to understand that legislation cannot be treated in isolation. Our current system provides for policies to be part of a coherent framework right across Government.

CIR and CBR-driven policies will undoubtedly result in a raft of legislation which is conflicting and therefore destined to cause confusion and chaos. What seems like a good idea in isolation may have quite disastrous consequences when applied across Government.

The proponents of this Bill underplay the financial burden it will place on the process of Government: $5.5m for a referendum separate from a general election; $4m if done by postal voting; and $1m if held in conjunction with an election. Taxpayers' money can be better spent. I would urge those who support CIR and CBR to take note of the success of recent Labor initiatives designed to reconnect the process of government with the electorate.

Community Cabinet meetings have been a runaway success. People are being afforded the opportunity to meet with Ministers in an open exchange of views. They are able to have the Executive arm of Government come directly to them and not have to rely on the previous process whereby public servants and ministerial minders filtered correspondence and regulated deputations.

With the potential to be an even bigger success are the series of community forums being conducted in regional centres around the State. The Cairns forum attracted over 500 participants from a cross-section of interest

groups all expressing their approval of the chance to have some real input.

The Beattie Government has got the message from the electorate. The Premier understands that the people have felt alienated from the process of government. He is leading by example by conducting the administration of this State in an open and accountable fashion. This is an inclusive Government. It is determined to seek out the views of Queenslanders, and is equally determined to deliver policies that evolve in response to the real needs of the electorate.

If the Bill before the House should ever become law it will not deliver open, accountable and responsive Government in the best interests of all sections of the community. This Bill has the potential to divide Queenslanders. It sets the scene for a misinformed majority to enact legislation insufficiently subjected to careful scrutiny. It seeks to act in haste and to install the views of an extremist minority as legislation, thus giving them false legitimacy.

I urge all members in this House to reject this Bill and to continue to deliver good representation to their constituents. They do this each and every day by listening to the voices of all sections of the electorate. They help individuals and groups meet challenges and by finding solutions to their problems where possible. They carefully consider proposals for legislative change. They debate proposed legislation and, by amendment, ensure that the enacted laws are in the genuine interests of all Queenslanders.

Representative democracy is properly discharged by members who individually have the support of their respective electorates as endorsed every three years at the ballot box. In recent years the voice of the electorate has refused to be ignored. No political party can afford to not take heed of issues raised within the community. We have an educated and articulate electorate which cannot be taken for granted. It exercises the ultimate sanction at general elections.

This is our greatest safeguard against extremism and the tyranny of temporary majorities who give in to single-issue platforms presented by vested interests. I will not be supporting this Bill.

Mrs LIZ CUNNINGHAM (Gladstone—IND) (10.09 p.m.): Helen Gregorczuk of Queensland said this in an introduction to an item about citizen-initiated referendums—

> "A reawakening of interest in notions of popular sovereignty and the role of ordinary citizens in the management of Australian society has occurred recently. Largely attributable to the current republic debate, it has also sparked curiosity about citizen-initiated referendums. The 1998 Constitutional Convention on whether Australia should become a republic specifically recommended examination of better ways to involve people in the political process. One such way to better involve people in the political process is CIR."

I believe that people's re-interest in citizen-initiated referendums has come about because they feel disfranchised in many instances. There are many forms that CIR will take. There are many recipes that make up a citizen-initiated referendum. Some have strengths and weaknesses. Each one, however, gives a voice to the people.

Helen Gregorczuk then refers to the history of CIR and states—

> "Examples of direct government go back at least as far as ancient Athens, the assemblies of the Saxon tribes and the plebiscite in the Roman Republic. Optional referendums or plebiscites were also occasionally held in medieval Europe, whilst various forms of direct government have been used in Swiss cantons since the 12th and 13th centuries. In the United States, direct democracies date back in the 17th century when the freemen in New England villages would gather to make the laws governing their communities. These historical examples illustrate that direct democracy was utilised in earlier times, when societies were much smaller, simpler and less diverse, and there was less need for a representative style of government. However, how does direct democracy sit with modern societies dominated by representative government? Overseas experience in the United States, Switzerland, Canada and New Zealand indicates that direct democracy, and particularly CIR, can be effectively incorporated into a system of representative government."

My experience is that those who have the greatest opposition to CIR support most resoundingly the major party system. I firmly believe that CIR can and should be allowed to work—maybe not in the purest form, maybe not in the form that is being proposed tonight per se, but in the form as it is presented tonight with perhaps some changes. However,

there is an opportunity for CIR to work, and to work effectively, in Queensland.

Quite a number of questions have been asked about citizens-initiated referendums. A number of criticisms have also been raised. One is that CIR undermines notions of responsible and representative Government and is unnecessary since current levels of participation are adequate. I say that the recent political history of the States, particularly Queensland, indicates that electors—in this State and elsewhere—in many instances feel that they have been disfranchised.

Another claim is that CIR is expensive and destructive of good planning and that the process can be manipulated by well-financed interest groups. Again, that issue can be addressed by the structure of CIR to ensure that south-east Queensland does not have the strongest voice and that everybody across Queensland gets a fair hearing. That fairness can be ensured through the mechanism that is used to implement CIR, and that is to include that in all districts there has to be a majority so that the CIR vote cannot be overtaken or pirated by one particular segment of the community.

Another claim is that voters are not competent to judge particular legislative proposals. I think that that claim is an affront not only to the electors of Queensland but also to electors everywhere. We have very mature voters in this State—people who are astute, people who are articulate, people who are informed, people who look for the issues beyond just those that are reported in the Courier-Mail or in the 30-second sound grab in the media.

Another claim is that CIR is a dream for cranks and extremists. I would say that, across-the-board, people who are supporters of CIR are well informed, articulate and well educated. Equally, there are those people who are detractors of CIR.

Another claim is that CIR creates social divisiveness and tyrannical majorities and produces simplistic, short-term solutions. Again, I think that that is a simplistic criticism of CIR. Another claim is that CIR is not suitable for all types of decision making. That is true. However, this Bill does not claim CIR to be the answer to all of the community's difficulties; it provides an avenue, it provides one opportunity for people to have their say.

The Minister for Justice and the Minister for The Arts has said that One Nation's proposal would take away the voice of people living outside the south-east corner, threatening our participatory parliamentary democracy. I think that if there were the numbers in this place to ensure that CIR was given an opportunity to be tested, we could ensure that fairness and balance across this State, recognising its diversity, could be ensured.

This Bill sets out the percentages that are required to trigger the referendums. My personal view is that those triggers are low. I would like to see them higher. They would certainly be issues in relation to which I will be moving amendments if this Bill reaches the Committee stage. The figure of 2% required to trigger a referendum is very small. I think that the percentage needs to be higher. However, that is a detail that can be dealt with during the Committee stage.

One of the strengths of this Community-Based Referendum Bill is that the process has been well thought out. The Electoral Commission is involved. It has been given the responsibility to ensure that proposals have a legal basis, that is, that before any referendum even gets to the stage at which it is put to the people, the objects sought to be achieved by the proposal are capable of being put into effect by legislation of the Parliament. The commission must be satisfied that that can be achieved—that that proposal that has been put up for referendums can actually be achieved through the legislative process.

This Bill contains safeguards for the community and democracy. Although this Bill is not without fault, I believe that many people in our community would like an opportunity to exercise community-based referendum. I would certainly be supporting the notion of CIR, albeit with some modification.

Mr MICKEL (Logan—ALP) (10.16 p.m.): The purpose of this Bill is to enable the electors of Queensland to have the opportunity to participate in the decisions that affect their daily lives. Those were the words of the member for Caboolture who, I am assured, leads the One Nation Party—the same party whose media leader, Pauline Hanson, said that democracy is mob rule.

If we needed any more confirmation of doubts about their commitment to democracy, it was uncovered in the recent Sharples case, which found that One Nation duped the Electoral Commission and that it was not a democratic party at all; it was simply a triumvirate, which is why their parliamentary representation in this place has declined. It is part of the reason why the member for Caboolture's own party members in his electorate have deserted him with their branch president, Mr Tony McGregor, stating—

> "Communication between the branches is forbidden. That is their idea of democracy at work."

I refer now to the democratic structure of One Nation—the party that wants all of the community to share in their democratic ideal. A Mr Carne, who on 13 April 1997 applied to join, was told by David Ettridge—

> "All the members who pay a fee are not really members of the political entity. The only true members who have voting rights or any position in the political entity are the elected candidates only. This means we have full control of the organisation. If an elected candidate does not go along with what we say or direct them to do, we shall simply disendorse them."

That is One Nation's commitment to democracy: it will simply disendorse anybody who disagrees with it.

The judge in the Sharples case noted—

> "There is no provision that membership of Pauline Hanson's One Nation entitles members to full voting rights at branch meetings or that membership of Pauline Hanson's Support Movement Inc allows entry to branch meetings."

Mr DEPUTY SPEAKER (Mr Reeves): Order! I need to confer with the Clerk. The advice that I have received is that there is an appeal process in this matter. The member cannot refer to anything to do with the court case.

Mr MICKEL: Thank you, Mr Deputy Speaker. The whole business with One Nation showed that, within its structure, there is no commitment to democratic rights. The Bill seeks to lodge the names of electors with the Electoral Commission—the same commission that recently has been mentioned as having been duped or defrauded. The political party known as Pauline Hanson's One Nation did not have—

Mr FELDMAN: I rise to a point of order. We have been over this. Is this not raising a matter that is currently sub judice?

Mr DEPUTY SPEAKER: Order! I have referred the member to the appeal. At this stage, I do not think that the comment that the member made actually related to that appeal. However, I will listen closely and confer further with the Clerk if necessary.

Mr FELDMAN: He is the member of the committee that drew a rather large brush earlier today. I think that if he is going to draw a rather large brush—

Mr DEPUTY SPEAKER: Order! There is no point of order. The member will resume his seat.

Mr MICKEL: I can understand the sensitivity of the honourable gentleman. I would be positively apoplectic if this sort of statement, that the show was not democratic at all, was made against me. The honourable member knows damned well that he did not have any voting rights. What are they doing parading around this place as some sort of democratic outfit? One of the member's own branch members in Caboolture said that it was not a democratic process and that they could not even talk to or write letters to one another. Despite that, they stand in this place tonight and talk about democracy. It is no wonder that the member is trying to interrupt me. If I had a track record like that, I would be up and down like a yoyo also, just as the honourable gentleman is.

Every member of the One Nation Party, past and present, went to the last election on a fraud. We all recall their great rhetoric: "We are here to talk about"—

Mr FELDMAN: I rise to a point of order. Again the member refers to the matter that is before the appeals court.

Mr DEPUTY SPEAKER: Order! I do not believe that he did, but I will remind the member of what I said previously. I will listen closely to ensure that that is not the case.

Mr MICKEL: Again, I understand their sensitivity to this issue. When one considers that their branch structure is not democratic but is run by a triumvirate, it is no wonder that they are interrupting me tonight. That is what their whole process has been about. When they wandered in here, they said, "We are here to talk about our electorates." However, in over 90% of cases when they vote in this place, what do they do? They do not wonder about their electorates at all. They simply look to where the coalition is and they trot over there. They simply vote with the National Party.

Mr Dalgleish interjected.

Mr MICKEL: That demonstrates the hollowness of their rhetoric. I note David Ettridge's power to disendorse them if they mucked around.

Mr Dalgleish interjected.

Mr DEPUTY SPEAKER: Order! The member for Hervey Bay will cease interjecting.

Mr MICKEL: Let him loose, Mr Deputy Speaker. He comes down here to Brisbane—

Mr Nuttall interjected.

Mr DEPUTY SPEAKER: Order! The member for Sandgate will interject only from his correct seat and the member for Hervey Bay will cease interjecting.

Mr Dalgleish: I never said a word.

Mr MICKEL: Not a word that was intelligent, anyway. What we have are disaffected National Party voters who do not really believe in participatory democracy. They simply founded an outfit that they said would talk about democracy, but they have never believed in it.

On 27 April this year, the member for Barambah chose to highlight the cost of a referendum for constitutional change rather than rejoice in the fact that people were going to embrace it or have a say. On 23 July this year, the member for Burdekin, the Leader of the Country Party, who sadly is not with us tonight, said, "The referendum is going to be a waste of money and it is going to be a waste of time." Such is his commitment to participatory democracy. Even when the people with a track record of non-participatory democracy are given the opportunity to vote, all they do is simply highlight the cost, because they have no faith or belief in this parliamentary institution.

When asked to uphold the standards of the Parliament and vote on them, as they had to do recently when our good friend the member for Tablelands went astray, they simply voted in favour of wayward behaviour. If one does not believe that they do not want to participate in this place, one should look at how many of them put their names down for the Estimates committee process. Very few put their names down. That committee system focuses on problems in a non-partisan way and yet One Nation members have avoided it like Dracula would avoid a wooden cross. Even the Leader of the Country Party found membership of the Public Works Committee too taxing for his enormous intellect.

Mr FELDMAN: I rise to a point of order. We were offered only one position on those committees. I put that on the record.

Mr DEPUTY SPEAKER: Order! There is no point of order. This is not a debate.

Mr MICKEL: The sensitive little petal rises again. Let us look at the experience of a similar democracy. The member for Gladstone chose to talk about New Zealand. I am happy to talk about New Zealand, which has one House of Parliament. That Parliament passed a citizens initiated referendums Act in 1993, which was similar legislation to that which is being debated tonight.

On 2 December 1995, the first CIR election was held. A group called the Professional Firefighters Union of New Zealand successfully conducted a petition and gained the required number of signatures to initiate a referendum. What was the question that was put at a cost of $8.7m? It was: should the number of professional firefighters employed full time in the New Zealand fire service be reduced below the number employed on 1 January 1995; yes or no? Quite unremarkably, it was carried. So little did the people think of that issue that only 27% of those eligible to vote bothered to turn up to vote for such an asinine question. The other ballot from New Zealand was initiated by the New Zealand Society for the Prevention of Cruelty to Animals, which was ruled invalid because, similar to what happened with One Nation, it had too many invalid signatures on it.

The devil in this Bill is in the detail. It proposes to reduce what can be very complex issues to a simple yes or no question. I believe that often those questions do not reflect the real sentiment of the electorate. They become the playthings of pressure groups. Worse, they become the playthings of the influential and wealthy groups that have the resources to back them, resulting in endless debate on complex issues. For example, pro and anti-abortion lobbies go back and forth with questions. It is the same with groups concerned about homosexual law reform, smoking, gambling, the death penalty and religion in schools. A never-ending series of moral issues are debated back and forth at the behest of citizens initiated referendums. Those referendums are supported by pressure groups with plenty of money rather than being representative of the general electorate.

In California, CIR was successful in limiting Government spending and preventing Government borrowing. When the budgeted money ran out and the garbage started to pile up in the streets and services were cut, people were unhappy with the Government. However, the Government was forced to implement the decision. As I said, the reality is that many of the issues are complex. It is not wrong for people to enjoin Government to highlight their individual problems. Government is challenging because it is called upon to umpire competing interests.

We are elected into this place for a number of reasons: to speak out on behalf of residents in our electorates, to play a role in the parliamentary system, and to investigate issues affecting the State. All of those are interwoven into the job. People put us here to represent them and that is what we are to do.

One Nation was put here because of a backlash against the conservative parties and it has rewarded those people by overwhelmingly voting with the National Party in most of the divisions that have occurred in this place. If people who voted other than for the National Party feel that One Nation members and the now Independents have let them down, the blame lies fairly and squarely with the One Nation Party which has let them down.

It is time that we restated our faith in parliamentary democracy. Even the member for Gladstone spoke tonight in support of CIR. She was in charge of the Calliope Shire for five years, but I do not recall that that shire embraced CIR. When one is an Independent it is very easy. However, when it was the member's task to administer the Calliope Shire, she did not rush forward with a CIR proposal.

It is up to us to reflect the community, and by and large this Parliament does that. Tonight it is time that we restated our faith in parliamentary democracy. Parliament is the law-making body. People are free to speak out in this place on behalf of local residents, and they do. The party system is part of the democratic system. The established parties have democratic structures and they democratically elect their leaders. All of these principles are foreign to One Nation and, finding nothing of solace in their own party and given their complete inability to come to terms with our own parliamentary system, they have settled on this extra-parliamentary device. Under our current system, people have their say daily. They can reach any of us and give us their points of view, ideas and problems. It is a brave or foolhardy member who constantly remains oblivious and insensitive to public opinion. Because I believe in this place and I am proud to represent my electorate in this Chamber—and I am honoured to speak on its behalf—I think this Bill should be rejected overwhelmingly.

Mr WELLINGTON (Nicklin—IND) (10.30 p.m.): I rise to speak in support of the member for Caboolture's Community-Based Referendum Bill. I note that numerous speakers and writers have spent considerable time comparing my Citizens' Initiated Referendum (Constitution Amendment) Bill with this Bill. Although different in content, there is one basic similarity between these two Bills, and that is that both seek to deliver to Queenslanders the opportunity to have a greater say in the law-making process of this great State.

The Bill of the member for Caboolture is much more detailed than mine was, because my proposal consisted of two parts. The first part of the proposal was for a constitutional amendment to facilitate a citizen's initiated referendum. Secondly, if Parliament supported the constitutional amendment, then a detailed machinery provision would be presented to Parliament for its consideration. My Bill was debated and consequently defeated by the combined weight of the Labor Party and the coalition in this House last November. It seems to me that, after listening to the contributions to this debate by the Attorney-General and the shadow Attorney-General, this Bill is destined to follow mine to the parliamentary scrap heap. The writing is on the wall and, unfortunately, this Bill, in common with mine, is doomed. Although I support it in principle, I see no prospect of it ever seeing the light of day.

I will not rehash the old arguments and go over old ground but will say simply this: until this Parliament has as its members people who are committed to citizens' initiated referendums, I am convinced that it will not find a place in this State's legislation.

Mr FELDMAN (Caboolture—ONP) (10.32 p.m.): Democracy, truth, justice, representation to people and the right of the people to self-government to decide directly the laws they live under have always been opposed by individuals whose aim is to exploit the people. As the member for Nicklin pointed out, there is a real need for direct democracy. Those individuals who resist it will do so at their own peril.

There is a real need for direct democracy. It gives the community a direct voice to raise issues it sees as important and to be taken seriously. Under this Bill, any proposal supported by very high and widespread support, which this Bill requires, is to be taken seriously. With such support being certified by the Electoral Commission, a Bill can then be drafted by Parliamentary Counsel, tabled in this House, examined by the Scrutiny of Legislation Committee and presented in an amended form—and only if necessary—to this House for its approval. Surely no-one in this House who believes in democracy could oppose such a sensible process.

This is really a petition that is properly presented to this House. I realise that there may be some politicians who believe that the right of the people to petition this House in such a helpful way should not be allowed. After assessment by the Scrutiny of Legislation Committee, the proposed law can be either accepted or rejected by this House. In

Switzerland—and I note that many members failed to recognise that we had compared this Bill with the Swiss model—the Parliament considers the process so important to keep it in touch with the issues demonstrated by the process to be real community issues that the Parliament adopts well over 60% of the legislative proposals from the people without any need for them even to be put to a referendum.

This Bill gives full recognition to democracy. It says that the people of Queensland have the ultimate sovereignty and are not the subjects of politicians. Any vote against this Bill is a vote by those politicians to say that they do not trust the people of Queensland. This has been highlighted by many members on this side. This Bill will help protect members of this House from being seduced by delusions of power. The day of totalitarianism is over. This is the dawning of the era of democracy that puts people first.

As a former member of this House once said, any Government which passes this legislation will be virtually there forever, because there will be no need for the people to be forced to tip out a well-performing Government which listens to the people. The further benefit is that a Government will not be turfed out merely because it gets one issue wrong. This Bill will make even the current system more accountable and representative—increasing accountability and enhancing representative democracy. This Bill will provide that incentive.

There are some who pretend that the people of Queensland are not competent to judge particular legislative proposals and would support populist measures. To say this is to mock the people of Queensland, and in doing so they mock the very electors who may well put them there. They are constantly, in their wisdom, rejecting Governments for arrogance and for not listening to the views and values of the people. Again, those who say that people are not capable of understanding issues are really saying that politics is some kind of beauty and ugliness pageant. This merely ridicules the people. If the people are not capable of voting on issues, then according to this inane logic the people should not be trusted with voting to send representatives to this House. People no longer have faith in a party system that acts with such contempt for the people of Queensland.

During the division the numbers will be counted, and I hope all for honour of subsequent generations and none for infamy as people who declare they do not trust the people of this State. My colleagues and I believe in this Bill because we believe in the good sense and good judgment of the people of Queensland. This Bill will bring about the democracy that the people of Queensland could have enjoyed, as has been said before, since 1917, when this very type of proposal was first debated in this House. The reasons for its introduction then were the same as they are now. That was at a time when the majority of members of this House were not only firm believers in democracy, where people who had a real say in the decisions they felt important; it was also a time when the majority of members honoured their election promises to the people on this very issue. The question now is: are other members of this House supporters of democracy or not? Do they wish to exclude the people of Queensland from this exercise of fundamental democracy and of the inalienable rights to properly functioning democracy?

This Bill provides the opportunity for the people of Queensland to truly participate in and contribute to the positive wellbeing of this State. It is time for this House to declare its stand for open, honest and accountable Government. I challenge all honourable members to take their stand on the side of democracy. The alternative is to take their stand against not only the concept of democratic representation in this House but also against the concept of the sovereignty of the people and to declare themselves or rather their party structure to be the supreme form of Government, and that the people of Queensland are their subjects to do their will.

This Bill for recognition of direct democracy is positive in every way. My colleagues have spent considerable time explaining the benefits of the Bill and detailing some of the important factors within it. They have related and revealed clearly how One Nation's Community-Based Referendum Bill improves upon and solves the problems of similar past Bills.

I believe the biggest acclamation of this Bill was by the Scrutiny of Legislation Committee who, after my response to its concerns, gave this Bill the best bill of health I have seen in any Alert Digest for a Bill of this size. I take the time here to thank the Scrutiny of Legislation Committee for the work that it has done, the issues it pointed out and the recommendations it made. Honourable members will notice that we took its report very seriously and we have made several amendments to the CBR Bill in order to address its concerns and in order to perfect the CBR Bill. These amendments in my name

have been or are being at this moment distributed in the Chamber.

I have complete confidence in the abilities of the Scrutiny of Legislation Committee, which have been outstandingly demonstrated time and time again in the exercise of its legislative charter which ensures that fundamental legislative principles must not be contravened. The Scrutiny of Legislation Committee, which assiduously examined this Bill, has reported from its scrutiny that there is nothing in this Bill which would contravene fundamental human rights. I cannot see how anyone in this House could argue other than that this Bill is the most comprehensive and viable direct democracy Bill yet seen in Queensland or yet presented in the Queensland Parliament. It is so because it has overcome the objections and the problems of the past. This Bill is not only a good Bill; it will work. The amendments that I will move in Committee will ensure that One Nation's Community-Based Referendum Bill of 1999 is complete and will work effectively and efficiently to provide the people of Queensland with a direct say in the governing of their State.

I will now respond to some of the flimsy arguments against this Bill expressed by the Government and the coalition during the last sittings. It is quite clear from the speeches delivered by the Honourable the Attorney-General and the Deputy Leader of the Opposition that the Government and the coalition have no substantial arguments against this legislation. It appears that they are grasping at straws, trying to find fault with a Bill and a policy that do not have the faults that I am sure they were searching for. The Government's argument against the CBR Bill is simply this: the Government opposes the Community-Based Referendum Bill as it would tend to erode parliamentary democracy.

Once upon a time the Labor Party, the Country Party, the Liberal Party and, if they are to be believed, the National Party believed in the principles of democracy which this Bill gives effect to—a clear indication that they are no longer what they used to be. The phrase "parliamentary democracy based on the rule of law" is found in the scrutiny of legislation Act. The Scrutiny of Legislation Committee has examined the Bill and also the answers provided together with all the proposed amendments. The Scrutiny of Legislation Committee has discharged its legal functions and has found that the amendments to be moved in Committee address the concerns and observations that it made when the Bill was first presented to it for scrutiny. That being the case, I find it hard to understand exactly what the Attorney-General means. Perhaps he has not read this report. It is to be expected that the Honourable the Attorney-General and Minister for Justice will be more satisfied with the amendments as they also address and resolve the other matters that he raised.

As for the erosion of parliamentary democracy, this Bill does not propose any such erosion. This Bill is democracy expressed in an orderly manner with legislative proposals subject to the principles of the rule of law and providing for all legislative proposals to be properly drafted, tabled in this House and subject to scrutiny by the Scrutiny of Legislation Committee. In fact, the purpose is that it be an adjunct to the democratic process. It will be an immense help to members of the Legislative Assembly in enabling them to be aware of real concerns arising in the community to a far more reliable extent than is presently the case.

Another comment made by the Attorney-General is that the law-making function of this Parliament is central to the democratic process which relies upon majority rule and minority rights. Indeed, the Deputy Leader of the Opposition has confirmed that sitting members of this House can be expected to be rejected by the people of their respective electorates because of their violation of the principles of representation. The democratic process is also subverted when members elected by and in sympathy with the people of their electorate cannot raise in this House the views that they espoused before their election or the views of the majority of their electors.

The Parliament should act as a representative democracy where all elected representatives act as the representatives of the people of their electorate with no party machine, Whips or other enforcers coming between them and their electors. Indeed, when this Parliament was established and the Parliament of the Commonwealth was established, this true representation in Parliament with integrity towards the electors was essential. Today, obedience to party Whips, threats of disendorsement against any member who does not toe the line dictated by non-elected powerbrokers, is the rule of the majority of legislators. Unelected party machines have hijacked and privatised what should be a totally honest, open and representative system. Majority rule rather than the tyranny of the majority of persons in Government is indeed the norm.

History is loaded with instances of a very small minority of members of the House swaying Cabinet—another small minority—which then dictates to the rest of the party

members. The members who were associated with that party—and who may not agree if they were able to express themselves in a secret ballot, which is characteristically and undemocratically denied—are then bound to follow the leader with the enthusiasm of lemmings. So rather than the Parliament being illustrative of a genuine democracy, it is often an illustration of a total perversion of the principles which are to be found in a genuine democracy and a hijack of the principles of the Westminster system.

Commentators such as Bob Hawke have already commented that the party system has virtually destroyed the Westminster system as it should be. However, as the member for Warwick has so clearly stated, people have had enough of elected representatives who should be turned out by their electors. As for the genius of the Westminster system that resides in the members being in touch with the feelings of the people of their constituencies—this, too, has been hijacked too many times by the orders of the party machine, which tells members how they must vote, even if it means a betrayal of the very people who elected them to this House—something with which the Deputy Leader of the Opposition is very familiar.

The member for Kurwongbah talked about the alienation of communities from the Government process through people working with Government. The only thing that I think the member has to be fearful of is that the people will more readily understand the Government process. The member for Kurwongbah gave the Westminster system a good rap, but I cannot quite understand whether the member is giving the Westminster system—

Honourable members interjected.

Madam DEPUTY SPEAKER (Ms Nelson-Carr): Order! There is too much audible conversation in the Chamber.

Mr FELDMAN: If the Westminster system is so good, why does the member for Kurwongbah support a move to a republic?

As for the great democratic representation of the National Party—the National Party has whatever policy the Liberal Party has and, consequently, those who vote for the National Party are clearly deceived. The National Party votes would be different if it had a secret ballot, but members can be so intimidated for expressing their views or the views of their branches that talk of democracy within the National Party is rather hard to accept with the childlike faith that the Deputy Leader of the Opposition claims to have in the party processes. People should not have to belong to a party to be heard. At present, there is a real imbalance in which the voice of every lobby group can be heard but there is no means by which the people of Queensland can themselves be heard unless they come bearing donations of money.

There have been some comments in this House during this debate that the Community-Based Referendum Bill will introduce a piece of legislation that will be of benefit to one part of the State and of detriment to another part of the State. This is absolute nonsense. Any proposed law must first have the support of not only the majority of the electors voting throughout the State but also a majority of those electors in the majority of electorates. This provides a far greater security and check and balance than any legislation passed in this House.

The assertion that people in some areas of the State cannot understand the concerns of people in the other areas of the State casts a slur on people everywhere in Queensland. I say again: One Nation's Community-Based Referendum Bill provides for approval of a proposed law, if not sooner enacted by the Parliament, by a majority of electors voting in a majority of electorates. The people of Queensland are to be relied upon for their commonsense judgment and fairness more than are persons acting out of political expedience.

The Attorney-General's similarly ridiculous claim that the people will simply vote for a reduction in fees and charges is again a desperate grab for a fault in this Bill. At election after election the people reject political promises of reductions in rates and charges, not because they do not believe but because they are realists. They know that there must be rates and charges for services and that Government cannot act without rates and charges. They also know that no party really believes in them but rather in the organisation that can make or break parties by rewarding them or punishing them for doing as organisations wish.

Those who oppose direct democracy, which enables the people to address the issues that they consider to be important, are not merely violators of human rights but moral encouragers of the people killing the East Timorese because of their vote by secret ballot on an issue that they considered to be of very great importance. The Bill recognises internationally recognised fundamental civil and political rights and freedoms. Those politicians who oppose this Bill are violators of

the inalienable civil and political rights of the people of Queensland.

The issue is very clear. People who oppose this Bill say: the people of Queensland have no right to be able to present a request to the Parliament for the Parliament to consider a proposed law to address a concern of the community in any meaningful way; the people of Queensland have no right to vote to determine issues they consider important if the Parliament does not address them; and the people of Queensland should be happy to live under the dictatorship of politicians who are morally no different from those who are killing the people of East Timor because they did not like the way they voted at the referendum. Is this what the Government or the coalition believes? It would appear so.

As the major parties fail to support this Bill, they fail to give the people of Queensland a say in their own laws. It is because they believe that they are better or smarter than any other Queenslander. It is because they do not want to let go of the control they have. It is because they do not want the people of Queensland butting into their nicely arranged stage show of democracy. Perhaps it is a combination of all these. I think the people of Queensland deserve to know. It is clear that the legislation is not at fault. It is clear that they have no substantial or justifiable arguments against the Community-Based Referendum Bill.

It is known that direct democracy initiatives work in many countries all over the world without subverting Parliament. It is known that Labor and the coalition have supported direct democracy in the past. Once this House was a leading force for democracy under previous Labor Premier T. J. Ryan. Now members of this party would metaphorically spit against the true democracy that he sought to bring within reach of the people of Queensland and to suppress his honourable memory. They have no justifiable excuses because there are none.

As was highlighted by the member for Barambah, money is no reason to deny the people their say in direct democracy. After all, just yesterday this Government told the people of Queensland how it is going to spend their money. With the Community-Based Referendum Bill people have some say in how their money will be spent for their own benefit. We have had 49 elections in Queensland—one almost every two years. I think a better way to spend the money would have been on direct democracy. The Government should trust the people of Queensland.

The member for Greenslopes spoke about useless ideas when he called voters useless. He said that people should think about their policies—

Mr FENLON: Mr Speaker, I rise to a point of order. The reference the member for Caboolture just made in relation to my speech was quite misleading and incorrect and I ask that it be withdrawn.

Mr FELDMAN: I withdraw on a sensitive issue. They have no justifiable excuses because there are none. One Nation's Community-Based Referendum Bill is a Bill for the people. It will work and there is no reason why the people of Queensland should be denied the opportunity to play a direct role in governing their State.

It is sometimes hard to stand in this House with people who show such disrespect for the people they are elected to represent and who display such an inexcusable contempt for democracy. As President Woodrow Wilson said, liberty has never come from Governments; it has always come from the people. I commend this Bill to the House and I urge all honourable members to let the people decide.

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

AYES, 10—E. Cunningham, Dalgleish, Feldman, Kingston, Nelson, Pratt, Turner, Wellington. Tellers: Black, Paff

NOES, 70—Attwood, Barton, Beanland, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, Connor, Cooper, J. Cunningham, D'Arcy, Davidson, Edmond, Elder, Elliott, Fenlon, Foley, Fouras, Gamin, Gibbs, Grice, Hamill, Hayward, Healy, Hegarty, Hobbs, Horan, Johnson, Laming, Lavarch, Lester, Lingard, Littleproud, Lucas, Mackenroth, Malone, McGrady, Mickel, Mitchell, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Quinn, Reeves, Reynolds, Roberts, Rose, Rowell, Santoro, Schwarten, Seeney, Sheldon, Simpson, Slack, Spence, Springborg, Stephan, Struthers, Veivers, Watson, Welford, Wells, Wilson. Tellers: Purcell, Baumann

Resolved in the **negative**.

ADJOURNMENT

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Leader of the House) (11.04 p.m.): I move—

"That the House do now adjourn."

Giant Rat-tail Grass

Mr MALONE (Mirani—NPA) (11.04 p.m.): Earlier this week in the House, the member for Keppel and shadow Minister for Natural

Resources rose in this House and tabled a sample of giant rat-tail grass. I was pleased that the shadow Minister raised this issue, because it is becoming a huge issue throughout central Queensland.

Recently, I attended a Landcare forum held at Ken and Pat Wedel's property north of St Lawrence, which dealt with the giant rat-tail grass problem. I was also pleased to have my colleague the shadow Minister for Environment and Natural Resources, Vince Lester, there. He attended that meeting. The chairman of that Landcare committee is Carl Rackemann. His committee is doing a tremendous job in identifying and bringing to the attention of graziers and politicians the problems that are being encountered in the grazing industry, in particular with introduced pests.

As my colleague Mr Lester indicated in this House a couple of days ago, giant rat-tail grass is a huge problem, and it is only going to get bigger. The seeds are viable for more than 10 years, because it is a perennial plant, and it will devour good country as well as poor country. The seed is quite sticky when moist with dew, and it is spread by wildlife such as wallabies, pigs and even birds.

I for one am utterly amazed that we do not have the conservation groups up in arms about these types of pests. It seems to me that they have plenty to say about a lot of other things, but when something really is important they go into hibernation. There can be no greater destruction, or more permanent destruction, than introduced species of plants which utterly destroy a property. In actual terms, it is probably far worse than clear-felling rainforest, because at least rainforest will grow back. Country covered with giant rat-tail grass or any other introduced pests will take years of hard work and dedicated funding to get back into any sort of production.

Giant rat-tail grass is difficult to identify initially. It is very similar to some of the native grasses in its early stages. The only real test is to take a handful of the grass and endeavour to twist it until it breaks. The only problem is that the rat-tail grass will not break. It is unplaitable, it is like rope, and it is good for nothing. I have seen properties covered with this pest from boundary to boundary, and the impact on grazing is horrendous, taking good producing properties to very marginal properties in a matter of a couple of years.

As my colleague suggested on Tuesday in this House, something has to be done, it has to be done now, and it has to be done very quickly and decisively. Until recently, there was a chemical, Fenlock, a selective weedicide that was very effective in combating the pest. However, that chemical is no longer available, and the only real control we have left is Roundup, which is used through pressurised wick wipers. This is fine in reasonably flat country, but it is impossible to administer any sort of chemical in the inaccessible areas on hillsides.

Rat-tail grass is heading in the direction of becoming Queensland's worst pest, and it should be placed on the national register of pests. I believe that this is a very important issue. I am sure that most members, when they see the problems at first-hand, would agree with me. It is unfortunate that many members do not get out into the bush to see what is actually happening out there. I believe that it would be very enlightening if we could get some media coverage of this matter. Members should, whenever possible, attempt to get out onto a property to see what is really happening.

Kuranda Aboriginal Community Deaths

Dr CLARK (Barron River—ALP) (11.08 p.m.): The Aboriginal community of the Cairns region is mourning the loss of three much-loved and respected people, all gone within the space of just seven days. Tiger O'Shane was the first, followed by Esme Hudson. But just as relatives were preparing to bury dear Aunty Es, her brother-in-law, Lionel Levers, suddenly died, dealing a double blow to the Kuranda Aboriginal community. Attending the funerals and sharing the grief of their children, amongst their friends I have known for many years, it made me appreciate even more the strength and courage that Aboriginal people demonstrate in the face of adversity and the close family ties that support them through difficult times.

In the short time that I have available to me tonight, I would like to pay my respects to those three special people and extend my deepest sympathies to their extended families—in particular, to Sonny, Sandra and Dawn, who lost both their father, Lionel, and their aunty, Esme, and to Rose, who lost her dearest sister and former husband, Lionel.

Both Lionel Levers and Esme Hudson were born in the 1920s on the Mona Mona Mission outside Kuranda. While both had fond childhood memories of the mission, they applied for exemption certificates, leaving to accept the challenge of making their way in the outside world. They moved with their families to Kuranda, working hard at whatever jobs were available, raising their families but also dealing with racism and discrimination.

In documenting Esme's achievements, I would like to acknowledge the assistance of her niece, Sandra Tanna. Recognising that equity was not a reality for Aboriginal and Torres Strait Islander people, Esme became involved in social justice issues and developed her personal motto: "There is no such thing as can't". Aunty Es—as she is affectionately known by many people—and others were instrumental in forming the very important Aboriginal and Torres Strait Islander organisations in the Cairns area. Organisations that she was involved in at their formation included the Woompera-Muralug Housing Society, the original North Queensland Land Council, the Wuchopperen Medical Service, the Boopa-Werem Kindergarten, the Njiku Jowan Aboriginal Legal Service and the original Mona Mona Cooperative.

But Esme Hudson's most important contribution to her community came as a co-cook/co-carer of Mookai Rosie-Bi-Bayan, and with Bonnie Simpson she lived on site, meeting the needs of Aboriginal and Torres Strait Islander women who would come to stay at the house to await the arrival of their child or to visit a specialist at the Cairns Base Hospital.

Funds were scarce and Esme and Bonnie would sacrifice their age pensions to ensure that nutritious food was on the table, that fuel was in the vehicle to take any client or patient to the hospital, and that there was always plenty of love and laughter on the premises. Esme has also been the greatest influence in her son's career as performer and entertainer. David Hudson was a co-founder of the Tjapukai Dance Theatre and his mother was often seen delivering brochures and pamphlets for the company. When David was little, his mother could be seen doubling him on her bicycle, taking him to drum, singing or dancing practice. Her dedication has paid off because David has now gone on to bigger and better things, performing in many of the world's most famous venues.

I first met Esme when we worked together at the Cairns TAFE College in 1982. I also came to know her through David, who was studying at the college. I was very privileged to be present in Brisbane last month when Esme's work for Aboriginal and Torres Strait Islander people was recognised and she received the 1999 Premier's Award for service to Queensland from Peter Beattie and Anna Bligh. Her photograph taken with Premier Beattie is one that I will treasure.

Mookai Rosie's other two founders—her sister Rose and friend Bonnie Simpson—were recipients of the Premier's Award in 1997 and 1998. Last month's ceremony was particularly timely to honour these three exceptional women.

Lionel Levers, like Esme, experienced discrimination and he fought it in his various workplaces because he was a man who stood his ground when he knew he was right. After working in the cane industry he became a respected and valued employee of Queensland Rail, where he worked until his retirement in 1994. Lionel loved his family, and their deep love for him was expressed in an account of his life and in moving tributes in song and poetry and in paintings on his casket by his children and grandchildren. Sonny—Lionel's son—demonstrated great strength and courage in delivering the eulogy for his aunty and father and in supporting other family members and friends in their grief. I seek leave to table a poem written by Nicky Dorante in memory of her grandfather, Lionel. I feel sure that it will bring comfort to others who are grieving for their lost loved ones.

Tiger O'Shane was a larger than life Irishman who travelled to Australia as a 14 year old and who was also renowned as a worker—shearer, seaman, wharfie, boxer, canecutter, and a man with a passion for life. He married Gladys Dawn, an Aboriginal woman from Mossman, and lived in Freshwater—my home—before settling at Holloways Beach in 1947 where they raised their five children—Pat, Terry, Margaret, Danny and Tim. I never had the privilege of knowing Tiger well, but he instilled into his children the same values as did Lionel and Esme because, according to his daughter Pat, he taught them that all human beings are the same and that they were as good as anyone else at a time when prejudice and ignorance prevailed.

I seek leave to incorporate the balance of my speech in Hansard.

Leave granted.

> The legacy of these three special people lives on in their children and while the community may have lost three of its elders, their children will undoubtedly become the elders of tomorrow demonstrating as they do the intelligence, passion, commitment and courage of their parents to make a better tomorrow and serve as role models for the next generation and who are living testament to Aunty Es's motto, "There is no such thing as can't." God bless you for that gift and may you rest in peace.

Victoria Point State High School; Fast Food Outlet

Mr HEGARTY (Redlands—NPA) (11.13 p.m.): I rise to speak about a matter

affecting an educational institution in my electorate. It involves the proposal for a fast food outlet to be situated adjacent to the Victoria Point State High School. Whilst the Integrated Planning Act was not in force at the time when the local government authority rezoned the property from a zoning that did not incorporate a commercial activity, nevertheless it was well known at the time that the site adjacent to the rezoned property was designated for the future Victoria Point State High School. It was only in 1995 that the rezoning occurred. In 1997, following successful budgeting action by the coalition Government, the Victoria Point State High School was opened for enrolments.

There is currently a service station on the rezoned site. When the site was rezoned it was proposed that there would be provision for a fast food outlet to be part of the development. The service station has been operating for a couple of years, but no fast food outlet was incorporated as part of the building. However, there is now an application before the Redland Shire Council for a fast food outlet to be built adjoining the service station site. We have here an educational facility that is doing its best to provide supervision of children. The school is promoting healthy living by way of the food that it provides in the school tuckshop. This would be at odds with a fast food outlet of the type that most of us see around the State.

The Department of Education needs to have more input in relation to local government planning matters where educational facilities are going to be affected adversely by zoning decisions. As I have said, there was already ample warning that a fast food outlet could be erected on the site. Geographically, the site is not really suitable for a fast food outlet. It is isolated and is not part of the local community shopping centre. We know that fast food outlets attract a certain class of people—sometimes people in their late teens or earlier twenties and often unemployed people. This will have a counterproductive effect on the school community, which is right across the road from the proposed outlet.

I call on the Minister for Local Government and Planning, whom I notice is in the Chamber, to revisit the Integrated Planning Act to make sure that the Act does not deprive the local government authority of the power to act in the interests of the local community in such situations. I also bring to the attention of the Minister for Education the fact that this development will be detrimental to the educational facility, which is trying to promote the best interests of the student community. We must always be aware of the types of people who tend to hang out at such establishments.

I ask the Minister for Local Government and Planning to intervene in this case. I also ask the Minister for Education to take an interest in this matter, because it is of grave concern to the Victoria Point State High School community. This proposal, if it is allowed to proceed, will have a detrimental effect on that community. The Redland Shire Council is probably not in a position to be able to reject the application submitted by the proprietor of the proposed fast food outlet.

Older Women's Wellness Centre, Townsville

Ms NELSON-CARR (Mundingburra—ALP) (11.18 p.m.): At a recent women's forum in Townsville, 240 older women unanimously endorsed the proposal to establish an Older Women's Wellness Centre in the city. This innovative and exciting idea for achieving a sense of wellbeing in older women is a result of the view that health is not just the absence of disease; it is influenced by socioeconomic, social, physical and emotional factors. Older women know best their own health needs. Wellness is an attitude and wellness is about being interested in life, being active and developing physical, emotional and intellectual potential. Townsville women are putting these principles into practice and will begin running sessions in November which will tap into older women's potential to stay "weller" longer.

This beginning is possible with the collaboration and cooperation of local women's groups and especially workers from the local Women's Health Centre and the North Queensland Combined Women's Services. To ensure this modest beginning can follow the developmental model that has been devised by the hardworking reference group members for this project, the group will be looking for support.

Older women are saying that this is what they want: to be able to come together at least one day a week to join in a schedule of activities designed to focus on the whole person and to nurture a sense of physical, intellectual, emotional and social wellbeing. This makes sense for Governments, for whom the wellness and wellbeing of the older population is an economically sound proposition. It makes sense to focus on older women because women live longer than men and we need them to stay well longer, as they remind us. We need to support local initiatives such as the Townsville model, ensuring that

the Women's Health Centre is resourced for this purpose.

The older women say that they believe that a wellness centre will complement other activities that are currently conducted locally. They say that, with a greater sense of wellbeing, they will have more vigour and vitality to invest in everything else that they do. These women want to age outrageously, which they can best do with a sense of wellbeing generated through wellness centre projects. We should support them in every way we can and encourage older women throughout the State where they, too, want to start such projects.

A recent discussion paper produced by the national Older Women's Advocacy group, the Older Women's Network, identified four main concerns for older women: attitudes, wellness and wellbeing, older women's participation in decision making, and communication. Many older women's groups around Australia are initiating wellness programs, including developing skills required for managing the ongoing strategies involved in such programming. In 1993, OWN carried out research into the health of older women. Those interviewed talked about retirement or having fewer responsibilities around the home as their children leave to make their own lives and the fact that they often felt at a loose end and even stagnating. Many said that they felt that the rest of society perceived them to be a homogenous group with little faith or confidence in their own diversity, skills, roles, cultural identity and social or geographical isolation. Some women said that they were often confined to the home not only because of ill health such as diabetes or arthritis but also because of the social shame of common conditions such as incontinence. With that in mind, these same women said that although their physical health had deteriorated, they wanted more than physical good health to feel good. They wanted to look on the positive side of their lives and accentuate them rather than concentrating on the negatives.

Since 1993, OWN has been involved in developing and implementing wellness practices for older women. Since 1990, an Older Women's Wellness Centre has been operating in Bankstown and North Sydney. The focus is not just on good physical health but also the whole being and self-reliance. Their activities include yoga, Tai Chi, Feldenkrais and international dance and massage and discussion groups on depression and motivation, body changes, meditation, handling fear and keeping well. They have classes on all nature of things, including calligraphy and even writing autobiographies.

The success of the Sydney wellness groups is based on their ability to attract funding in helping to reduce isolation and the loss of family support for many of their members. Women in the group organise, run and publicise their activities. Providing more services for older women is an obvious priority and the Wellness Network can fill the gaps left in services and provisions without duplication.

The Townsville City Council's women's forums and advisory committee have offered their support to create a wellness network in Townsville in order to identify the many positive factors that we associated with ageing. Wellness centres look at prevention as a much more desirable model than the traditional illness cure models. It is about older women defining a need and working out and putting into practice a sensible strategy. The wellness and wellbeing of the ageing population is an economically sound proposition and worthy of support.

Gambling

Mr BEANLAND (Indooroopilly—LP) (11.23 p.m.): A major recent independent study into the gambling industry in Australia conducted by the Australian Productivity Commission has reached some startling conclusions as to the effects of gambling on the social fabric of our nation and our State. This report, which was completed in July, indicates that last year in Australia some $11 billion was spent on gambling. Last year, over 80% of Australians gambled, and 40% gambled regularly.

Gambling has a high social and financial impact on our society. One in four problem gamblers reported divorce or separation as a result of gambling; one in 10 problem gamblers said that they have contemplated suicide due to gambling; and nearly half of those in counselling have reported losing time last year from work or study due to gambling. As a matter of fact, each year problem gamblers lose on average nearly $12,000 with the consequent impacts upon their spouses and children. It is estimated that around 330,000 Australians have significant gambling problems with 140,000 having severe problems.

The South Oaks Gambling Screen, or SOGS, which is the most widely used and validated test throughout the world for detecting problem gamblers and which has been applied in all past Australian problem

gamblers prevalence tests, has categorised Queensland as having the second highest rate of problem gambling of any State or Territory in Australia—coming second to New South Wales—and notes that Australia has a significantly higher level of problem gambling than that of a number of other Western nations. Estimates in the Productivity Commission report of July 1999 show clearly that Queensland has the second highest gambling problem behind New South Wales. The report is most startling when it shows that in this nation annually there are 50 or more suicides due to gambling problems and that 86 problem gamblers are going to jail. The report also details a range of other problems and concludes that financial and emotional hardships are being suffered not only by individuals but also by Australian families as a result of losses in gambling activities.

Of course, the changes that are occurring in our society, particularly with the advent in recent times of Internet gambling, are going to aggravate the gambling problem. Surprisingly enough, in 1998-99, 86,000 Australians gambled on the Internet and 55% of them were aged between 18 years and 24 years of age. Today, over 150 Internet sites offer online gambling in Australia. Although the new technologies may lead to virtual reality casinos and network adventure game betting may be able to develop technology such as fingerprint identification to safeguard against social harms, technologies are also able to create more manipulative environments for gamblers, with computers being able to collect information on the participants, such as their level of skill and type of play. So we are virtually going to have a casino in our own homes.

The vast increase in accessibility provided by Internet gambling, that is, 24 hours a day—and we should not forget that it will be 24 hours a day, not like getting into a motor car on a weekday or a Saturday afternoon and going to the racetrack; this will be available 24 hours a day in people's own homes—requires only an Internet connection and there is no travel or dressing up involved. There are no restrictions on the number of access points. A person can be disorderly or drunk and still play in the comfort of their own homes. The games are multilingual and thereby increase accessibility to non-English speaking people. The computer game style of the games means that people will be playing them without realising the amount of money that they are spending. Clearly, there will be greater difficulties in prohibiting minors from Internet gambling, which currently we are able to do with the physical gambling establishments. Effectively, there has been the removal of the reality check or natural barriers that going to the races or waiting for the croupier imposes.

Questions are being raised in relation to the changes that are taking place to gambling. It is little wonder that in recent days counselling organisations such as Relationships Australia have indicated that there are growing problems within families and the community generally in relation to gambling. It is fair to say that unless the Government pays closer attention to this social problem within our community, it will continue to grow. As I say, the Internet is going to increase gambling problems substantially.

Also, as well as the introduction of Internet gambling, the gaming machine people themselves have proposed to put gaming machines not only into clubs and hotels but also into shopping centres. Recently, I was thankful that the Government refused the installation of gambling machines at Indooroopilly Shoppingtown, which is located in my electorate. There was a push to put a large number of gaming machines into that shopping centre. That would have made gambling far easier.

Of course, a lot of people in this Chamber and elsewhere like to have the occasional punt, or put money occasionally into Gold Lotto, or whatever. However, that is vastly different from Internet gambling.

Time expired.

Cairns Amateurs Race Meeting

Ms BOYLE (Cairns—ALP) (11.28 p.m.): I am pleased to inform members of the House that last weekend in Cairns the Amateurs Race Meeting was held—an annual event of some tremendous style; a wild and wonderful event that we in Cairns have become well used to over the past 40 or so years. It is at heart a race meeting and, I am pleased to say, each year the prize money is growing, and it is considerable. Of course, it is a very important race meeting to the punters, to the bookies, to the TAB, to the horse owners and to the jockeys themselves. However, many other events associated with the race meeting draw all of us into having such a very good time that, on the following Monday, we are left exhausted.

An important element of the race meeting is fashions on the field, which is held on Friday and Saturday. At that event, women not only from Cairns but also from other places throughout Australia parade with such

elegance, such colour, such initiative and such style. I must say that I have noticed that many of the gentlemen are also very well attired. Entertainment abounds, sponsors abound and visitors from all around our fair country come to Cairns for the race meeting. They rely on this particular weekend to be a break from the hurly-burly of Sydney and Melbourne. Of course, the locals also have a good time. I am pleased to report that this year they were there in their thousands, including young people, joining in the spirit of the race meeting. The race meeting provides an $8m injection into the local economy. It creates wonderful business for Cairns and provides a great parade by sponsors, to whom we are indebted.

The Governor is always present at the race meeting. I am pleased to say that the Premier and Deputy Premier were present and I give recognition that the Leader of the Opposition is also a frequent attender. However, in the end it is Sir Sydney Williams and Lady Williams and the committee whom we have to thank for this wonderful event that I am sure will live on year after year after year as truly part of the style and life of Cairns.

Motion agreed to.

The House adjourned at 11.30 p.m.